

0014



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

INSPECTION REPORT

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Partial: Complete: XXX Exploration:
Inspection Date & Time: 5/20/98 / 6:30a.m.-4:15p.m.
Date of Last Inspection: 4/2/98

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: Windy, Cool, 60's-70's
Existing Acreage: Permitted-17308.25 Disturbed-67.8 Regraded-0.5 Seeded-0.5 Bonded-67.8
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.

Table with 5 columns: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include items like PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; etc.

**INSPECTION REPORT**  
(Continuation sheet)

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(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The sale of the Canyon Fuel Company mines from ARCO to Arch Minerals Corporation of St. Louis, Missouri is in the final stages of completion. Any remaining loose ends are anticipated to be tied up by the middle of June, 1998.

The permittee has resubmitted the Link Canyon substation amendment, separating the proposed substation installation away from the proposed undermining of the Box Canyon area.

3. TOPSOIL

The topsoil which has been pushed up and stored in preparation for the expansion (i.e., the next lift) of the roadside waste rock site is well bermed to protect this resource. Based on the current elevation of the active lift and the amount of development waste at the mine site, it is anticipated that the re-topsoiling of the active lift will be initiated within the next month.

4b. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The first quarter sediment pond inspections were conducted by Mr. Mike Davis on March 31, 1998. No signs of instability or other hazardous conditions were noted for either pond during this inspection.

The sediment level in the mine site sediment pond was re-evaluated by the permittee during the last week of April, (please refer to the April 17, 1998 inspection report/evaluation of the annual report/impoundment certification by this individual). The April evaluation indicated that the mine site pond was in need of cleaning, (as was also indicated by the fourth quarter/annual impoundment certification). Two front end loaders and a track hoe were observed operating/cleaning the mine site pond during today's inspection. The material is somewhat wet, and is being stored in a temporary impoundment at the mine site development waste temporary storage area to dry out.

During the inspection, it was iterated to Mr. Davis that the permittee should evaluate the sediment level in the pond's (particularly during a very wet season, i.e., the 1997 El Nino year) during the summer months so that cleaning can be initiated immediately if it is needed. The location of the SUFCO mine site pond prohibits cleaning during inclement weather. Cleanout should be started as soon as possible once a determination of a high sediment level has been made. Four and a half months have passed since it was determined that the mine site pond was in need of cleaning.