



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

Handwritten initials/signature

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

Partial: x Complete: Exploration:
Inspection Date & Time: September 9, 1993 / 10:15-14:30
Date of Last Inspection: August 26, 1993

Mine Name: SUFCO / Convulsion Canyon County: Sevier Permit Number: ACT/041/002
Permittee and/or Operator's Name: Coastal States Energy Company / SUFCO
Business Address: Mr. V. Mortensen, 175 E 400 S, Ste 800, Salt Lake City, UT 84111/P.O. Bx P, SLC, UT 84654
Type of Mining Activity: Underground X Surface Prep. Plant Other
State Officials(s): Wayne H. Western,
Company Official(s): Chris Kravits
Federal Official(s): None
Weather Conditions: Clear skies mid day temperature in the 80's
Existing Acreage: Permitted-17308.2 Disturbed-69.71 Regraded-3.5 Seeded-3.5 Bonded-69.71
Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-
Status: Exploration/ Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation ( Phase I/ Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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.

Table with 5 columns: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter-April, May, June) June 16, 1993(date); AIR QUALITY PERMIT; BONDING & INSURANCE.



# INSPECTION REPORT

(Continuation sheet)

Page 2 of 2

PERMIT NUMBER: ACT/ 041 / 002

DATE OF INSPECTION: September 9, 1993

(Comments are Numbered to Correspond with Topics Listed Above)

## 1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

Coastal States Energy has reached an agreement to purchase Soldier Creek Coal Company. The sale is pending FCC approval and AVS check.

## 4. HYDROLOGIC BALANCE

### b. SEDIMENT PONDS

The sediment pond below the mine complex will be cleaned out. The sediment is being removed with an excavator and transported in frontend loaders. Clear out should be completed within a few days. In preparation of the sediment removal, the pond is being drained. The spillway has been open and pumps have been used to lower the water level. Samples of the discharge water have been taken.

### c. OTHER SEDIMENT CONTROL MEASURES

During last months inspection of the waste rock disposal site Steven Johnson and myself noticed that the water, which enters the site from a culvert located beneath the county road, has cut a six inch gully. The water bars that were placed in that drainage are in need of repair. The silt fences, located in the drainage, have a significant amount of sediment build up that must be removed.

Mr. Kravits stated that the reason why no maintenance work has been done at the waste rock site is that the company has been concentrating their efforts on the sediment pond clean out. In addition Mike Davis, who usually supervises maintenance projects, has been hospitalized. Work at the waste rock site should begin this fall.

### d. WATER MONITORING

I hand delivered the notice of violation, to Mr. Kravits, that resulted from last months inspection. The violation was in response to SUFCo's failure to follow the approved water monitoring plan. The mine and reclamation plan requires that ground water monitoring be conducted according to the parameters listed in table 7-2. That table requires laboratory testing of nitrate ( $\text{NO}_3 + \text{NO}_2$ ), pH and specific conductance field measurement are also required for the pH and specific conductance for all sampling points except the waste rock disposal site and the Quitchupah tract.

The Operator has only been taking one measurement of the pH and specific conductance. It is not known if those values represent field or lab test results. The nitrate value has been reported as ( $\text{NO}_3 - \text{N}$ ) not ( $\text{NO}_3 + \text{NO}_2$ ) as required by the plan.

Mr. Kravits telephoned Mr. Keith Welch, who is in charge of the mine's water monitoring program, and told me that Mr. Welch would fax copies of the missing data to the Division. As of September 13, 1993 no information has been received by the Division regarding the missing data.

# INSPECTION REPORT

(Continuation sheet)

Page 3 of 2

PERMIT NUMBER: ACT/ 041 / 002

DATE OF INSPECTION: September 9, 1993

## e. EFFLUENT LIMITATIONS

In a letter dated July 22, 1993 the Operator notified Ms. Kelly Coleman of the Department of Environmental Quality, Division of Water Quality (DWQ) that in July 1993 average concentration of total dissolved solids (TDS) at discharge point 003 was exceeded.

Discharge point 003 has routinely exceeded the monthly allowable TDS limits. The Operator and DWQ have negotiated a settlement that reportedly involves increasing the monthly average for total dissolved solids and significantly increasing the fine for each violation. Before the agreement can be finalized, it must first have EPA approval.

When an effluent violation is self-reported, the Division lets the lead agency handle any enforcement action. Division of Water Quality, which is the lead agency, has determined that no enforcement action should be taken at this time. That decision is based on the limited environmental damage that has occurred, and the Operator is making a good faith effort to solve the problem.

The Operator and the Division of Water Quality has reached a tentative agreement to resolve the effluent limitation problem. Under the tentative agreement the monthly standard would increase from 800 mg/l to 1200 mg/l and the Operator would have to take steps to insure that compliance would be met. If the Operator failed to meet the standards then they would be assessed a substantial fine.

## 5. EXPLOSIVES

There are three explosive magazines located on the surface. One is used to store caps, another for powder, and the third unused. The two active magazines were both double locked. The inactive magazine was empty and unlocked.

## 21. BONDING AND INSURANCE

A reclamation bond for \$1,690,000 have been issued by Old Republic Insurance Co. Insurance policy has been issued to Coastal States by Fidelity and Casualty Company of New York. The policy terms are general aggregate \$2,000,000; production comp/op agg. \$2,000,000; personal & adv. injury \$2,000,000; each occurrence \$2,000,000; fire damage \$1,000,000; medical expense \$10,000; and pollution \$500,000. The policy meets or exceeds all Division requirements.

Copy of this Report:

Mailed to: Bernie Freeman (OSM)

Given to: Joe Helfrich (DOGM)

Inspector's Signature: Wayne H. Walters #42 Date: Sept 15, 1993