



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:

Company	Gary E. Gray Resident Agent
Company	David Shaver Manager
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070033
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, April 14, 2009
Start Date/Time:	4/14/2009 8:30:00 AM
End Date/Time:	4/14/2009 10:10:00 AM
Last Inspection:	Tuesday, March 24, 2009

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast:warm. Winter storm watch in effect.

InspectionID Report Number: 1971

Accepted by: jhelfric
5/5/2009

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
 Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
 Site: **WILDCAT LOADOUT**
 Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

270.00	Total Permitted
20.85	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:

4th Quarter 2008 surface water monitoring information for the Wildcat Loadout permit area has been inserted and uploaded into the DOGM water quality data base. The Permittee continues to meet this Special Condition of the current State coal mining permit.

This permit is currently undergoing the DOGM renewal process. Application / Task ID # 3081 received an administrative completeness determination from the Division on February 19, 2009. The current permit will expire on May 5, 2009.

Savage Services is now hauling coal to this site. Coal was being conveyed onto the #1 radial stacker stockpile.

Inspector's Signature: _____

Pete H. Hess

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date _____

Tuesday, April 14, 2009

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

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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 checked="" 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 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input 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 current UPDES permit for the six sediment pond outfalls remains in effect until April 30, 2013. The current Air Quality permit for the site was issued on December 3, 2004 (DAQE-AN0113007-04).

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The first quarter of 2009 impoundment inspections for the sites six sediment ponds, the permanent impoundment and the depression area was completed by Mr. Shaver on March 30, 2009. Ponds "B" and "F" were cleaned in January 2009. To date, the re-certification of the maintained designs has not been completed by the Permittee's Chief Engineer..

4.c Hydrologic Balance: Other Sediment Control Measures

The straw bales which parallel the SE permit boundary are in need of replacement. Mr. Shaver agreed to address this maintenance issue.

4.d Hydrologic Balance: Water Monitoring

There was no visible flow in Wildcat Wash at the east side main gate (not the truck access gate). Any ponds which contained water were well below the primary spillway discharge elevation. All snow has melted off.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr. David Hibbs, P.E. and Manager of Technical Services for the Permittee completed the first quarter of 2009 refuse pile inspection with P.E. certification on March 30, 2009. There were no safety hazards observed; the pile is being maintained according to the approved design. As observed this day, the Permittee needs to re-install the berm at the crest of the outslope on the SE corner to prevent runoff from going over the outslope (R645-301-746.212).

21. Bonding and Insurance

The Permittee's current general liability insurance is due to expire on June 1, 2009. The Permittee has two surety bonds in place which amount to \$ 1, 114,000. Both bonds are held by Rockwood Casualty Insurance Company (A.M. Best rating of "A", as of March 31, 2009).