GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

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:	PARTIAL
Inspection Date:	Tuesday, March 25, 2014
Start Date/Time:	3/25/2014 8:08:00 AM
End Date/Time:	3/25/2014 12:30:00 PM
Last Inspection:	Wednesday, February 26, 2014

Representatives Present During the Inspection:	
Company	Jay Marshall
OGM	Pete Hess

Inspector: Pete Hess,

Weather: Sunny and warm; melting snow.

InspectionID Report Number: 3790

Accepted by: jhelfric
4/1/2014

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	**Total Permitted**
34.47	**Total Disturbed**
11.89	**Phase I**
	Phase II
	Phase III

Mineral Ownership

- [x] **Federal**
- [ ] **State**
- [ ] **County**
- [ ] **Fee**
- [ ] **Other**

Types of Operations

- [x] **Underground**
- [ ] **Surface**
- [ ] **Loadout**
- [ ] **Processing**
- [ ] **Reprocessing**

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

Water treatment activities continues at the mine.

It was discovered at 10:55 AM that the electronic flow meter was not working. Mr. Marshall instructed Mr. Dale Evans to repair the unit as quickly as possible. The necessary parts are on hand, and the unit should be repaired by tommorrow.

Flocculant PPM MUU 4.23
Coagulant PPM 30.43
One Hour AVG FLOW 191 GPM

Snow quantities remain on the south side of the Canyon.

Pete Hess

Inspector's Signature:

Date Tuesday, March 25, 2014

Pete Hess,
Inspector ID Number: 46

Note: This inspection report does not constitute an official Soil compliance with the regulatory 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

UTAH DNR OIL, GAS & MINING

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 performace 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	☐	☐	☐	☐
2. Signs and Markers	☑	☐	☐	☐
3. Topsoil	☐	☐	☐	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☐	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
5. Explosives	☐	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☐	☑	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☐	☑	☐	☐
8. Noncoal Waste	☑	☐	☐	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☐	☐	☐	☐
10. Slides and Other Damage	☐	☑	☐	☐
11. Contemporaneous Reclamation	☐	☑	☐	☐
12. Backfilling And Grading	☐	☑	☐	☐
13. Revegetation	☐	☑	☐	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☑	☐	☑	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☐	☐
16.b Roads: Drainage Controls	☑	☐	☑	☐
17. Other Transportation Facilities	☐	☑	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☐	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☐	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☐	☐	☐	☐

4.a Hydrologic Balance: Diversions

Some of the site diversions have spalled rock in them. The Permittee is preparing to intiate spring cleanup in the near future. All inspected diversions were still capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The mine site pond was frozen over; sediment level markers were not visible. Both the primary spillway and the open channel spillway were capble of functioning. Mr. Marshall intends to pump the pond down as soon as the ice is off. The Burma pond was also inspected. The sediment level monitoring markers were clearly visible and the water elevation in the pond was below the 60 % cleanout elevation. No compliance issues were identified.

4.d Hydrologic Balance: Water Monitoring

Runoff was exiting the undisturbed bypass culvert in Crandall Canyon. The water appeared to have very low turbidity. The mine water line that once ran along the highwall has been disconnected. A new line runs to the bottom of the cliff and then parallels the road up to the treatment pond. The Field parameter analyses for the two samples are as follows; Pre-Treat 002 (ph=8.1; Specific Conductivity = 952; Temperature = 12 degrees Centigrade). Post-Treat (ph =7.59; DO = 13.8; Specific Conductivity = 956; Temperature = 10.29 degrees Centigrade).

4.e Hydrologic Balance: Effluent Limitations

Water samples were taken at post-treat 002 and pre-treat 002 (the iron removal treatment pond). Field paramenters for temperature, dissolved oxygen, ph, specific conductivity and ferrous and total iron were checked. Mr. Marshall took samples of pond feed and discharge at the same time. The Permittees samples were delivered to SGS in Huntington for analysis.

15. Cessation of Operations

The Mine remains in a temporary cessation status.

16.b Roads: Drainage Controls

As noted elsewhere, some spalled rock has made it into road drainage ditches, but all are still capable of functioning.