

CHECK NO.

505768

Savage

Savage Industries Inc.
5250 S Commerce Dr
Salt Lake City, Utah 84107
(801) 263-9400

NbV

NUMBER

505768

08/17/99

VENDOR NO.

0813557

SAVAGE INDUSTRIES INC 5250 S COMMERCE DR SLC, UT 84107 (801)263-9400

PAY EXACTLY

PAY *****EIGHTY AND 00/100 DOLLARS *****80.00

TO THE
ORDER
OF

ST OF UT, DEPT OF NATURAL RESOURCES
ATTN: TIFFINI MOSS
PO BOX 145801
SALT LAKE CITY, UT 84114-5801

BY _____
BY _____
[Signature]

⑈505768⑈ ⑆124000054⑆ 02 18559 3⑈

CHECK NO.

505768

VENDOR NO.

0813557

MO DAY YEAR

08 17 99

INVOICE DATE INVOICE CONTRACT NUMBER

8000 00 80

080299VIOL#N992631

ACT/007/022
N99-2U-3-1

RECEIVED
AUG 18 1999
DIV. OF OIL, GAS & MINU

8000 00 80



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 2, 1999

CERTIFIED RETURN RECEIPT
P 074 978 535

James Jensen
Savage Industries, Inc.
5250 South 300 West, Suite 200
Salt Lake City, Utah 84107

Re: Proposed Assessment for State Violation No. N99-26-3-1, Savage Industries, Inc.,
Savage Coal Terminal, ACT/007/022, Folder #5, Carbon County, Utah

Dear Mr. Jensen:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the Assessment Officer for assessing penalties under R645-401.

Enclosed is the proposed civil penalty assessment for the above referenced violation. The violation was issued by Division Inspector William J. Malencik, on July 16, 1999. Rule R645-401-600 et. seq. has been utilized to formulate the proposed penalty. By these rules, any written information which was submitted by your or your agent within fifteen (15) days of receipt of the Notice of Violation has been considered in determining the facts surrounding the violation and the amount of penalty.

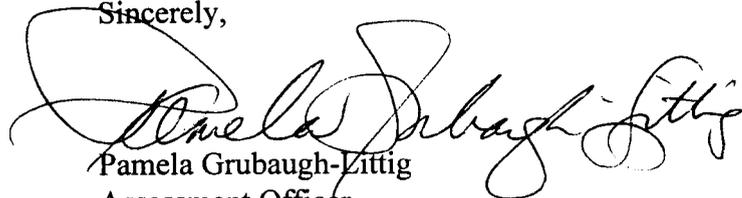
Under R645-401-700, there are two informal appeal options available to you:

1. If you wish to informally appeal the fact of violation, you should file a written request for an Informal Conference within 30 days of receipt of this letter. This conference will be conducted by the Division Director. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.
2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within 30 days of receipt of this letter. If you are also requesting a review of the fact of violation, as noted in paragraph 1, the Assessment Conference will be scheduled immediately following that review.

N99-26-3-1
ACT/007/022
August 2, 1999
Page 2

If a timely request for review is not made, the fact of violation will stand, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the proposed assessment. Please remit payment to the Division, mail c/o Tiffini Moss.

Sincerely,



Pamela Grubaugh-Littig
Assessment Officer

tm
Enclosure
cc: James Fulton, OSM
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WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING

COMPANY/ MINE Savage Industries, Inc./ Savage Coal Terminal NOV # N99-26-3-1

PERMIT ACT/007/022 VIOLATION 1 of 1

ASSESSMENT DATE 08/02/99 ASSESSMENT OFFICER Pamela Grubaugh-Littig

I. HISTORY (Max. 25 pts.)

- A. Are there previous violations, which are not pending or vacated, which fall one (1) year of today's date?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS
_____	_____	_____

1 point for each past violation, up to one (1) year
5 points for each past violation in a CO, up to one (1) year
No pending notices shall be counted

TOTAL HISTORY POINTS 0

II. SERIOUSNESS (Either A or B)

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or HINDRANCE (B) violation? B- Hindrance

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?
2. What is the probability of the occurrence of the event which a violated

standard was designed to prevent?

<u>PROBABILITY</u>	<u>RANGE</u>
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS _____

PROVIDE AN EXPLANATION OF POINTS:

3. What is the extent of actual or potential damage? RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS _____

PROVIDE AN EXPLANATION OF POINTS:

B. HINDRANCE VIOLATION (Max 25 pts.)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? Potential
RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS 3

PROVIDE AN EXPLANATION OF POINTS:

Failure to take samples, hinders enforcement. A potential violation may exist.

TOTAL SERIOUSNESS POINTS (A OR B) 3

III. NEGLIGENCE (Max 30 pts.)

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE: or was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, or the failure to abate any violation due to the same? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence	0
Negligence	1-15
Greater Degree of Fault	16-30

STATE DEGREE OF NEGLIGENCE Negligence
ASSIGN NEGLIGENCE POINTS 5

PROVIDE AN EXPLANATION OF POINTS:

The permittee did not take samples, as required. A mix-up was involved.

IV. GOOD FAITH (Max 20 pts.)

(Either A or B)
(Does not apply to violations requiring no abatement measures)

A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?

IF SO--EASY ABATEMENT

Easy Abatement Situation

- Immediate Compliance -11 to -20*
(Immediately following the issuance of the NOV)
- Rapid Compliance -1 to -10
(Permittee used diligence to abate the violation)
- Normal Compliance 0
(Operator complied within the abatement period required)
(Operator complied with condition and/or terms of approved Mining and Reclamation Plan)

* Assign in upper of lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.

B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- Rapid Compliance -11 to -20*
(Permittee used diligence to abate the violation)
- Normal Compliance -1 to -10*
(Operator complied within the abatement period required)
- Extended Compliance 0
(Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the

plan submitted for abatement was incomplete)
(Permittee complied with conditions and/or terms of
approved Mining and Reclamation Plan)

EASY OR DIFFICULT ABATEMENT? None

ASSIGN GOOD FAITH POINTS 0

PROVIDE AN EXPLANATION OF POINTS:

V. ASSESSMENT SUMMARY

NOTICE OF VIOLATION N99-26-3-1

I.	TOTAL HISTORY POINTS	<u>0</u>
II.	TOTAL SERIOUSNESS POINTS	<u>3</u>
III.	TOTAL NEGLIGENCE POINTS	<u>5</u>
IV.	TOTAL GOOD FAITH POINTS	<u>0</u>
	TOTAL ASSESSED POINTS	<u>8</u>

TOTAL ASSESSED FINE \$80.00

tam

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41

VACATION/TERMINATION OF NOTICE OF VIOLATION/CESSATION ORDER

To the following Permittee or Operator:

Name Savage Industries, Inc. (Savage Coal Terminal)

Mailing Address PO Box 557, Wellington, UT 84542

State Permit No. AC-1001/032

Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., Utah Code Annotated (1953):

Notice of Violation No. N 99-26-3-1 dated 7/16/99, 19__.

Cessation Order No. C N/A dated _____, 19__.

Part 1 of 1 is vacated terminated because The date for performing the water monitoring has passed. Therefore the instant violation is a hardware violation.

Part ____ of ____ is vacated terminated because N/A

Part ____ of ____ is vacated terminated because N/A

Date of service/mailing 7/16/99

Time of service/mailing 10:00 a.m. p.m.

Dan Guay
Permittee/Operator representative

Consultant
Title

[Signature]
Signature

Jim J. Matencik
Division of Oil, Gas & Mining

Rec. Spec.
Title

Wm. J. Matencik
Signature

#26

HINDRANCE TO ENFORCEMENT VIOLATIONS
INSPECTOR STATEMENT

Company/Mine Savage Industries, Inc
Permit # ACT 1007/022

NOV/CO # 99-26-3-1
Violation # 1 of 1

- A. **HINDRANCE TO ENFORCEMENT** (Answer for hindrance violations only such as violations concerning record keeping, monitoring, plans and certification).

Describe how violation of this regulation actually OR potentially (check one) hindered enforcement by DOGM and/or the public and explain the circumstances.

Water monitoring records were incomplete. Provided permittee opportunity to review his files to determine if the records could be located. Action 7/6/99 and subsequent action 7/16/99

- B. **DEGREE OF FAULT** (Check the statements which apply to the violation and discuss).

- () Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation:

all the wells were covered in an approved DAWM water monitoring amendment. The permittee thought a new-up thought the amendment also covered CV1 and CV2

- () Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care, explain.

Explanation:

- () If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation:

() Was the operator in violation of any conditions or stipulations of the approved MRP?

Explanation:

() Has DOGM or OSM cited a same or similar violation of this regulation in the past? If so, give the dates and the type of enforcement action taken.

Explanation: No

C. GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give dates) and describe the measures the operator took to comply as rapidly as possible.

Hindrane violation - no abatement required

2. Explain whether or not the operator had the necessary resources onsite to achieve compliance.

N/A Hindrance Violation

3. Was the submission of plans prior to physical activity required by this NOV? Yes ___ No X If Yes, explain.

Authorized Representative

Jim J. Malinski
Signature

7/16/99
Date



NO. N 99-26-3-1

notice of violation

To the following Permittee or Operator:

Name Savage Industries, Inc
 Mine Savage Coal Terminal Surface Underground Other
 County Carbon State Ut Telephone 432 637 2444
 Mailing Address PO Box 587 Wellington Ut 84542
 State Permit No. Act 1007/022
 Ownership Category State Federal Fee Mixed
 Date of inspection 7/6/99 & 7/16/99, 19__
 Time of inspection 10:00 & 10:00 a.m. p.m. to 3:30 p.m. & 11:00 a.m. p.m.
 Operator Name (other than Permittee) Same As Above
 Mailing Address Same As Above

Under authority of the Utah Coal Mining and Reclamation Act, Section 40-10-1 et seq., *Utah Code Annotated*, 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found violation(s) of the act, regulations or required permit condition(s) listed in attachment(s). This notice constitutes a separate Notice of Violation for each violation listed.

You must abate each of these violations within the designated abatement time. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned representative finds that **cessation of mining** is **is not** expressly or in practical effect required by this notice. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This notice shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas & Mining. Time for abatement may be extended by authorized representative for good cause. If a request is made within a reasonable time before the end of abatement period.

Date of service/mailling 7/16/99 Time of service/mailling 10:00 a.m. p.m.

Din Guy
Permittee/Operator representative

Consultant
Title

[Signature]
Signature

W. Malencik
Division of Oil, Gas & Mining representative

Rec Spec
Title

[Signature]
Signature

26
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

PSC 8-8
DOGM/NOV-1



NO. N 99-26-3-1

notice of violation

To the following Permittee or Operator:

Name Savage Industries, Inc
 Mine Savage Coal Terminal Surface Underground Other
 County Carbon State Ut Telephone 432 637 2444
 Mailing Address PO Box 587 Wellington Ut 84542
 State Permit No. Act/007/022
 Ownership Category State Federal Fee Mixed
 Date of inspection 7/6/99 & 7/16/99, 19__
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Date of service/mailling 7/16/99 Time of service/mailling 10:00 a.m. p.m.

Din Guy
Permittee/Operator representative

Consultant
Title

[Signature]
Signature

W. Malencik
Division of Oil, Gas & Mining representative

Rec Spec
Title

[Signature]
Signature

26
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

PSC 8-8
DOGM/NOV-1



NOTICE OF VIOLATION NO. N 95-26-21

Violation No. 1 of 1

Nature of violation

Failure to conduct water monitoring as required and specified in the Mining & Reclamation Plan

Provisions of act, regulations or permit violated

RCMS 301-731-200, water monitoring
RCMS 301-143 Complying with The Terms & Permit Conditions

Portion of operation to which notice applies

At the following locations CV-1 & CV-14 - Two samples - 2nd Half
90 and 1st Half of 99.

Remedial action required (including any interim steps)

Minorance Violation
Water samples were not taken as noted above.
Therefore, the time for sampling has passed.

Abatement time (including interim steps)

Not applicable since the subject violation is a maintenance
violation