



Citation for Non-Compliance
Utah Coal Regulatory Program
 1594 West North Temple, Salt Lake City, UT 84114
 Phone: (801) 538-5340 Fax: (801) 359-3940

Citation #: 21216
Permit Number: C0150032
Date Issued: 5/7/19

NOTICE OF VIOLATION **CESSATION ORDER (CO)** **FAILURE TO ABATE CO**

Permittee Name: GENWAL RESOURCES INC	Inspector Number and ID: 73 JEATCHEL
Mine Name: CRANDALL CANYON MINE	Date and Time of Inspection: 04/16/2019 12:00 pm
Certified Return Receipt Number: 9590 9402 1618 6053 1299 70	Date and Time of Service:

Nature of condition, practice, or violation:
 Permittee failed to maintain adequate surface drainage at mine site resulting in the failure of a portion of USFS Road 0248 outslope and a portion of sediment pond 1 embankment material.

Provisions of Act, regulations, or permit violated:
 R645-301-512.250
 R645-301-534.300 thru -534.340
 R645-301-742.400 thru -742.423.1

This order requires Cessation of ALL mining activities. (Check box if appropriate.)

<input type="checkbox"/> Condition, practice, or violation is creating an imminent danger to health or safety of the public.	<input type="checkbox"/> Permittee is/has been conducting mining activities without a Permit.
<input type="checkbox"/> Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.	<input type="checkbox"/> Permittee has failed to abate Violation(s) included in <input type="checkbox"/> Notice of Violation or <input type="checkbox"/> Cessation Order within time for abatement originally fixed or subsequently extended.

This order requires Cessation of PORTION(S) of mining activities.

Mining activities to be ceased immediately: <input type="checkbox"/> Yes <input type="checkbox"/> No	Abatement Times (if applicable).

Action(s) required: Yes No

- Permittee must repair failure and stabilize USFS road and outslope within 2 weeks of receipt of NOV.
- Within 30 days of receipt of NOV, the Permittee must submit P.E. certified revisions of the surface drainage control plan in the approved Mining and Reclamation Plan (MRP) for review and subsequent approval and incorporation by the Division. The submission must include revisions to appropriate sections of Engineering and Hydrology (i.e. text, plates, calculations, design drawings).
- Within 30 days of receiving final approval of the surface drainage control MRP revisions, the Permittee must complete the construction of those plans.

Karin Madsen

 (Print) Permittee Representative

 Permittee Representative's Signature - Date

JUSTIN EATCHEL

 (Print) DOGM Representative

Justin Eatchel 5/7/19

 DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

IMPORTANT – READ CAREFULLY

Pursuant to the Utah Coal Mined Land Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOG M) has conducted an inspection and found that a Notice of Violation or Cessation Order must be issued.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the cessation order and proposed fine, please submit that to DOGM within *15 days of the date this notice or order is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, within 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

The penalty will become final unless you or your agent file, within 30 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer or a formal hearing before the Board of Oil, Gas and Mining.

Assessment. For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for “*temporary relief*” from this notice. Procedures for obtaining a formal board hearing are contained in the Board’s Rules of Practice and Procedure and in Utah Admin. Code R645-401-800 et. seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the Act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult Utah Code Ann. § 40-10-20 through 40-10-23 and Utah Admin. Code R645-400-300 et. seq. and R645-401 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.



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, April 16, 2019
Start Date/Time:	4/16/2019 12:30:00 PM
End Date/Time:	4/16/2019 3:00:00 PM
Last Inspection:	Wednesday, March 20, 2019

Inspector: Justin Eatchel,

Weather: Overcast, steady drizzle. 38F

InspectionID Report Number: 6397

Accepted by: SCHRISTE

5/6/2019

Representatives Present During the Inspection:	
OGM	Justin Eatchel
Company	Karin Madsen

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: **INACTIVE**

Current Acreages

1,257.75	Total Permitted
34.23	Total Disturbed
11.89	Phase I
	Phase II
	Phase III

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:

A significant slope failure was observed during the inspection. Approximately 50' of the Gabion wall support structure located directly adjacent to USFS Road 0248 and the north embankment of Sediment Pond 1 has collapsed. The material was observed directly within Sediment Pond 1, thus the slope failure has not produced an off-site impact at this time. The stability of the Gabion structure has been an issue previously with a similar failure reported in May 2017 (Inspection Report #5835). Given the continued instability issues/failures in this area, it's the Division finding that the currently approved surface drainage control design is insufficient. Notice of Violation #21216 has been issued in an effort to address this persistent instability issue (See attached).

Inspector's Signature:

Justin Eatchel,
Inspector ID Number: 73

Date Thursday, April 18, 2019



Permit Number: C0150032
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 16, 2019

Inspection Continuation Sheet

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, Division Orders, and amendments.

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

4.a Hydrologic Balance: Diversions

Diversions ditches along the USFS road leading into the mine showed evidence of being washed out in recent weeks. Drainage ditch DD-7 adjacent to the USFS road beside sediment pond 001 continues to impound water since the ditch itself needs to be cleaned out and culvert C-3 appears to be plugged and does not function as planned.

Maintenance work on the UD culvert above the main offices will commence once conditions dry up and heavy equipment can be mobilized up the slopes.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment pond holding a modest amount of water. The layer of ice that used to be on the top of the pond has been replaced by a layer of slush.

4.d Hydrologic Balance: Water Monitoring

Water still flows from the sealed adits and the flowrate fluctuates according to the barometric pressure. Since there has been a low pressure system over the area the flow has increased to 318 gpm. The water is not currently being treated with flocculant and/or coagulant.

10. Slides and Other Damage

The outslope of the USFS road adjacent to the Sediment Pond 1 has sloughed and failed where support pylons were installed after a similar failure in May 2017. It appears that a major contributing factor to the instability of the road in this area is primarily due to inadequate drainage control. Previous inspections by the Division document a consistent pattern of inadequate drainage control for drainage ditch DD-7 that runs parallel to USFS Road 0248. Inspection report #6016 specifically describes that the road cut above drainage ditch DD-7 appears to be seeping at a rate of 0.25 - 0.50 gpm and all of the water collects in the ditch beside the road without any functioning conveyance system in place to transport the seepage. Under those conditions, without a functioning drainage system in place the impounding water migrates into the ground at that point and saturates the roadbase eventually leading to failure. The plausibility of this scenario is supported by previous observations by the Division (Inspection Reports #6042, #6156) which describe seepage emanating from the base of the Gabion wall. Regardless of the robust appearance of the steel support structures, the hydrostatic forces behind the Gabion wall appear to have been building over time. The addition of snowmelt together with frequent rain events recently have lubricated the sediments within the roadbase to the point where those forces could be relieved in the form of failure.

SCAMP was notified immediately at the beginning of the inspection, and barricades were installed to divert traffic around the damaged area. Plans to repair the road as soon as possible are currently in place.

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16.b Roads: Drainage Controls

Rain water appears to be seeping into inset drains installed into the pavement of the USFS road above the section that recently failed, but no obvious outlet is visible (see photos).

ATTACHMENT A – Crandall Canyon Partial Inspection, April 16, 2019



PHOTO 1 – WATER TREATMENT FACILITY
Overlooking the water treatment pond. Water sampling location Pre-002 is from the end of the white PVC left of center.



PHOTO 2 – TREATMENT POND OUTFALL
The water flowing through the outlet is sampling point for UPDES discharge #002.



PHOTO 3 – HIGHWALL
The face of the highwall overlooking the water treatment facility. No recent spalling or sloughing is evident.



PHOTO 4 – C-6 CULVERT (ABOVE MAIN OFFICE)
This culvert will be cleaned and rehabilitated later this year when conditions are less muddy.

ATTACHMENT A – Crandall Canyon Partial Inspection, April 16, 2019



PHOTO 5 – CRANDALL CREEK

The discharging culvert at center is the 72" bypass that runs beneath the main mine site.



PHOTO 6 – USFS ROAD

Notice that although the shoulder has sloughed slightly on the left, the road otherwise appears stable.



PHOTO 7 – SEDIMENT POND

The sediment pond currently covered by a layer of slush. Gabion basket failure left of center.



PHOTO 8 – SHOULDER FAILURE

The wet weather and melting snow may have saturated the road base, resulting in failure.

ATTACHMENT A – Crandall Canyon Partial Inspection, April 16, 2019



PHOTO 9 – SHOULDER FAILURE
A different perspective, overlooking the sediment pond.



PHOTO 10 – SHOULDER FAILURE
View of the failure, straddling the guard rail.

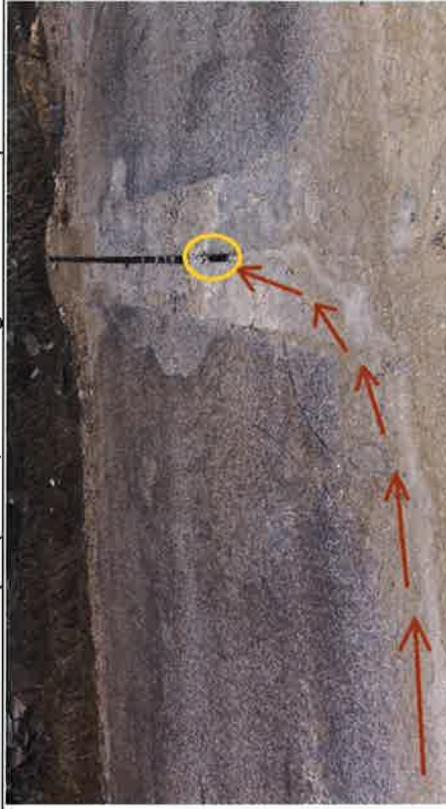


PHOTO 11 – INSTALLED ROAD DRAIN
This section of drain is located adjacent to the failure. The red lines highlight the path of flow, and the water disappears at the yellow circle. It is not clear where the water goes from there.



PHOTO 12 – INSTALLED DRAIN
This is the highlighted drain in Photo 11. Notice the ponding water in the drainage ditch. This is a common phenomenon, and may have contributed to the failure.