



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Monday, November 26, 2012
Start Date/Time:	11/26/2012 9:00:00 AM
End Date/Time:	11/26/2012 2:00:00 PM
Last Inspection:	Tuesday, October 23, 2012

Representatives Present During the Inspection:	
OGM	Steve Demczak

Inspector: Steve Demczak

Weather: Sunny, 40's

InspectionID Report Number: 3305

Accepted by: jhelfric
12/20/2012

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:

Mr. Vic Fausett represented the Permittee during today's field inspection.

The permittee has been spending time in grading the refuse pile area for drainage control. Most of the material has been shipped to Coal-Gen.

The site has been slow in the transportation of coal on rail cars.

Inspector's Signature:

Steve Demczak,
Inspector ID Number: 39

Date: Tuesday, November 27, 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 checked="" 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 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 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 checked="" 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	<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 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 current DOGM permit for C/007/022 remains in effect through August 6, 2014. The SPCC plan was last certified by Mr. Dan Guy, P.E., in March of 2010. The Air Quality Permit is DAQE-AN11793000-7-08.

2. Signs and Markers

Identification sign was at gate to permit area. The information meets the minimum requirements of the R645 Coal Rules.

3. Topsoil

There are two topsoil piles. These soil piles were protected by berms. There were no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

Several diversions were recently cleaned out.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment ponds #1 and #2 were cleaned out this summer. The sediment ponds were inspected on September 21, 2012. No hazardous conditions were reported. No ponds were discharging during the inspection. This was the annual sediment pond inspection. It was P.E. certified.

4.d Hydrologic Balance: Water Monitoring

Water monitoring reports were submitted to the Division. This information is reviewed and a copy of the report is given to the permittee.

4.e Hydrologic Balance: Effluent Limitations

No discharges for the third quarter of 2012. I have not seen a discharge from the sediment ponds from Salvage Coal Terminal.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected by a P.E on September 21, 2012. No hazardous conditions were reported. The report was made by Dan Guy.

8. Noncoal Waste

The loadout was clear of non-coal waste materials.

16.a Roads: Construction, Maintenance, Surfacing

Roads were in good conditioning and were watered for dust control. There were many coal trucks using the roads.

16.b Roads: Drainage Controls

Road diversions were opened and functioning as designed. The permittee has re-graded many to the diversion ditches throughout the property.

18. Support Facilities, Utility Installations

No new facilities since the last inspection. The permittee has not submitted an amendment to the Division for constructing new support facilities.

19. AVS Check

The ownership and control information will be evaluated as part of the annual report review for the calendar year 2012 due at the end of March 2013.

21. Bonding and Insurance

The Permittee provided the Division with a general liability insurance re-newal form on April 1, 2013 from Marsh USA Risk and Insurance Services. The coverage will automatically re-new on April 1, 2013. Coverage amounts for each occurrence and general aggregate categories are adequate. Coverage for explosives damage is not specifically excluded. The cancellation clause meets the Division notification requirements contained within the policy. The posted bond amount to ensure reclamation of this site is \$ 2,525,000. The surety (Liberty Mutual Insurance Company) has an A.M. Best rating of "A", as of December 31, 2010.