

## INSPECTION REPORT

Partial  Complete  Exploration   
 Inspection Date: 04/04/2003 Time: 9:30am-2:20pm  
 Date of Last Inspection: 03/13/2003

Mine Name: Savage Coal Terminal County: Carbon Permit Number: C/007/022  
 Permittee and/or Operator's Name: Savage Industries, Inc.  
 Business Address: 6340 South 3000 East, Suite 600, SLC, UT 84121/PO Box 587, Wellington, UT 84542  
 Company Official(s): Dan Guy, Boyd Rhodes  
 State Official(s): Stephen J. Demczak Federal Official(s): None  
 Weather Conditions: Cooled, 30's, Partly Cloudy  
 Type of Mining Activity: Underground  Surface  Prep Plant  Other   
 Existing Acreage: Permitted 160 Disturbed 122 Regraded  Seeded   
 Status: Active

### 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 N/A.
  - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, 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 type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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 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 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 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 type="checkbox"/>	<input checked="" 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. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. 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 checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 <sup>th</sup> Quarter- April, May, June)	<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 type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/022

DATE OF INSPECTION: 04/04/2003

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

**1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE**

The permittee does not have any amendments pending with the Division at the present time. However, the permittee will be submitting an amendment for a name change in the near future.

**3. TOPSOIL**

The topsoil pile was inspected with no signs of wind or water erosion noticed. The pile was regraded since the last inspection. The permittee will pock, mulch, and seed this area this summer. The Division recommended this decision to the permittee. The permittee will use the mulch mix approved in the Mining and Reclamation Plan.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

The diversions were spot-checked during the inspection. The diversions were functioning as designed. Little or no water was flowing in the diversions during the inspection.

**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The permittee has inspected the sediment ponds for the first quarter. The inspection was P.E. certified. The report revealed no hazardous conditions existed during the inspection. The inspection was conducted on March 26, 2003.

I noticed no hazardous conditions during the inspection. The sediment ponds contain some water but were not likely to discharge in the near future.

**4D. HYDROLOGIC BALANCE: WATER MONITORING**

The permittee has submitted the fourth quarter water information into the EDS system. No sampling is required for the first quarter and third quarter of each year.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

The permittee has UPDES information for the 4<sup>th</sup> quarter 2002. No sediment ponds discharged for the fourth quarter.

The UPDES Permit expires on April 30, 2003. The permittee is in the process of renewing this permit.

**7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS**

The permittee inspected the refuse pile for the fourth quarter 2002 and the first quarter of 2003. The report was P.E. certified. No hazardous conditions were reported. The reports were dated November 14, 2002 and March 26, 2003.

**INSPECTION REPORT**  
(Continuation Sheet)

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**8. NONCOAL WASTE**

The area was generally clear of non-coal waste material. Some cleaning-up of old mining equipment could be needed.

**19. AVS CHECK**

The mining and reclamation plan matches the AVS information.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

The permittee has plans to eliminate the riparian area on the disturbed area in the near future. This will depend on the approval process of the Army Corp of Engineers. A coal stock pile will be used in this area.

**21. BONDING AND INSURANCE**

The permittee was in the process of receiving a new insurance accord form from the insurance company. The insurance expires on April 1, 2003. I requested a copy of the insurance accord form.

Inspector's Signature: \_\_\_\_\_ Date: April 7, 2003  
Stephen Demczak #39

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM  
James Jensen, Savage  
Boyd Rhodes, Savage  
Dan Guy, Blackhawk Engineering  
Price Field office  
O:\007022.SAV\Compliance\2003\c\_0404.doc

Date: 9-Apr-2003

Applicant Violator System  
Organizational Family Tree (OFT)

Time :14:51:25  
Page: 1

(135986) SAVAGE INDUSTRIES INC

Total Number: 54

Entity ID	Name	Desc Code	Begin Date	End Date	Pct. Own.	Hold Code
-088390	WOLACH, DAVID G	EVP	1-May-1987			
-088390	WOLACH, DAVID G	MGR	1-May-1987			
-088392	REES, L DEAN	TRS	1-Aug-1987			
-088392	REES, L DEAN	VP	1-Aug-1987			
-088392	REES, L DEAN	CON	30-Sep-1994			
-088392	REES, L DEAN	SVP	14-Jun-1999			
-088393	LEWIS, H BENSON	ASC	1-Aug-1985			
-088393	LEWIS, H BENSON	DIR	1-Aug-1985			
-088393	LEWIS, H BENSON	EVP	1-Aug-1985			
-088395	SAVAGE, NEAL	CB	1-Oct-1984			
-088395	SAVAGE, NEAL	DIR	1-Oct-1984			
-088397	ALEXANDER, ALLEN	DIR	1-Oct-1984			
-088397	ALEXANDER, ALLEN	PRS	1-Oct-1984			
-088397	ALEXANDER, ALLEN	CEO	15-Sep-1994			
-088398	GOODMAN, HOWARD F	VP	1-Jun-1992			
-088398	GOODMAN, HOWARD F	SVP	14-Jun-1999			
-124668	JENSEN, JAMES T	EVP	1-Jul-1990			
-124668	JENSEN, JAMES T	SEC	1-Jul-1990			
-129757	SAVAGE, JOHN	VP	1-Jun-1993			
-129757	SAVAGE, JOHN	SVP	14-Jun-1999			
-132161	ALEXANDER, DONALD	VP	1-Jun-1993			
-132161	ALEXANDER, DONALD	SVP	14-Jun-1999			
-132162	ADAMSON, ERIC B	VP	1-Jun-1992			
-132164	JOHNSON, ARTHUR D	VP	1-Jul-1990			
-132165	BUSCH, C FRED	SVP	1-Jul-1990			
-132167	ALT, RAYMOND	VP	1-Jun-1992			
-135987	COOPER, KENNETH W	VP	1-Jun-1994			
-135987	COOPER, KENNETH W	SVP	14-Jun-1999			
-145234	SAVAGE, TODD L	VP	1-Dec-1997			
-145234	SAVAGE, TODD L	SVP	14-Jun-1999			
-145234	SAVAGE, TODD L	EVP	3-Jan-2000			
-145235	CHRISTENSEN, KIM F	VP	1-Dec-1997			
-145235	CHRISTENSEN, KIM F	SVP	14-Jun-1999			
-145236	GRAGG, CONNIE L	VP	1-Dec-1997			
-145237	WILCOX, ALAN	VP	1-Dec-1997			
-145237	WILCOX, ALAN	VP	14-Jun-1999			
-148981	EDWARDS, ELLIS	VP	14-Jun-1999			
-148982	MYERS, ERVIN C	SVP	14-Jun-1999			
-148983	MONROE, CHARLES O	SVP	14-Jun-1999			
-148984	CHESLER, JEFF M	VP	14-Jun-1999			
-148985	NELSON, RICK	VP	14-Jun-1999			
-148986	SAVAGE, NATHAN	VP	3-Jan-2000			
-152250	REID, TROY	VP	1-Jun-2000			
-152251	WEHMANEN, MARK	VP	1-Jun-2000			
-088398	GOODMAN, HOWARD F	COP	1-Jun-1992	1-Jul-1994		



Entity Evaluation Applicant Violator System 09-Apr-2003 14:25:20

State :		
Permit No :		
App1 No :		
Seqno :		
Applicant :	135986( SAVAGE INDUSTRIES INC	

There were no violations retrieved by the system

REPORTS(F11)  
PRV\_SCR(F3) VIOL(F4) EVOFT(F5) VOFT(F6) CHOICES(F10) :