



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)

INSPECTION REPORT

Partial: X Complete: Exploration:
Inspection Date & Time 01/11/00 11:00 to 12:45
Date of Last Inspection: 12/17/99

Mine Name: Savage Coal Terminal County: Carbon Permit Number: ACT/007/022
Permittee and/or Operator's Name: Savage Industries, Inc.
Business Address: P. O. Box 587, Wellington, Utah 84542
Type of Mining Activity: Preparation Plant
State Officials(s): Susan White, Bill Malencik Joe Helfrich
Company Official(s): Boyd Rhodes and Dan Guy Federal Official(s): None
Weather Conditions: Sunny and cool
Existing Acreage: Permitted-160 Disturbed-122 Regraded- Seeded- Bonded-160
Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-
Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - For complete inspections provide narrative justification for any elements not fully inspected unless an element is not appropriate to the site, in which case check N/A.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
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 type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4th Quarter-April, May, June)_____ (date)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT

(Continuation sheet)

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PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 01/12/00

(Comments are Numbered to Correspond with Topics Listed Above)

1. Permits, Change, Transfer, Renewal, Sale:

The permit for the coal terminal facility was renewed August 7, 1999, with the following conditions:

1) "This permit is effective August 7, 1999. If any public comments are received between the time of expiration and the extended public comment period (September 3, 1999), those comments will be given appropriate programmatic consideration," and

2) "Savage Industries, Inc. will submit water quality data electronically to the Division for the Savage Coal Terminal beginning with data for the third quarter of 1999."

Condition #1 has been met and condition #2 is outstanding as of the date of this inspection. Copies of the Attachment to the Permit and correspondence dated August 9, 1999 are provided with this report.

2. Signs and Markers: Mr Malencik indicated that the cattle may have knocked down a few of the perimeter markers along the access road to the Pumphouse SAE. *Will be checked by inspector next inspector, per SAE (page) 1/12/00.*

4. Hydrologic Balance: A small portion of the berm along the west side of SAE #7, (Pumphouse) had been compacted by cattle moving through the area.

A copy of the SPCC plan for the facility was provided to the DOGM staff for review during the inspection. I offered to provide Dan and Boyd a copy of the Division's 12/20/99 internal SPCC guidance memo pending management approval. Approval was granted by Mary Ann Wright on January 18, 2000. Correspondence with the SPCC document will be provided to the coal permittees.

b. Sediment Ponds: Mr. Rhodes indicated that the southwest embankment of pond six needed smoothed out as a result of the recent sediment clean out. Site conditions were too wet to effectively reshape the embankment at the time of the inspection.

d. Water Monitoring: Hard copies of the data were reviewed at the Division office prior to the inspection. However no electronic data had been submitted or accompanied the hard copies of data.

INSPECTION REPORT

(Continuation sheet)

Page 3 of 3

PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 01/12/00

Mary Ann Wright previously advised Susan White that there would be no enforcement action taken for not complying with the Electronic Data Input five year renewal condition. During the site inspection Dan Guy confirmed that the electronic data had not been submitted. He asked if it would be acceptable for him to submit the data electronically. I reviewed the permit and operation plan and spoke with Pam regarding Dan's request. The permit listed James T. Jensen as the "Authorized Representative of the Permittee," and C. T. Corporation Systems as the "Resident Agent." Pam stated that the current operation and reclamation plan would need to be amended to list Dan as an authorized representative of the Permittee in order for him to submit the water monitoring data electronically. This statement was represented to me prior to me receiving a facsimile of a letter dated February 15, 1996 from Boyd Rhodes to Pamela Grubaugh-Littig designating Dan Guy as an "Authorized Agent" for Savage Industries, Inc. from Dan. A copy of the letter was given to Pam. Her response was "that since neither Dan or Boyd were currently authorized representatives for the company the operation and reclamation plan would need to be amended."

e. Effluent Limitations: UPDES Permit #UTG040005 discharge point #001A was reported dry for each month during the third quarter.

7. Coal Mine Waste and Refuse Piles: Mr. Guy had inquired about the necessary permitting requirements for selling the coal processing waste from the refuse pile to Co-Gen. No new developments have occurred as of the date of this inspection.

11. Contemporaneous Reclamation: Although the discussion with Mr. Rhodes regarding future possibilities of reclaiming a portion of the wash plant facility does not fall under this category; I believe this is the most appropriate section in the report to provide comments. Mr. Rhodes indicated that should the company find it in their best interest to reclaim a portion of the wash plant prior to final reclamation of the site, the DOGM would be notified.

13. Revegetation: The Russian Olive tree that had been removed near the washplant Pumphouse had been placed on the topsoil pile to enhance vegetation growth.

Copy of this Report:

Mailed to: OSM, Boyd Rhodes (Savage)

Given to: Pamela Grubaugh-Littig (DOGM)

Copied to: Susan White, Bill Malencik

attachments (3)

Inspector's Signature:  #1 Date: January 25, 2000

Savage Coal Terminal
ACT/007/022
August 7, 1999
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ATTACHMENT A
SPECIAL CONDITION

1. This permit is effective August 7, 1999. If any public comments are received between the time of expiration and the extended public comment period (September 3, 1999), those comments will be given appropriate programmatic consideration.
2. Savage Industries, Inc. will submit water quality data electronically to the Division for the Savage Coal Terminal beginning with data for the third quarter of 1999.



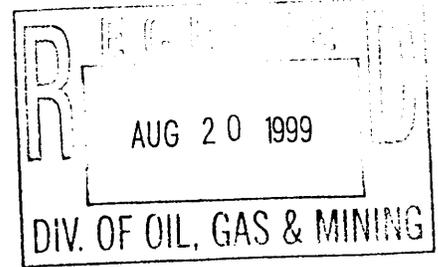
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August 9, 1999

Jim Jensen, Executive Vice President
 Savage Industries, Inc.
 5250 South 300 West, Suite 200
 Salt Lake City, Utah 84107

Re: Five-Year Permit Renewal, Savage Coal Terminal, Savage Industries, Inc., ACT/007/022-99PR, Folder #3, Emery County, Utah

Jim
 Dear Mr. Jensen:

The permit renewal for the Savage Coal Terminal is approved with two conditions:

- 1) "This permit is effective August 7, 1999. If any public comments are received between the time of expiration and the extended public comment period (September 3, 1999), those comments will be given appropriate programmatic consideration," and
- 2) "Savage Industries, Inc. will submit water quality data electronically to the Division for the Savage Coal Terminal beginning with data for the third quarter of 1999."

Enclosed are two (2) copies of the renewed permanent program mining and reclamation permit with the above-noted condition. Please read the permit to be sure you understand the requirements of the permit, then have both copies signed by the appropriate Savage Industries, Inc. representative and return one to the Division.

If you have any questions, please call me.

Sincerely,

Lowell

Lowell P. Braxton
 Director

*8/19/99
 Lowell -
 signed and
 returned per your
 request.
 Thanks
 Jim*

tm
 Enclosures

cc: James Fulton, OSM, WRCC
 R. Singh, OSM, WRCC
 PFO

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Savage Coal Terminal
2025 E. 5000 S.
Price, Utah 84501
(801) 637-5664

February 15, 1996

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Designation of
Authorized Agent
Savage Coal Terminal
ACT/007/022; UPDES UTG040005
Carbon County, Utah

Dear Ms. Grubaugh-Littig:

This letter is to inform your agency that Dan W. Guy of Blackhawk Engineering Company has been designated an "Authorized Agent" for Savage Industries, Inc. for matters pertaining to the Savage Coal Terminal. Dan Guy will have authority to sign for Boyd Rhodes on correspondence relating to permitting, water monitoring and UPDES reports.

All correspondence from your agency concerning Savage Coal Terminal should continue to be sent to:

Boyd Rhodes, Manager
Savage Coal Terminal
P.O. Box 587
Wellington, Utah 84542

Sincerely,

Boyd Rhodes
Manager