



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

Representatives Present During the Inspection:	
OGM	Pete Hess Environmental Scientist III
Company	Boyd Rhodes
Company	Dan Guy

Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Thursday, February 28, 2008
Start Date/Time:	2/28/2008 9:00:00 AM
End Date/Time:	2/28/2008 1:40:00 PM
Last Inspection:	Thursday, January 31, 2008

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear; above freezing.

InspectionID Report Number: 1571

Accepted by: dhaddock *[Signature]*
3/6/2008

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

160.00	Total Permitted
122.28	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:

The Permittee is current relative to the required electronic submittal of surface and ground water monitoring information for the Coal Terminal permit area. The Special Condition included as Attachment "A" of the current State permit is being met.
 There are no pending compliance actions at this site.

Inspector's Signature:

[Signature of Pete Hess]
Pete Hess, Environmental Scientist III

Date Thursday, March 06, 2008

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, Division 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" 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 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 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 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"/>

1. Permits, Change, Transfer, Renewal, Sale

Blackhawk Engineering Company is nearly ready to submit the revised, updated mining and reclamation plan for the Savage Industries facility. The Division completed the midterm permit review of the current MRP on February 26, 2008. The Permittee has applied for a renewal of the UPDES permit for the site through Utah DEQ / DWQ; the current permit remains in effect until April 30, 2008.

3. Topsoil

New material has been installed on the fence located on the west perimeter of the topsoil storage pile.

4.a Hydrologic Balance: Diversions

Moisture content of the soils in the area remains much too soft to perform maintenance on the sites diversions. The diversions still appear to be capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Mr. Guy performed the fourth quarter of 2007 impoundment inspections for ponds 1, 2, 3, 5, and 6 on December 13. There were no stability or maintenance issues noted during that inspection. The annual P.E. inspection and certification for these impoundments was conducted during the third quarter of 2007. The ponds remain snow covered with frozen surfaces. No compliance issues were noted this day.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr. Guy completed the fourth quarter of 2007 waste rock pile inspection for the refuse disposal facility on December 13, 2007. Berms and ditches were reported as being in good condition. The top of the pile has been reshaped and impounded water was not observed on the facility. There were no indications of spontaneous combustion noted, either today, or during the December inspection.

8. Noncoal Waste

The area adjacent to the metal dumpster located SW of the office building was observed to have two plastic bags of trash, several drink containers, and other assorted trash scattered about. It is not known if the waste was scattered by the wind, or by improper handling by the trash collection contractor. The non-coal waste was picked up during the course of today's inspection.

16.a Roads: Construction, Maintenance, Surfacing

Unpaved road surfaces remain quite soft due to melting snow and the very low gradient of the permit area. Grading of these areas will be necessary when moisture conditions improve.

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17. Other Transportation Facilities

The Permittee was cleaning up spilled coal around the train loading silo during today's inspection.

21. Bonding and Insurance

The current general liability insurance remains in effect until April 1, 2008. The reclamation bond for the site was reviewed during the Task ID # 2759 midterm review process; the posted bond amount is listed at \$ 2,525,000.