



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:	
Company	Mike Davis
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, September 21, 2004
Start Date/Time:	9/21/2004 9:20:00 AM
End Date/Time:	9/21/2004 1:40:00 PM
Last Inspection:	Monday, August 23, 2004

Inspector: Pete Hess, Environmental Scientist III
 Weather: Partly Cloudy, Cool, 40's
 InspectionID Report Number: 409

Accepted by: pgrubaug
 11/3/2004

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 permittee continues to submit quarterly surface and ground water monitoring information to the Division's electronic web site, meeting the requirement listed in Attachment "A", Special Permit Conditions, of the current State permit. As noted below, the second quarter of 2004 surface and ground water monitoring information was uploaded to the Division's EDI on September 22, 2004.

There are no compliance actions currently pending within the SUFCO Mine permit area.

The permittee anticipates that the move of the longwall mining system into the 4 Left Pines East panel will be initiated within the next 2-3 weeks.

Inspector's Signature

Date Thursday, September 23, 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 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 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, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The third quarter 2004 impoundment inspections for the mine site and waste rock sediment treatment ponds were conducted on July 30, 2004, by Mr. Wes Sorensen, P.E. There were no signs of structural weakness or other hazardous conditions noted during Mr. Sorensen's inspections; both ponds have an adequate amount of sediment storage remaining as of the July 30th inspection. The reports received a P.E. certification on July 30, 2004. The third quarter inspections will be used as the permittee's annual impoundment inspection / certifications required under R645-301-514.310 and -514.311.

4.d Hydrologic Balance: Water Monitoring

The permittee notified the Division on September 22, 2004 that the successful uploading of the second quarter of 2004 ground and surface water monitoring information to the Division EDI had been completed. The Division's "what's missing" analysis has indicated that all water monitoring parameters have had information entered for all required monitoring sites.

5. Explosives

The permittee has installed chain link barricades around the powder and detonator storage magazines located near the dugway located west of the shop garage, (East Spring Canyon facilities).

7. Coal Mine Waste, Refuse Piles, Impoundments

The permittee conducted the third quarter waste rock pile inspection on July 30, 2004. There were no signs of instability, spontaneous combustion, or other hazards noted by Mr. Wes Sorensen, Utah registered professional engineer. As noted in the July inspection report for the site, several problems surfaced at the waste rock site from July events. The permittee has replaced the buried culvert at the waste rock access road junction, and repaired the failed berm located on the SW corner of the waste rock facility. As noted this day, a thirty-inch culvert was being prepared for installation up gradient of the waste rock facility in the Sevier County road ditch; this will provide additional capacity to re-direct any intercepted runoff from the County road to an undisturbed drainage which is east of the waste rock facility.

8. Noncoal Waste

The end-dumped piles which had been noted in the July report have been spread and compacted. Recently placed piles located on the north end of the waste rock facility contained pieces of wood, as well as a broken "fruit pickers" ladder. Mr. Davis indicated that the piles would be picked, spread, and checked for noncoal waste, removing same as part of the compaction process.

9. Protection of Fish, Wildlife and Related Environmental Issues

As required by the permittee's UPDES permit, the biomonitoring testing of the Quitchupah portals mine water effluent using Ceriodahnia was completed successfully for the third quarter of 2004. The permittee continues to utilize the analytical services of W.E.T., Inc of American Fork, Utah. The flow rates at UPDES outfall 003A ranged from 6.14 to 6.68 mgpd during the month of July.

14. Subsidence Control

The repair of the openings along the escarpment above the Elusive Peacock shelter was completed during August 2004. These repairs were inspected by Forest Service and Division representatives as well as representatives from the south Emery water users on September 24, 2004. The repairs appear to be holding; no additional settling of material was noted. SUFCO employees repaired cracks in the East Fork of Box Canyon channel on September 22, 2004, by placing bentonite in buckled areas, allowing flow to carry the material into the cracks, sealing them.

19. AVS Check

The updating of Chapter 1, Ownership and Control information is pending. Mr. Eugene DiClaudio, P.E., assumed the CEO responsibilities for Canyon Fuel Company on September 1, 2004.