



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

# Inspection Report

Permit Number:	C0150032
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, March 19, 2013
Start Date/Time:	3/19/2013 8:00:00 AM
End Date/Time:	3/19/2013 1:00:00 PM
Last Inspection:	Tuesday, February 12, 2013

Inspector: Karl Houskeeper

Weather: Overcast, Temp. 30 Deg. F.

InspectionID Report Number: 3422

Accepted by: jhelfric

3/25/2013

Representatives Present During the Inspection:	
Company	Jay Marshall
Company	Dale Davis
OGM	Karl Houskeeper

Permitee: **GENWAL RESOURCES INC**  
 Operator: **GENWAL RESOURCES INC**  
 Site: **CRANDALL CANYON MINE**  
 Address: **PO BOX 910, EAST CARBON UT 84520-0910**  
 County: **EMERY**  
 Permit Type: **PERMANENT COAL PROGRAM**  
 Permit Status: **ACTIVE**

#### Current Acreages

6,295.06	<b>Total Permitted</b>
34.47	<b>Total Disturbed</b>
11.89	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

#### Mineral Ownership

- Federal
- State
- County
- Fee
- Other

#### Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

#### Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The complete inspection began by traveling to the West Ridge Mine. The West Ridge Mine Office serves as the Main Office for all of the UtahAmerican Mine Sites. JD Leonard and Jay Marshall were not in the Office. I was informed that Jay Marshall was at the Crandall Mine. Completed the necessary paperwork review and then proceeded to the Crandall Mine Site to do the field portion of the Complete Inspection.

Upon arrival at the Crandall Mine Site I done the field portion of the Complete Inspection accompanied by Jay Marshall and Dale Davis with UtahAmerican.

Pictures taken during the inspection are attached.

Pictutres taken on a site visit 03/13/2013 the afternoon of the mine water pipe break are also included.

*Karl R. Houskeeper*

Inspector's Signature:

Date Tuesday, March 19, 2013

Karl Houskeeper,  
Inspector ID Number: 49

Note: This inspection report is prepared by an official of the Utah American Mine Sites, a subsidiary program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The DOGM permit is effective 05/13/2008 and expires 05/13/2013. Other documents include the following:

- Certificate of Insurance issued 06/01/2012 and terminates 06/01/2013.
- Reclamation agreement is dated April 1998 and is signed by both parties.
- UPDES permit UT000024368 effective 05/01/2011 and expires midnight 04/30/2016.
- Air Quality permit DAQE-AN0225003-03, issued 03/20/2003.
- SPCC Plan dated 11/02/2009.

**2. Signs and Markers**

The mine identification sign as you enter the Crandall Mine site was leaning over to the point the information is not visible upon approach. The sign needs to be re-secured so that it is visible. Discussed the issue with Jay Marshall and Dale Davis. Dale indicated that he would re-secure it before leaving the mine site.

#### **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The annual sediment pond inspection was done on September 12, 2012 for Third Quarter and Annual 2012. The annual sediment pond report listed the following elevations:

60% sediment elevation 7769.0'

100% sediment elevation 7770.0'

Estimated Sediment elevation 7772.59' (2.59' above the 100% elevation. Pond needs to be cleaned)

Fourth quarter 2012 sediment pond inspection was done on December 31, 2012.

The operator had received Citation #10105 from the Division and was at the mine site. During the inspection Jay Marshall and Dale Davis of UtahAmerican accompanied me to the back side of the sediment pond to ascertain the water level of the pond as compared to the maximum mine water elevation marker. The marker consists of pole with a strip of red tape or flagging wrapped around the pole. The level of the water was observed below the marker. This marker was installed while the sediment pond was allowed to contain mine water temporarily while the iron treatment pond was being cleaned. The mine water once it reached this mark had to be pumped/discharged to allow the pond to still contain the 10 Year/24 Hour Storm Event. The water level currently is approximately 2" to 3" below the top of the of the tape/flagging. Pictures were taken and are attached.

Discussed the sediment pond elevations with Jay Marshall during the inspection and the need for the pond to be cleaned. Prior conversations with Jay about the need to clean the sediment pond have taken place with the understanding that the pond would be cleaned once the ice melts off the top of the sediment pond. These concerns stemmed from not wanting to tear or rip the pond liner at the Burma Pond that was just recently built to contain iron sludge material from the iron treatment pond. The sediment pond has been used in the past as a temporary treatment for the iron while allowing the iron treatment pond to be cleaned and the material hauled to the Wild Cat Loadout. The Wild Cat facility is no longer available for iron sludge storage so the present material in the sediment pond will need to be deposited in the Burma Pond.

#### **4.e Hydrologic Balance: Effluent Limitations**

Reviewed the January 2013 discharge monitoring reports. No problems were noted or observed.

#### **5. Explosives**

None contained on site.

#### **8. Noncoal Waste**

Site was free of noncoal waste items outside of the approved storage location.

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**20. Air Quality Permit**

Approval Order DAQE-827-01 was modified on March 20, 2003. This modification allowed additional coal handling equipment (conveyors) for the South Crandall Portals. The new approval order, DAQE-AN0225003-03, was effective March 20, 2003.

**21. Bonding and Insurance**

Insurance is provided through Federal Insurance Co. policy #37104410.



Burma Pond



Mine Water Treatment Highwall



Mine Water Treatment Highwall



Highwall Material Against Mine Water Pipe



Ditch DD-10



Mine Water Treatment Basin Outlet



Mine Water Treatment Basin (Looking West)



Sediment Pond



Crandall Creek



Crandall Creek @ Pond Discharge



Sediment Pond

High Water Marker





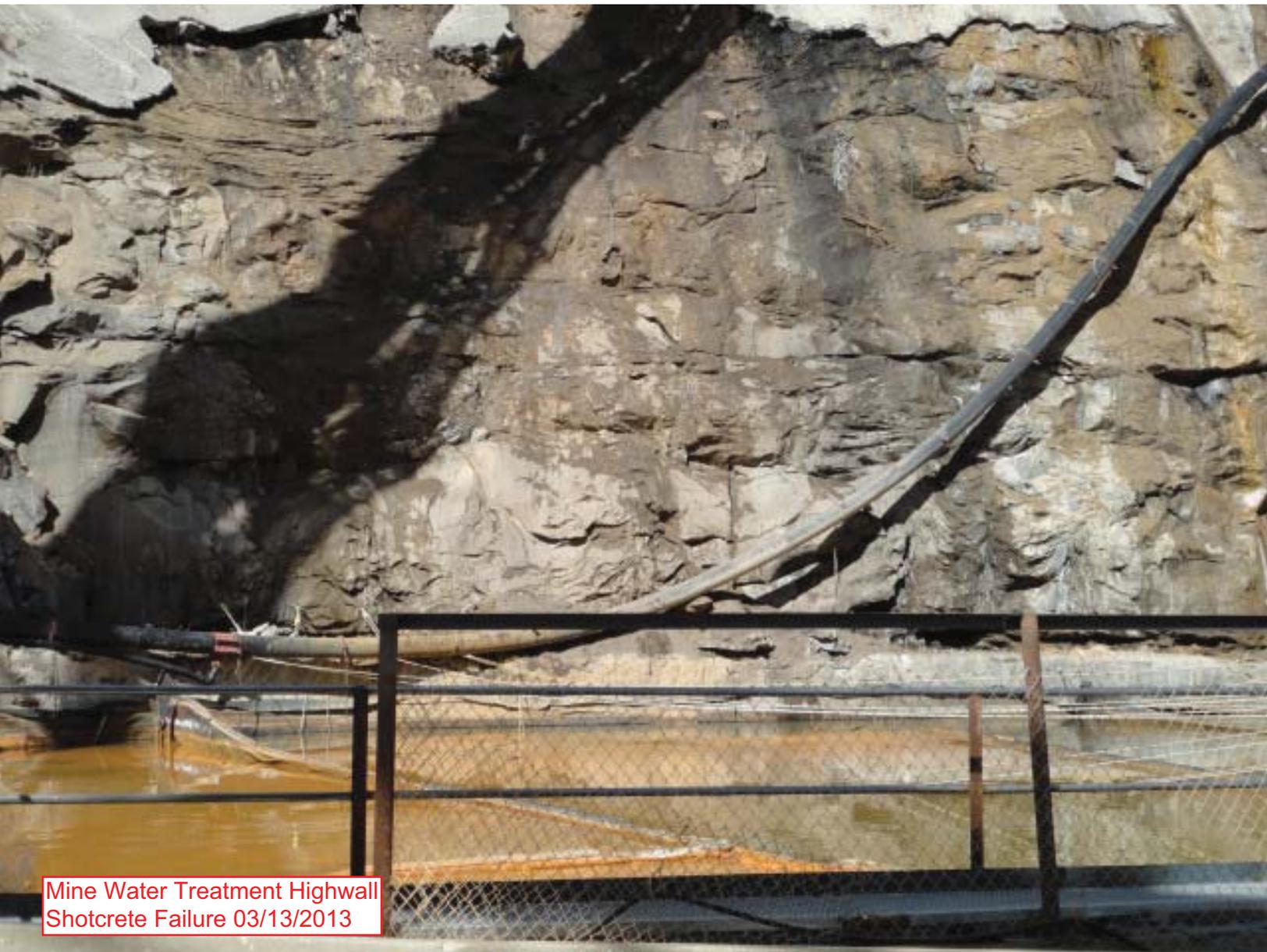
High Water Marker



Sediment Pond



Mine Water Treatment Highwall  
Shotcrete Failure 03/13/2013



Mine Water Treatment Highwall  
Shotcrete Failure 03/13/2013



Mine Water Pipe Pulled Apart  
@ Tee 03/13/2013

Material Movement/Erosion  
from Pipe Separation  
03/13/2013



Sediment Material from  
Movement/Erosion from Pipe  
Separation 03/13/2013





Sediment Pond  
03/13/2013

Sediment Material from  
Movement/Erosion from Pipe  
Separation 03/13/2013



Mine Water Treatment Highwall  
Shotcrete Failure 03/13/2013



Mine Water Treatment Highwall  
Shotcrete Failure (Material on  
top of Mine Water Pipe  
03/13/2013

