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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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INSPECTION REPORT

Partial: XXX Complete:__ Exploration:__
Inspection Date & Time: 3/13/97 / 8:00a.m.-3:00p.m.
Date of Last Inspection: 2/5/97

Mine Name: SUFCO Mine County: Sevier Permit Number: ACT/041/002
Permittee and/or Operator's Name: Canyon Fuel Company
Business Address: 397 South 800 West, Salina, Utah 84564
Type of Mining Activity: Underground XXX Surface__ Prep. Plant__ Other__
Company Official(s): Mike Davis
State Officials(s): Peter Hess Federal Official(s): None
Weather Conditions: Sunny, 40's, Windy
Existing Acreage: Permitted- 17301 Disturbed- 67.8 Regraded- 0.5 Seeded- 0.5 Bonded- 0.5

Increased/Decreased: Permitted-___ Disturbed-___ Regraded-___ Seeded-___ Bonded-___
Status: _Exploration/_XXX_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.

		EVALUATED	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	[ ]	[ ]	[ ]	[ ]
2.	SIGNS AND MARKERS	[XX]	[ ]	[XX]	[ ]
3.	TOPSOIL	[ ]	[ ]	[ ]	[ ]
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	[ ]	[ ]	[ ]	[ ]
b.	SEDIMENT PONDS AND IMPOUNDMENTS	[ ]	[ ]	[ ]	[ ]
c.	OTHER SEDIMENT CONTROL MEASURES	[ ]	[ ]	[ ]	[ ]
d.	WATER MONITORING	[ ]	[ ]	[ ]	[ ]
e.	EFFLUENT LIMITATIONS	[XX]	[ ]	[XX]	[ ]
5.	EXPLOSIVES	[ ]	[ ]	[ ]	[ ]
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	[ ]	[ ]	[ ]	[ ]
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	[XX]	[ ]	[XX]	[ ]
8.	NONCOAL WASTE	[XX]	[ ]	[ ]	[ ]
9.	PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	[ ]	[ ]	[ ]	[ ]
10.	SLIDES AND OTHER DAMAGE	[ ]	[XX]	[ ]	[ ]
11.	CONTEMPORANEOUS RECLAMATION	[ ]	[XX]	[ ]	[ ]
12.	BACKFILLING AND GRADING	[ ]	[ ]	[ ]	[ ]
13.	REVEGETATION	[ ]	[XX]	[ ]	[ ]
14.	SUBSIDENCE CONTROL	[ ]	[ ]	[ ]	[ ]
15.	CESSATION OF OPERATIONS	[ ]	[ ]	[ ]	[ ]
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	[ ]	[ ]	[ ]	[ ]
b.	DRAINAGE CONTROLS	[ ]	[ ]	[ ]	[ ]
17.	OTHER TRANSPORTATION FACILITIES	[XX]	[ ]	[ ]	[ ]
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	[ ]	[ ]	[ ]	[ ]
19.	AVS CHECK (4th Quarter-April, May, June)_____(date)	[ ]	[ ]	[ ]	[ ]
20.	AIR QUALITY PERMIT	[ ]	[ ]	[ ]	[ ]
21.	BONDING & INSURANCE	[ ]	[ ]	[ ]	[ ]

INSPECTION REPORT
(Continuation sheet)

PERMIT NUMBER: **ACT/041/002** DATE OF INSPECTION: 3/13/97

(Comments are Numbered to Correspond with Topics Listed Above)

2. SIGNS AND MARKERS

The permittee has installed new identification signs which reflect the new Company name (Canyon Fuel Company) and its associated information. The new signs have been installed at the mine facilities main gate, the waste rock final disposal area, and the topsoil/subsoil storage areas located south of the Sevier County road department storage pad. New signs have, as yet, not been installed at the spring collection field, pump house, or the sewage leach field due to lack of access, (the USFS road is not maintained during winter months).

4e. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

The permittee has been experiencing exceedances with regard to total suspended solids from the UPDES 003 (Quitchupah mine water discharge) point. This inspector first received notification of this problem on February 7, 1997. The analysis of the January 22 sample showed a TSS level of 125 mg/l. The February 5 sample TSS had dropped to a value of 59.6 mg/l. The February 19 sample showed a TSS value of 0 mg/l. Mr. Chris Kravitz informed me that what ever had caused the problem, was inorganic. Analyses had been run to determine this. All notification correspondence to DEQ was reviewed; same has been performed in a timely manner.

On February 26, 1997, Mr. Wes Sorensen informed me by letter that UPDES point 002, (mine site sediment pond discharge), had experienced an exceedance in ph. The February 24 sample analysis showed a ph of 9.06. A value of 9.0 is the maximum allowable limit for ph. Again, the proper notification to DEQ was adequate and timely. There has not been any speculation with regard as to what may have caused this spike. This was the first discharge from the pond in several years; the pond's surface was frozen at the time of the occurrence.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Freshly placed piles were observed at the roadside waste rock disposal site. The mine site waste temporary storage site was clean.

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas, and Mining.

Copy of this Report:

Mailed to: Mike Davis (Canyon Fuel) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM) Filed to: Price Field Office
Date: March 17, 1997

Inspector's Signature: Peter Hess #46
Peter Hess