



GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

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Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, February 29, 2012
Start Date/Time:	2/29/2012 7:00:00 AM
End Date/Time:	2/29/2012 10:20:00 AM
Last Inspection:	Thursday, February 02, 2012

Representatives Present During the Inspection:
OGM Pete Hess

Inspector: Pete Hess

Weather: Overcast; cold. Temperature below freezing.

InspectionID Report Number: 3032

Accepted by: jhelfric

3/20/2012

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

153.46	Total Permitted
132.50	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 only Special Condition attached to the current State permit is the requirement to submit quarterly water monitoring data to the DOGM data base "input" pipeline. The Permittee continues to meet this requirement.

Inspector's Signature:

Pete Hess

Pete Hess,

Inspector ID Number: 46

Date Wednesday, February 29, 2012



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 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 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

The mid-term permit review (Task ID # 3953) is ongoing. A two week extension, (until March 15, 2012) has been requested by the Permittee in order to address the identified deficiencies. The current DOGM permit remains in effect through August 6, 2014.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The fourth quarter of 2011 impoundment inspections for ponds 1,2,3, 5 and 6 and the four fine coal slurry impoundments were conducted by Mr. Dan Guy, Utah P.E. in Novmeber (See IR # 2959).

4.d Hydrologic Balance: Water Monitoring

Water was not flowing in the open channel spillway from Pond #6 this day. The water level in Pond #5 was low. The Permittee will be required to monitor for baseline parameters in the Fall quarter of 2013 (MRP, Chapter 7, Table 17).

4.e Hydrologic Balance: Effluent Limitations

Discharge monitoring reports for the month of January 2012 were reviewed. Pond 6 / UPDES outfall 001 did not discharge during the monitoring period. The reports were submitted on February 9, 2012 to the required government agencies.

7. Coal Mine Waste, Refuse Piles, Impoundments

The Permittee continues to load refuse from the west side of the pile. The present schedule to Sunnyside Cogeneration Associates is 20 trucks per day / 6 days per week (approximately 4900 tons per week). Refuse was being loaded during today's inspection. Mr. Fossat anticipates that it will take 1-2 years to complete recovery of the pile, based on SCA's current level of demand. The Permittee has a concern that it may be necessary to remove / reinstall the ground water monitoring well S-2-GW as that area of the refuse pile is recovered. This may happen later. The fourth quarter waste rock pile inspection was completed by Mr. Dan Guy on November 16, 2011. There were no indications that unstable conditions or other hazards existed. No water is being impounded.

9. Protection of Fish, Wildlife and Related Environmental Issues

No wildlife was observed during today's inspection.

12. Backfilling And Grading

The Permitted has graded the area where refuse has been removed down to the native soil elevation. All roads and operational pads are graded and the drainage gradient was dry.

21. Bonding and Insurance

The Permittee's general liability insurance is due for renewal on April 1, 2012.