



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, November 18, 2015
Start Date/Time:	11/18/2015 8:00:00 AM
End Date/Time:	11/18/2015 2:00:00 PM
Last Inspection:	Wednesday, October 07, 2015

Representatives Present During the Inspection:	
OGM	Karl Houskeeper
Company	Vicky Miller

Inspector: Karl Houskeeper

Weather: Clear Skies, Temp. 47 Deg. F.

InspectionID Report Number: 5362

Accepted by: JHELFRIC
11/19/2015

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

Current Acreages

720.48	Total Permitted
49.66	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

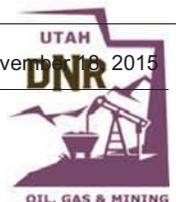
Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Karl R. Houskeeper

Inspector's Signature:

Karl Houskeeper,
Inspector ID Number: 49

Date Wednesday, November 18, 2015



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 type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 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 checked="" 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM Permit for the SUFCO Mine C/041/0002 became effective on May 21, 2012 and expires on May 21, 2017.

The current insurance Policy GL6576428 is through National Union and Fire Insurance Co. Effective date is 02/01/15 and expires on 02/01/16. All required parameters have been met.

Reclamation agreement is dated 15 August 2013 and is signed by both parties.

SPCC plan is dated November 2011 and is signed, dated and stamped by a Utah P.E. on 11-9-11.

UPDES Permit UT0022918 became effective on October 1, 2011 and expires at midnight on September 30, 2016. There are three authorized outfalls.

Air Quality Permit N10665-0014 was issued on 1-28-13 and is still effective for the mine site.

2. Signs and Markers

During the course of the complete inspection various mine identification signs were observed and subsequently checked for compliance. All of the observed signs were uniform in their presentation and were found to be compliant.

The new waste rock sediment pond is under construction. Permit boundary signs are in place. A new mine identification sign is also required. The sign is being ordered and should be in place within a couple of weeks.

3. Topsoil

Topsoil has been removed from the new waste rock sediment pond site and placed into piles. The vegetation was stripped prior to topsoil removal and placed in a separate pile.

4.e Hydrologic Balance: Effluent Limitations

The discharge monitoring reports for July, August and September 2015 were reviewed during the inspection. The reports were submitted to DEQ. No problems or exceeded parameters were noted.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was visited as part of the complete inspection. The pile has been graded and compacted. No signs of spontaneous combustion were present at the time of the inspection. The pile appears stable. No visible hazards were observed in conjunction with the inspection.

The third quarter 2015 refuse pile inspection was done on 09/28/2015. The report was certified by a Utah P.E. on 10/02/2015.

20. Air Quality Permit

Approval Order #N10665-0014 from the Division of Air Quality was issued on 01/28/2013.

21. Bonding and Insurance

Bond is through Iron shore Indemnity Inc. Insurance Co. effective August 15, 2013. The bond was revised 08/19/2015 adding a rider to the original bond. The current bond is for \$3,944,000.



New Sediment Pond Waste Rock Expansion



Waste Rock Expansion



New Sediment Pond Waste Rock Expansion