



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:

Company	Mike Davis
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, August 29, 2006
Start Date/Time:	8/29/2006 9:00:00 AM
End Date/Time:	8/29/2006 2:40:00 PM
Last Inspection:	Wednesday, August 02, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear; day time temperatures in the

InspectionID Report Number: 1053

Accepted by: whedberg

9/11/2006

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

26,766.95	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 is current relative to the submittal of quarterly surface and ground water monitoring information for the SUFCO Mine permit area; thus the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

The Permittee has completed the first phase of developing a long term water replacement plan in the North Water area / Spring 105 area by drilling and installing thirty-three piezometers in the East Fork of the East Fork of Box Canyon drainage. Water has been shown to exist subsurface; the monitoring of same will be initiated as soon as possible, prior to the onset of winter conditions. According to Mr. Davis, the 6 Left Pines East long wall panel face will pass through this area during the forthcoming week (September 4, 2006).

Inspector's Signature: _____

Date: Wednesday, August 30, 2006

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 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 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>

4.a Hydrologic Balance: Diversions

The Link Canyon area has seen significant rainfall over the past several days. According to Mr. Davis, the Emery County Road Department found it necessary to re-install a large diameter culvert which had been undercut by flow at the plank bridge in the lower Canyon. Other evidence of significant rainfall was obvious in the area.

4.c Hydrologic Balance: Other Sediment Control Measures

The SUFCO Mine permit area has seen repeated thunderstorm events over the past several weeks, as has the Carbon County area. The Link Canyon portal area has received these same events. Although the Permittee has performed repairs on several silt fences and diversions in that area, two fences are still in need of maintenance. These are the silt fence located on the north side of the intake portal in Channel #2, and the silt fence associated with ASCA #1 on the south side of the access road gate. Soil has been washed from outside the disturbed area perimeter into this fence, burying the fence fabric to its highest point. Mr. Davis made note of the needed repairs in order to have the necessary work performed.

4.d Hydrologic Balance: Water Monitoring

Extensive deposits of washed sand were observed in the East Fork of the East Fork of Box Canyon area where springs 105, and 310 / 311 are located. The SE side of the fence surrounding spring 105 had a pile of flushed debris against it. Surface flows were observed at several locations due to recent rainfall events here. As noted elsewhere, the long wall face of the 6 Left Pines East Panel will pass through this area during the week of September 4, 2006.

4.e Hydrologic Balance: Effluent Limitations

The Permittee recently submitted updates to the UPDES permit as well as the Air Quality approval order for the SUFCO Mine. Task ID #2552 was approved on August 21, 2006.

7. Coal Mine Waste, Refuse Piles, Impoundments

Cores and bag samples from the North Water piezometer installations will be recovered from that area on Friday, September 1, 2006.

9. Protection of Fish, Wildlife and Related Environmental Issues

The riparian area adjacent to spring 105 was observed. Although wheel tracks from the well boring machinery were evident, the grasses were not damaged and will quickly refurbish. The area appeared to be flourishing.

14. Subsidence Control

Small tension cracks and some buckling were observed on the surface north of the North Water area. As noted elsewhere, the 6 Left Pines East long wall panel face is approaching the North Water drainage area, and will undermine it during the week of September 4, 2006.

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18. Support Facilities, Utility Installations

The electrical substation in the Link Canyon portal area was inspected. There were no compliance issues noted.

20. Air Quality Permit

See comment under 4e.

22. Other

The exploration site at SITLA site B-05 was inspected this day. There were no offsite impacts observed from the drilling activities. Mr. Chris Kravitz, Permittee representative indicated that the hole is at a depth of approximately 785 feet (approximately 50% of total depth). Drilling was not occurring due to a need to fill the water supply tanks.