State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Inspection Report

Permit Number:	**C0070022**
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, December 18, 2012
Start Date/Time:	12/18/2012 9:00:00 AM
End Date/Time:	12/18/2012 12:00:00 PM
Last Inspection:	Monday, November 26, 2012

Representatives Present During the Inspection:
OGM Steve Demczak

Inspector: Steve Demczak,

Weather: Snow storm, 8 - 12 inch on ground, Temp low 30's

InspectionID Report Number: 3334

Accepted by: jhelfric
12/20/2012

Permitee: **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
- [x] Other

Types of Operations

- [x] Underground
- [x] Surface
- [x] Loadout
- [ ] Processing
- [ ] Reprocessing

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

The loadout was covered in snow.

A contractor was screening coal for Dugout mine until Friday the 21st of December.

There were many coal trucks loading coal to the Hunter Power Plant.

No amendments have been submitted to the Division.

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

Inspector's Signature:

Steve Demczak,
Inspector ID Number: 39

Date Wednesday, December 19, 2012

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

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UTAH DNR OIL, GAS & MINING

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Inspection Continuation Sheet

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 performace 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	☐	☐	☐	☐
2. Signs and Markers	☑	☐	☑	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☐	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☐	☐	☐	☐
4.e Hydrologic Balance: Effluent Limitations	☐	☐	☐	☐
5. Explosives	☐	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☐	☐	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☐	☑	☐
8. Noncoal Waste	☑	☐	☑	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☐	☐	☐	☐
10. Slides and Other Damage	☐	☐	☐	☐
11. Contemporaneous Reclamation	☐	☐	☐	☐
12. Backfilling And Grading	☐	☐	☐	☐
13. Revegetation	☐	☐	☐	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☐	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☐	☐	☐	☐
16.b Roads: Drainage Controls	☑	☐	☑	☐
17. Other Transportation Facilities	☐	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☑	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☐	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☐	☐	☐	☐

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

Topsoil pile was covered in snow. It is protected by berm and silt fences. There were no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

The diversions were snow covered. There were no signs of water moving within the Diversions. The culverts were checked and were opened. The permittee did do maintenance prior to snow storm.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

All the sediment ponds are incided ponds. No sediment pond was discharging during the inspection. History has shown that these sediment ponds do not discharge. No hazardous conditions were noticed during the inspection. A couple of the sediment ponds did contain water.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile is small and the material has been re-graded. The refuse is shipped to Co-gen to be burn in power plant. No hazardous conditions were noticed during the inspection. The diversions along the refuse pile was opened but contain snow.

8. Noncoal Waste

No non-coal waste material could be seen due to the snow on the ground. It will take snow melt to be able to see non-coal waste material.

16.b Roads: Drainage Controls

The main roads are full of mud due to coal trucks using the road. The diversions were open but no water was entering the diversions.

18. Support Facilities, Utility Installations

Dugout is not using the coal preperation plant. It maybe be used in the spring of 2013.