



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

ROBERT L. MORGAN  
 Executive Director

LOWELL P. BRAXTON  
 Division Director

OLENE S. WALKER  
 Governor

GAYLE F. McKEACHNIE  
 Lieutenant Governor

Representatives Present During the Inspection:	
OGM	Pete Hess Environmental Scientist III
Company	Mark Bunnell Geologist

## Inspection Report

Permit Number:	C0410002
Inspection Type:	EXPLORATION
Inspection Date:	Tuesday, May 04, 2004
Start Date/Time:	05/04/2004 9:00:00 AM
End Date/Time:	05/04/2004 2:30:00 PM
Last Inspection:	Wednesday, April 07, 2004

Inspector: Pete Hess, Environmental Scientist III  
 Weather: Sunny, warm: 70's Fahrenheit  
 InspectionID Report Number: 256

Accepted by: pgrubaug  
 05/07/2004

Permittee: CANYON FUEL COMPANY LLC  
 Operator: CANYON FUEL COMPANY LLC  
 Site: SUFCO 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, Divison Orders, and amendments:**

The permittee has submitted an application to the Division to permit one exploration hole on the SITLA coal lease, Muddy Tract. A second application has been submitted to the U.S. Department of the Interior, Bureau of Land Management, Price Office, to permit five exploration holes in that Federal lease area of the Muddy Tract. The surface management agency involved for both coal leases is the U.S. Department of Agriculture, United States Forest Service, Manti LaSal National Forest. Fishlake National Forest is involved as well as some access to the exploration site(s) may be provided via Fishlake FDR 's. The FS and the BLM are trying to determine what method would best meet the needs of everyone involved relative to the required NEPA. Representatives of the BLM were not present this day. USFS representatives on site during today's evaluation included Tom Lloyd, Bryan McClellan, Terry Nelson, Lance Sudweeks, Kathy Dodt-Ellis, and Don Wilcox. Ms. Dodt-Ellis performs archeological evaluations for the Forest; Mr. Nelson is the Forest biologist. To date, the BLM has not forwarded a copy of the application to the DOGM.

Inspector's Signature: \_\_\_\_\_

Date Wednesday, May 05, 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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Inspection Continuation Sheet

**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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input 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 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.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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	<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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The SITLA/Muddy Tract application has received one review through the Division (TASK ID# 1835); to date, no comments have been received from the USFS. How the NEPA process will be handled is still being evaluated by the involved agencies (BLM and FS).

**3. Topsoil**

Five of the six hole locations were visited this day. The permittee intends to use helicopter assisted drilling for holes A (SITLA Muddy), B, C, and F (BLM coal, Muddy) in order to minimize disturbance and reclamation requirements. Holes D and E can be drilled immediately adjacent to the FDR's on which they are located. Holes will be drilled to a maximum depth of 1,700 feet. Topsoil recovery will be minimal, as brattice is placed over existing soils, vegetation in order to set up the drilling unit. Any required soil recovery would be necessary to level the drilling rig for stability purposes

**4.d Hydrologic Balance: Water Monitoring**

The permittee is considering leaving one of the explorations wells for water monitoring purposes. This is dependent upon the Division's need for additional hydrologic data in this area.

**9. Protection of Fish, Wildlife and Related Environmental Issues**

Mr. Bunnell and Mr. Terry Nelson, Forest Biologist, discussed the availability of information / need for additional raptor evaluations, air travel lanes, etc. to minimize impacts to wildlife in the area. No drilling activities will commence prior to July 5, which is considered to be the end of the elk calving season. Mr. Nelson agreed to investigate what information was available, agreeing to let Mr. Bunnell know if an additional study (studies) were necessary prior to commencement of the drilling activities.

**16.a Roads: Construction, Maintenance, Surfacing**

Mr. Don Wilcox of the FS was on hand to evaluate several access roads and a stream crossing location which will possibly need repair such that some of the drilling machinery can be maneuvered to the respective sites. Erosion was noted as being severe along several of the FDR's. Although repair of the erosion is necessary, upgradient diversion of the flows concentrating to create the road ruts is necessary to alleviate the problem.

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**17. Other Transportation Facilities**

The helicopter assisted drilling will require at least one staging area for landing, and hooking up drilling related apparatus for transport. That area will probably be located on Forest surface within the SITLA Muddy lease area on Forest Development Road 044.

**18. Support Facilities, Utility Installations**

Mr. Bunnell discussed a need to provide a camp site for the drilling crews (possibly two self-contained camp trailers) with Mr. Lance Sudweeks, Range Conservationist for the Manti LaSal. One location was looked at as being possible. This site is also used by cattlemen during the fall gathering.