



The State of Utah
 Department of
 Natural Resources
 Division of
 Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

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Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

Company Mike Davis

Inspection Report

Permit Number:	C0410002
Inspection Type:	PARTIAL
Inspection Date:	Thursday, February 12, 2004
Start Date/Time:	02/12/2004 10:05:00 AM
End Date/Time:	02/12/2004 1:15:00 PM
Last Inspection:	Tuesday, January 13, 2004

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, sunny; very cold, temp in teens F

InspectionID Report Number: 175

Accepted by: pgrubaug
 02/23/2004

Permittee: **CANYON FUEL COMPANY LLC**
 Operator: **CANYON FUEL COMPANY LLC**
 Site: **SUF CO MINE**
 Address: **397 S 800 W, SALINA UT 84654**
 County: **SEVIER**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

24,632.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The SUF CO permit area received a skiff of snow prior to today's inspection. Production and transportation activities continue at the Mine. The permittee notified the Division on January 27, 2004 that they felt it was too dangerous to continue water monitoring of the East Fork of Box Canyon. Deep snows and icy conditions in that drainage are felt to be adequate justification to discontinue water monitoring in the area.

Inspector's Signature: _____

Date Friday, February 13, 2004

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

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

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENT

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 Not Applicable.*
 - b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference 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, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<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 and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

3. Topsoil

All top and sub-soil piles at the road side waste rock site are under frozen compacted snow.

4.a Hydrologic Balance: Diversions

Many of the mine facilities diversions are buried under snow. Those which were visible appeared to be capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The mine site sediment pond was frozen, but is discharging. The ponds at the waste rock site contained snow in their bottoms. There were no problems noted with any of the ponds.

4.d Hydrologic Balance: Water Monitoring

As noted above, the permittee has discontinued water monitoring requirements in the East Fork of Box Canyon, due to hazardous access conditions in that area, (i.e., deep snow, and icy slopes).

4.e Hydrologic Balance: Effluent Limitations

The permittee is currently sampling two UPDES points, #002A (mine site sediment pond) and 003A (Quitcupah portals mine water discharge). Each outfall was sampled twice during January, and that frequency continues through February for DMR submittal. The parameters which are being analyzed for include, TDS, TSS, iron, oil and grease, and for the mine site pond 002A, settleable solids. This additional sampling has been necessitated from several exceedances. The permittee notified the Utah Division of Water Quality of an exceedance of the iron parameter for the December 17, 2003 sample for the UPDES point 003A Quitcupah portals mine water discharge on February 3, 2004. The lab results were received on February 2. The parameter was exceeded by 0.26 mg/l. The additional sampling is being performed to attempt to locate the cause of the high iron content. The permittee knows that the water is emanating from the East Mains gob area, which is sealed inside the Mine.

7. Coal Mine Waste, Refuse Piles, Impoundments

There is no activity at the road side waste rock disposal area. There were no visible signs of spontaneous combustion or other hazards. The cable gate was closed and locked, preventing unauthorized access.

9. Protection of Fish, Wildlife and Related Environmental Issues

Four black tail deer were observed grazing on the slope behind the main administration building / bath house.

14. Subsidence Control

The 2003 annual subsidence report and map were observed in the chief surveyors office during today's records inspection. As the report has not been officially submitted, it was not reviewed. As part of the EY 2004 OSM/DOGM evaluation year, the topic of "Subsidence Schedule Notification" was selected. SUFCO was one of the mines selected for the evaluation topic. The permittee was asked to provide notification letters to the "owners / occupants of surface property and structures above the Mine workings". A requirement that permittee's must notify water conservancy districts was not implemented until November 6, 2002. The permittee is currently developing / extracting coal reserves from the Pines lease. The Pines tract incidental boundary change was approved on September 2, 1999. The permittee provided a copy of the letter which had been sent to Ms. Janette Kaiser, Forest Supervisor with the Manti-LaSal National Forest (the surface management agency / owners) on July 23, 1999. The BLM awarded the lease to SUFCO (on or about August 1, 1999). Mining (primary development) was initiated in the Pines tract lease in mid-February of 2000. Thus, the notification letter to the surface land owner was made approximately 6 months and three weeks prior to coal extraction activities. It should be noted that there are no man made structures on the surface within the Pines tract lease area. Relative to other parties having an interest in potential effects of subsidence within the area, the Emery Water conservancy District and the Quitchupah Cattlemen's Association were notified via the public notice published within the Emery County Progress from November 23 through December 14, 1999, (4 publications).

22. Other

The lower Canyon area containing the spring collection field, culinary water pump house, and leach field were not accessible as the Forest Service road had not been plowed. Similarly, there was no surface access to the Link Canyon portal area / electrical substation due to frozen deep snow on the Forest Service access road.