

INSPECTION REPORT

Partial XXX Complete Exploration
 Inspection Date: 09/02/2003 / Time: 9 AM-3 PM
 Date of Last Inspection: 08/05/2003

Mine Name: SUFCO Mine County: Sevier Permit Number: C/041/002
 Permittee and/or Operator's Name: Canyon Fuel Company, LLC.
 Business Address: 397 South 800 West, Salina, Utah 84564
 Company Official(s): Messrs. Wess Sorensen and Mike Davis
 State Official(s): Steve Fluke, Peter Hess Federal Official(s): None
 Weather Conditions: Partly sunny; 70's to 80's Fahrenheit
 Type of Mining Activity: Underground XXX Surface Prep Plant Other
 Existing Acreage: Permitted 24632.95 Disturbed 27.364 Regraded Seeded
 Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 th Quarter- April, May, June)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

Note: The main facilities and Link Canyon area of the permit received a rainfall event on August 23, 2003 that dropped 1.38 inches of moisture on the two disturbed areas. The 10 year 24 hour design event for the mine site sediment pond and its associated runoff control structures has a rainfall amount determined to be 1.3 inches. Therefore, the design event was exceeded by at least 0.08 inches (at the rain gage).

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permittee submitted a proposed permit change to the mining and reclamation plan which would allow the abandonment of a long wall face conveyor tail gate drive and fifty-two sections of conveyor pan line in the 1st Left Pines East and 2nd Left Pines East gate road entries. An underground inspection of the proposed disposal area was conducted by Mr. Steve Fluke and the representatives of CFC. A coal isopach map was reviewed during the inspection. Floor elevations of the Hiawatha seam in the area indicate that the two proposed storage areas are above the vast area where the panel will be extracted. Any water accumulating in the area would discharge from the Pines East bleeder entries and would more than likely never encounter the steel that will be abandoned. The electrical motor(s) and gear reducers will be pulled from the tailgate drive prior to abandonment. Review of the submittal is pending.

4A. HYDROLOGIC BALANCE: DIVERSIONS

As noted above, the site received a rainfall event on 8/23/2003 that exceeded the 10 year 24 hour event. The trash rack on the inlet of the Right Fork of East Spring Canyon became blocked during the event and the flow overtopped the head wall flooding the area around the idled mine fan diffuser with mud and assorted debris. An eight-inch pipe drains this area. Prior to today's inspection, the permittee had been able to clean the area up, re-establish the ditch along the toe of the slope, and return the area to being capable of functioning as designed. A front end loader was observed hauling sediment from the area adjacent to the diffuser outlet; Mr. Davis indicated that this was the fifth or sixth bucket of material to be hauled from this area. Same is being temporarily stored at the mine development waste storage site, prior to final disposal at the roadside waste rock facility.

All of the diversions, drop drain grates, and other runoff control structures which were observed appeared to be capable of functioning as designed. Extensive work had been performed prior to today's inspection to return many of these devices to be capable of functioning.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The access road to the main facilities sediment pond was devastated by the 8/23/2003 event, washing much of the in place rock down the slope (lower 75 feet of the road). Bedrock was exposed where the wash occurred. The water bars on this road were also nearly washed away. Mr. Davis was aware that extensive maintenance work of the road is necessary.

The mine site sediment pond was discharging during today's inspection. It was noted that the emergency spillway from the pond discharged due to the August 23rd event. The measurement weir located at the decant discharge had been dislodged from its location and lay down the channel. Several new boulders were observed in the channel, having been deposited by the large flow volume.

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4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

The permittee had made repairs to several silt fences after the August 23rd event. The silt fence that treats the flow reporting from the ditch on the NW side of the "covered storage" building, (See PLATE 5-2B, EXTENDED EAST SPRING CANYON SURFACE FACILITIES) had bypassed. The cut bank that reports flow to this ditch has been armored using sprayed concrete material and "tensar". Mr. Davis made note that the fence is in need of repair.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The waste rock site received the 8/23/2003 event as well. The sediment containment pond contained water, but was not discharging.

18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

The underground entries of the Link Canyon portal breakout were inspected. The seals segregating most of the old works have been completed. The entries are well timbered and steel beams with pipe "legs" have been installed where the entries come close to the surface.

The old mine does not appear to be making any groundwater. This is a problem as the approved plan stipulates that this water will be discharged to maintain the riparian area down slope of the disturbed area. Mr. Tom Lloyd of the Manti-LaSal National Forest has been contacted in hopes of resolving this problem. An amendment to the plan may be necessary, or the permittee may have to permit a new UPDES discharge point to irrigate the willows associated with the riparian area.

Inspector's Signature: _____ Date: September 5, 2003
Peter Hess #46

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

cc: James Fulton, OSM
Ken May, Canyon Fuel, via email
Mike Davis, Canyon Fuel, via email
Price Field office

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