



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Table with 2 columns: Role, Name. Row 1: OGM, Pete Hess, Environmental Scientist III. Row 2: Company, Dan Guy. Row 3: Company, Boyd Rhodes.

Inspection Report

Table with 2 columns: Field, Value. Fields: Permit Number (C0070022), Inspection Type (COMPLETE), Inspection Date (Monday, April 24, 2006), Start Date/Time (4/24/2006 10:10:00 AM), End Date/Time (4/24/2006 2:15:00 PM), Last Inspection (Friday, March 31, 2006).

Inspector: Pete Hess, Environmental Scientist III
Weather: Overcast; some rain in AM. Clearing in PM.
InspectionID Report Number: 934

Accepted by: whedberg
5/3/2006

Permittee: SAVAGE SERVICES CORP
Operator: SAVAGE SERVICES CORP
Site: SAVAGE COAL TERMINAL
Address: 6340 S 3000 E STE 600, SALT LAKE CITY UT 84121
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Label. Rows: 160.00 Total Permitted, 122.28 Total Disturbed, Phase I, Phase II, Phase III.

Mineral Ownership

- Other (checked), Federal, State, County, Fee.

Types of Operations

- Underground (checked), Surface (checked), Loadout (checked), Processing, Reprocessing.

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

The Permittee continues to submit quarterly surface water monitoring information in an electronic form to the Division EDI web site. First quarter monitoring for CV-15W (UPDES outfall for pond 003) will be submitted today.

There are no compliance actions currently pending for the Savage Coal Terminal permit area.

Inspector's Signature:

Date Wednesday, April 26, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

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

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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.d Hydrologic Balance: Water Monitoring

The remaining two active water monitoring sites (CV-14-W, and CV-1-W) are required to be sampled during the 2nd and 4th quarters. Thus, no report is due for the first quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr. Guy completed the 1st quarter refuse pile inspection and certification on March 14, 2006. All slopes were reported as stable. The Permittee was observed to be operating a screening plant in the vicinity of the refuse pile. A front end loader was hauling material in the area. The roads, and the material were both very dry, and volumes of particulates were being thrown into suspension. At the request of the Division to get water applied in the area, the Permittee shut the screening plant down until the water truck could be implemented. The water truck was being filled at the end of today's inspection. Mr. Rhodes indicated he would make a concerted effort to see that the area was thoroughly watered prior to start-up. The Permittee should also develop a process to wet the material being handled to minimize fugitive dust generation.

8. Noncoal Waste

Several sets of Savage work uniforms, a pair of work shoes, a pair of dirty socks, and numerous wire coat hangers were observed lying on the ground adjacent to a rubber garbage can on the west corner of the office building. The items were picked up and disposed of in the can by Mr. Guy and the DOGM inspector. This was discussed with Mr. Rhodes who followed up immediately with the employees. Paper rags and some lunch garbage was observed in the ditch beneath the conveyor #12 construction installation. Mr. Rhodes made note of this. Badlands Fabrication is the contractor on site.

9. Protection of Fish, Wildlife and Related Environmental Issues

The Permittee's SPCC Plan was updated February 21, 2006. The update included the additional lubricant storage associated with the new maintenance shop.

16.a Roads: Construction, Maintenance, Surfacing

It is the permittee's intent to initiate blacktop surfacing of several primary haul roads within the permit area in the near future. This was permitted through the DOGM (AM97C/Task ID #4) in 1997.

16.b Roads: Drainage Controls

The Permittee has reinstalled the drainage ditch around the supports which were constructed for conveyor #12. Conveyor #12 will convey coal from the track loop storage area. It should be noted that contractors hired by the Permittee are in the habit of storing components in ditches; this is a compliance action, which was discussed with Mr. Guy and Mr. Rhodes. Surface drainage diversions must be kept operational at all times. The Permittee agreed to have the items (corrugated metal conveyor canopies) removed. Mr. Rhodes indicated that it is the Permittee's intent to have these items straightened and used if possible.

17. Other Transportation Facilities

Task ID #2463 was submitted to the Division to permit an additional conveyor and stacking tube east of the truck dump. Conveyor 1a will transfer 1250 TPH to the coal storage area located in the center of the northern end of the disturbed area. This will improve dozer/FEL efficiency by reducing push distances. As noted elsewhere, the Permittee is gearing up to increase the volume of coal run through the Terminal to 12 MTPY. An amendment to the Air Quality Approval Order has been submitted to DEQ/DAQ to both increase the throughput and add conveyor 1a. According to Mr. Dan Guy, DAQ has already approved the coal stacking tube, which was once again permitted through the DOGM under Task ID #2463. A conditional approval has been recommended for the Conveyor 1a/stacking tube addition; final approval will be granted upon approval of the amended Air Quality permit by DEQ / DAQ.

20. Air Quality Permit

The Permittee recently submitted an amendment to the current Air Quality Approval Order to increase the throughput from 8 MTPY to 12 MTPY. This amendment will also permit the conveyor 1a addition. As noted above, the stacking tube addition had previously been approved through Air Quality, but was re-permitted through the DOGM in Task ID #2463. The Permittee just completed the Emission Inventory for 2005 for submittal to DEQ / DAQ.

21. Bonding and Insurance

The Permittee provided a new Marsh insurance form which indicates that general liability coverage has been extended until April 1, 2007. The new form states the following; "general liability coverage does not specifically exclude coverage for damages caused by explosives".