



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Table with 2 columns: Name, Title. Rows: Pete Hess Environmental Scientist III, Company Mike Davis

Inspection Report

Table with 2 columns: Field, Value. Fields: Permit Number, Inspection Type, Inspection Date, Start Date/Time, End Date/Time, Last Inspection

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, sunny. Cold, 30's to 40's F.

InspectionID Report Number: 813

Accepted by: whedberg
12/21/2005

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

Table with 2 columns: Value, Description. Rows: 24,632.95 Total Permitted, 27.36 Total Disturbed, Phase I, Phase II, Phase III

Mineral Ownership

- Checked: Federal, State
Unchecked: County, Fee, Other

Types of Operations

- Checked: Underground
Unchecked: Surface, Loadout, Processing, Reprocessing

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

The Permittee continues to meet the only Special Permit Condition which is included as Attachment "A" of the current State permit by submitting all surface and ground water monitoring information in an electronic form to the Division EDI web site.

The Permittee has recently submitted the remedial action response necessary to address N05-53-1-1, Coal Fines Discharge from UPDES outfall 003A. The Division is in the process of terminating that NOV.

There are no other compliance actions pending for the SUFCO Mine permit area.

Inspector's Signature

Date Wednesday, December 14, 2005

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.

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, 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 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 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 type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Permittee and the DOGM have completed the midterm permit review process for the SUFCO Mine permit area. The Permittee has applied for the renewal of two Special Use Permits through the USFS / Fish Lake National Forest. One of the permits, which is for the area encompassing the Mine site sediment pond, is important for the continued operation of the Mine. The other permit is relative to water measuring weirs which are no longer in place in the Wildcat / Pines area.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee's Manager of Tech Services, Mr. John Byars, P.E., conducted the fourth quarter/ annual impoundment inspection and certification of the Mine site and waste rock disposal area sediment ponds on October 6, 2005. The sediment level in the Mine site pond is slightly above the 60% cleanout elevation, as noted in Mr. Byars inspection report form. There were no signs of structural weakness or other hazardous conditions noted. Due to the snow accumulation on the Mine site sediment pond access road, it is the Permittee's intent to wait until the Spring of 2006 to initiate the cleaning of the Mine site pond. The waste rock pond has 2.45 feet of sediment capacity remaining prior to reaching the 60% cleanout elevation. No sediment exists in the decant impoundment. Mr. Byars certified his inspection reports of the ponds on October 21, 2005. There were no compliance issues noted at any of the ponds during today's inspection.

4.d Hydrologic Balance: Water Monitoring

The Permittee continues to work on the surface and ground water monitoring requirements for the third quarter of 2005.

4.e Hydrologic Balance: Effluent Limitations

In an effort to eliminate a potential to discharge water high in TDS and TSS from UPDES outfall 003A, Quitchupah portals, the Permittee has spent extensive amounts of time and money to re-plumb the underground pumping system. Some of the changes include the following; water which previously came from the North Mains area which was sent to the 4th East gob area has been rerouted to the 3 West gob area. Water from the Pines area will continue to be routed to the 4th East gob area. The water which previously was pumped to the 5th North area, will be rerouted through the 3rd West gob area, and then travel out through the Quitchupah portals. 5th North is where the Permittee believes the slug of sediment came from which was discharged from the Mine on or about October 5, 2005, with the resulting N05-53-1-1. One turbidity meter has been installed; a second will be installed near the sump area at the Quitchupah portals, when the insulating box has been completed. Both meters will be tied into the Mine monitoring system, which will warn Mine management when an excessive amount of sediment has the potential of being discharged. The Mine pumps can then be shut down until the sediment can be handled, or dumped in-Mine.

7. Coal Mine Waste, Refuse Piles, Impoundments

The 4th Quarter waste rock pile inspection was conducted by Mr. John Byars on October 6, 2005, with the P.E. certification of this report being completed on October 21, 2005. There were no signs of structural weakness, spontaneous combustion, erosion, or other hazards noted by Mr. Byars during his inspection. As observed this day, all end dumped piles have been leveled and compacted. Although the active lift was snow covered, there was no visible evidence of non-coal waste within the recently compacted lift. Reclaimed lifts 1, 2, and 3 are producing abundant vegetation which includes grasses, brush and forbes. The professional engineer's certification for the 4th quarter and annual waste rock pile inspection report was completed by Mr. Byars on October 21, 2005.

10. Slides and Other Damage

To date, the Permittee has not been able to complete to grading activities necessary to finalize the area which caved above the Main intake portal. Subfreezing temperatures have prevented grading of the frozen material. The water lines from the 300,000 gallon water tank and the road culverts have been finished. Mr. Davis indicated that the regrading and the seeding will be completed in the spring when temperatures allow the soil to be worked.

18. Support Facilities, Utility Installations

The Link Canyon portal facilities were inspected this day. Many of the diversions and silt fences are covered with snow. No water was observed in the Link Canyon portal. Link Canyon Creek was not flowing. No compliance issues were noted.

22. Other

According to Mr. Davis, SITLA has approved the R2P2 for the Muddy Tract lease area.