



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: 8/19/98 / 7:30a.m.-3:30p.m.
Date of Last Inspection: 7/8/98

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: Cool, High Cumulus Clouds, Some Drizzle, 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: 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) (date); AIR QUALITY PERMIT; BONDING & INSURANCE.

INSPECTION REPORT
(Continuation sheet)

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PERMIT NUMBER: ACT/041/002

DATE OF INSPECTION: 8/18/98

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The midterm review for SUFCO is due in April, 1999. Division response is expected June, 99.

An extension has been granted by the Division so that it is possible for the new owners of the Canyon Fuel Company Mines (ARCH Minerals, Inc.) to update the legal ownership and control information portions of Chapter 1 of the mining and reclamation plan.

4a. HYDROLOGIC BALANCE: DIVERSIONS

The Mine has had another unusually wet year; June was a record rainfall month. Several of the drop box type collection boxes which drain the mine facilities pad area were noted as having quite a bit of sediment in them, although no portion of the outlet pipe(s) was obstructed. The collection boxes observed included the one twenty feet SW of the shop garage in the warehouse storage area, and 2) the collection box twenty-three feet north of the NE corner of the warehouse and shop building. Mr. Davis made note to have the collection boxes cleaned.

4b. SEDIMENT PONDS AND IMPOUNDMENTS

The second quarter impoundment inspections for the mine site and waste rock sediment ponds were completed by Mike Davis on June 15 and June 24, 1998 respectively. The clean-out of the mine site pond was completed in June, with the P. E. certification of the "as built" being completed by Mr. Wes Sorensen on August 17, 1998. Due to the last two unusually wet summers, the permittee has moved up the "annual" impoundment certification inspection for this pond to allow them a few months of remaining good weather to clean the pond, should it be so needed. The location of this pond prevents it's cleaning during adverse weather conditions.

None of the impoundment inspections revealed any signs of instability or other hazardous conditions. No problems were noted for either pond during today's field inspection.

The permittee has reinstalled the mine site sediment pond access road drainage ditch, and ripped same for it's entire length. Six water bars have also been reinstalled to divert road drainage to this ditch.

4d. WATER MONITORING

EPA discharge monitoring reports for the site's three UPDES points were reviewed for the months of April, May, and June. Only 003A (Quitcupah portals mine water discharge) had flow. No exceedances were observed during the three months. All DMR submittals were timely.

Quarterly biomonitoring using fathead minnows in mine water effluent was completed during May, with successful results. Analysis was performed by W.E.T., Inc.

