



**GARY R. HERBERT**  
Governor

**GREG BELL**  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

**MICHAEL R. STYLER**  
Executive Director

### Division of Oil, Gas and Mining

**JOHN R. BAZA**  
Division Director

# Inspection Report

Permit Number:	C0410002
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, March 21, 2012
Start Date/Time:	03/21/2012 10:00:00 AM
End Date/Time:	03/21/2012 1:00:00 PM
Last Inspection:	Wednesday, February 15, 2012

Inspector: Joe Helfrich

Weather: Warm 60 partly cloudy slight breeze

InspectionID Report Number: 3050

Accepted by: jhelfric

03/26/2012

Representatives Present During the Inspection:	
OGM	Joe Helfrich
Company	Mike Davis
Company	Leland Roberts
Company	Amanda Richard

Permittee: **CANYON FUEL COMPANY**  
 Operator: **CANYON FUEL COMPANY**  
 Site: **SUFCO MINE**  
 Address: **597 SOUTH SR24, SALINA UT 84654**  
 County: **SEVIER**  
 Permit Type: **PERMANENT COAL PROGRAM**  
 Permit Status: **ACTIVE**

#### Current Acreages

720.48	<b>Total Permitted</b>
48.43	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

#### 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 purpose of this site visit was to conduct a complete inspection at the SUFCO mine. The mine is currently active. Mike Davis is finishing the collection of information required for the annual report. The warehouse expansion amendment, (task 4006), was approved on March 20, 2012. Construction has not been initiated to date. The company is preparing an amendment for several lease relinquishments in exchange for the proposed Greens Hollow lease. Brittany Ungerman attended the inspection with Joe Helfrich as a volunteer intern for the Division. Brittany's course work at Utah Valley University requires 20 hours of field attendance with a biologist.

Inspector's Signature:

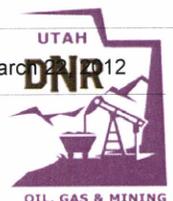
*Joe Helfrich*  
Joe Helfrich,

Date

Thursday, March 22, 2012

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



**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 checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

The permit was issued on 5/21/2007 and expires on 5/21/2012. The application for permit renewal was received by the Division on 01/24/2012 and assigned task # 4002. Daron Haddock is the lead reviewer on this task. The South Fork of Quitcupah amendment, (task # 3950), was received by the Division on 11/04/2011. A list of deficiencies was sent to the permittee on 12/21/2011. The deficiencies were discussed with Chris Hansen, Erik Petersen, and Mike Davis at the Division's Salt Lake office on January 19th, 2012. On January 25 th Mike Davis and Joe Helfrich met at the Forest Service office in Richfield with Allen Rowley, Jason Kling, Dianne Freeman and Jim Wehlen. The discussion included a summary of the previous meeting with the Division staff. The Forest Service was requested to provide the Division with concurrence letters from SHPO and the FWS. Jim Welen has been contacted, (voicemail), by Joe Helfrich and Mike Davis regarding the FWS concurrence letter, no contact to date. Mike Davis offered to contact the FS Archaeologist, (Bob Leonard), regarding the status of mitigation plans and SHPO concurrence. Erik Petersen has been working on the PHC for this amendment.

### **2. Signs and Markers**

Signs containing the required information were posted at the entrance to the mine and topsoil and waste rock site.

### **3. Topsoil**

There are several top and subsoil stockpiles that need to be properly identified, configured and seed beds prepared at the waste rock site. The MRP needs to be revised to accurately reflect the volumes and locations of top and subsoil material at the waste rock site. Chapter 2 page 2-24 of the MRP refers to plates 5-2D,E and F for top and sub soil locations, these maps do not exist in the SLC copy of the MRP. As a suggestion the MRP should be revised to include a table listing all of the top and subsoil stockpiles their locations, volumes and a calculations for redistribution at final reclamation. Now that the earthwork has been completed for the development of the fourth west portals Leland Roberts has started assembling information for the types and volumes of materials stockpiled at the waterock site. Information submitted to address the items noted in the 3/21/2011 letter from Ken May to Daron Haddock should include the appropriate map and text changes. Seeding will be scheduled during the next partial inspection.

#### **4.a Hydrologic Balance: Diversions**

The diversions at the mine and waste rock sites were in good repair and functioning adequately.

#### **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The sediment ponds for the main facilities and wasterock and topsoil storage areas were in good repair. They all contained some water but none were discharging. The ponds were inspected in Oct and Nov of 2011 with no problems noted. Hard copies of the reports were available on site for inspection.

**4.c Hydrologic Balance: Other Sediment Control Measures**

The topsoil, subsoil and waterrock piles have adequate sediment control.

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

Water monitoring data for the fourth quarter of 2011 was entered into the Division's database by Mike Davis on 03/16/2012.

**4.e Hydrologic Balance: Effluent Limitations**

DMR's were current through feb. 2012, 001A no flow, 002 and 003 no exceedances.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

The wasterock site was inspected in Oct and Nov of 2011 with no problems noted. Hard copies of the reports were available on site for inspection.

**8. Noncoal Waste**

Non coal waste is properly stored in containers on site.

**10. Slides and Other Damage**

There were no slides or damage noted during the inspection.

**12. Backfilling And Grading**

The wasterock site is being shaped in lifts now that the construction of the fourth west portals has been completed.

**13. Revegetation**

The seed beds for the top and subsoil located at the wasterocksite need to be prepared. Scheduled seeding will be determined at the next inspection.

**14. Subsidence Control**

Subsidence monitoring data will be included in the annual report.

**19. AVS Check**

The ownership and control information will be evaluated as part of the annual report review.

**20. Air Quality Permit**

The air quality permit is in effect as of may 2006 and renewed 03/30/2011 to include the west lease conveyor. The permit is listed as appendix 4-4 in the MRP.

**21. Bonding and Insurance**

The bond was reduced during the mid-term review to 2,874,000. Insurance is current through 07/31/2012.