0035

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

INSPECTION REPORT

Partial:__ Complete: XXX Exploration:__
Inspection Date & Time: 7/11/2000 / 8:30a.m.-4:00p.m.
Date of Last Inspection: 6/8/2000

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: Clear, Warm, 80's
Existing Acreage: Permitted-17621.29 Disturbed-70.189 Regraded- Seeded- Bonded-70.189
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	[XX]	[ ]	[XX]	[ ]
2.	SIGNS AND MARKERS	[XX]	[ ]	[ ]	[ ]
3.	TOPSOIL	[XX]	[ ]	[XX]	[ ]
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	[XX]	[ ]	[ ]	[ ]
b.	SEDIMENT PONDS AND IMPOUNDMENTS	[XX]	[ ]	[XX]	[ ]
c.	OTHER SEDIMENT CONTROL MEASURES	[XX]	[ ]	[ ]	[ ]
d.	WATER MONITORING	[XX]	[ ]	[XX]	[ ]
e.	EFFLUENT LIMITATIONS	[XX]	[ ]	[XX]	[ ]
5.	EXPLOSIVES	[XX]	[ ]	[ ]	[ ]
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	[ ]	[XX]	[ ]	[ ]
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	[XX]	[ ]	[XX]	[ ]
8.	NONCOAL WASTE	[XX]	[ ]	[ ]	[ ]
9.	PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	[XX]	[ ]	[ ]	[ ]
10.	SLIDES AND OTHER DAMAGE	[ ]	[XX]	[ ]	[ ]
11.	CONTEMPORANEOUS RECLAMATION	[ ]	[XX]	[ ]	[ ]
12.	BACKFILLING AND GRADING	[ ]	[XX]	[ ]	[ ]
13.	REVEGETATION	[ ]	[XX]	[ ]	[ ]
14.	SUBSIDENCE CONTROL	[XX]	[ ]	[ ]	[ ]
15.	CESSATION OF OPERATIONS	[ ]	[XX]	[ ]	[ ]
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	[XX]	[ ]	[ ]	[ ]
b.	DRAINAGE CONTROLS	[XX]	[ ]	[ ]	[ ]
17.	OTHER TRANSPORTATION FACILITIES	[XX]	[ ]	[ ]	[ ]
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	[XX]	[ ]	[ ]	[ ]
19.	AVS CHECK (4th Quarter-April, May, June)_____(date)	[XX]	[ ]	[ ]	[ ]
20.	AIR QUALITY PERMIT	[XX]	[ ]	[XX]	[ ]
21.	BONDING & INSURANCE	[XX]	[ ]	[XX]	[ ]

PERMIT NUMBER: **ACT/041/002** DATE OF INSPECTION: 7/11/2000

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

Mr. Davis informed me this day that Mr. Joe Wilcox, OSM-Denver had notified the permittee that the Pines Tract lease addition had been forwarded to the Secretary of the Interior on July 10, 2000 for endorsement. A two week approval period is anticipated.

Mr. Davis indicated that work is progressing on the "as-built" drawings for the Link Canyon substation submittal.

3. TOPSOIL

Due to drought conditions throughout Utah, much of the vegetative cover on the three topsoil piles, the subsoil pile and the reclaimed refuse lifts at the waste rock disposal area is dying. An OSM evaluation of the reclaimed lifts at the site has been scheduled during August.

There were no other problems noted with the topsoil piles during today's field inspection.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The second quarter impoundment inspections for the site were conducted by Mr. Davis on June 29, 2000. There were no hazards or signs of instability reported for either the mine site or the waste rock sediment ponds.

The waste rock pond was dry on the 29th but contained some water this day due to the receipt of 0.08 inches of water during the previous 24 hour period. As noted above, these rains have done little to preserve existing vegetation.

4d. HYDROLOGIC BALANCE: WATER MONITORING

The first quarter water monitoring report for the site was submitted to the UDNR/OGM on June 26, 2000.

Data which has been collected for the second quarter (samples drawn on 6/21/00 and 6/22/00) for nineteen surface monitoring points and eleven wells) was reviewed. Two of the eleven wells were dry, and two were blocked. There were no abnormalities noted with any of the reported data.

Discharge monitoring reports for the months of April and May were reviewed. April DMR's were submitted on May 30, 2000, which is two days past the UPDES permit's reporting requirement. The two day overdue period is not considered to be a problem, due to the Memorial Day weekend. The permittee has always submitted reports in a timely fashion.

INSPECTION REPORT
(Continuation sheet)

PERMIT NUMBER: **ACT/041/002** DATE OF INSPECTION: 7/11/2000

(Comments are Numbered to Correspond with Topics Listed Above)

Point 003A (Quitchupah portals mine water discharge point) constantly discharges between 2.5 and 3 million gallons of water per day. The quarterly bio-monitoring requirement was completed on May 22, 2000, using 003A effluent, with the test animal (fathead minnow) surviving all test dilutions. W.E.T. Testing, Inc. continues to perform the test analyses for the permittee..

4E. EFFLUENT LIMITATIONS

The permittee's current UPDES permit #UT0022918 expires on April 30, 2001.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The first quarter inspection for the road side waste rock disposal area was conducted by Mr. Mike Davis on June 29, with no hazardous conditions being noted. The report was P.E. certified by Mr. Wes Sorensen, Manager of Technical Services for the permittee.

There were no hazardous conditions or signs of instability noted during today's field inspection of the waste rock site. There is some non-coal waste in the area (scrap water hose, metal, wood) of which the permittee is aware.

There has been some recent activity; new waste piles have been made on the north end of the active disposal area.

There were no problems noted during today's field inspection.

20. AIR QUALITY PERMIT

The permittee was observed using water to control fugitive dust in the tipple/truck loading area during the course of today's inspection. SUFCO personnel use fire hoses as well as a loader to disperse water throughout the yard. Much of this area is paved.

21. BONDING AND INSURANCE

The permittee's general liability insurance expires on July 31, 2000. Mr. Davis is aware of this.

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: Pam Grubaugh-Littig (DOGM) Filed to: Price Field Office
Date: July 13, 2000

Inspector's Signature: Peter Hess #46
Peter Hess