



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

Handwritten initials/signature

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 Governor
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INSPECTION REPORT

Partial _____ Complete XXX Exploration _____
 Inspection Date: 05/28/2002 / Time: 11:00 - 14:30
 Date of Last Inspection: 04/16/2002

Mine Name: Sunnyside Refuse/Slurry County: Carbon Permit Number: C/007/035
 Permittee and/or Operator's Name: Sunnyside Cogeneration Associates
 Business Address: P.O. Box 10, East Carbon, Utah 84520
 Company Official(s): Rusty Netz
 State Official(s): Karl R. Houskeeper Federal Official(s): None
 Weather Conditions: Partly Cloudy, Temp 80 - 85°F
 Type of Mining Activity: Underground _____ Surface XXX Prep Plant _____ Other _____
 Existing Acreage: Permitted 310 Disturbed 202 Regraded _____ Seeded _____
 Status: Active

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 N/A.
 - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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	N/A	COMMENTS	NOV/ENF
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 type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. 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 (4 th Quarter- April, May, June)	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/035

DATE OF INSPECTION: 05/28/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The following permits were reviewed:

- Mining permit C/007/035 issued February 4, 1998 and expires February 4, 2003.
- UPDES permit #UT0024759 effective August 1, 1997 and expires midnight July 31, 2002
- Air Quality Permit DAQE-691-99 issued August 13, 1999.
- SPCC plan is only applicable to plant site which is not within the permit area.
- Certificate of Insurance effective 08/01/2001 and terminates 08/01/2002.
- Reclamation agreement is dated December 1996 and signed by both parties.

There were no problems noted. All permits are current. Reminded the operator that the UPDES permit is coming up for renewal and of the expiration date of the insurance.

2. SIGNS AND MARKERS

The ID sign adjacent to the tipple contained all the information. Viewed the MSHA refuse and impoundment signs. All of the signs and markers appear to meet the coal rules.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The following sediment ponds are on site:

Clear Water Pond	UPDES Discharge # 004
Rail Cut Pond	UPDES Discharge # 007
Old Coarse Refuse Road Pond	UPDES Discharge # 008
Pasture Pond	UPDES Discharge # 009
Coarse Refuse Toe Pond	UPDES Discharge # 012
Coal Pile Sediment Pond	UPDES Discharge # 014
Borrow Area Pond	UPDES Discharge # 016

All ponds appeared to be stable with no visible hazards.

Slurry Pond #1 and Slurry Pond #2 are decommissioned and now serve as Excess Spoil Area #2. The ponds are currently receiving fill from the operation. Wood and metal debris is being removed from the fill prior to compaction.

Reviewed the first quarter 2002 Inspection report for Sunnyside Cogeneration Associates prior to the inspection. During the inspection, sediment levels and pond capacities were reviewed and discussed. The operator will seek clarification and answers in June 2002 from Psomas and Associates Engineering on the Rail Cut Pond (#007). Elevations of spillways and sediment levels will be re-surveyed.

4D. HYDROLOGIC BALANCE: WATER MONITORING

The water monitoring for May 2002 has been done, but information from the lab was not available during the inspection. First quarter 2002 water monitoring information has been uploaded and approved in the EDI database.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/035

DATE OF INSPECTION: 05/28/2002

4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

Reviewed the DMR's for April 2002. No discharge took place

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Reviewed the records of inspection for the refuse pile and the impoundments. Reviewed the first quarter inspection report and P.E. certification during the inspection. The report contained the following information:

<u>STRUCTURE</u>	<u>MSHA ID NUMBER</u>	<u>DATE OF INSPECTION</u>
Refuse Pile	1211-UT-09-02093-01	03/26/2002
Excess Spoil #1	1211-UT-09-02093-04	03/26/2002
Excess Spoil #2	1211-UT-09-02093-05	03/26/2002
East Slurry Cell	1211-UT-09-02093-02	03/26/2002
West Slurry Cell	1211-UT-09-02093-03	03/26/2002

All facilities appeared stable with no visible hazards. No smokers were present at the time of the inspection.

20. AIR QUALITY PERMIT

Air Quality Permit DAQE-691-99 issued August 13, 1999 remains in effect.

21. BONDING AND INSURANCE

A Pledge and Escrow agreement dated January 4, 2002 is in place. This agreement is between Wells Fargo and the Division of Oil, Gas and Mining on behalf of SCA. SCA has invested \$1,747,000 in federally guaranteed Treasury Notes.

This action replaces the bond that was with Frontier Insurance Company.

Insurance for the site is under Liberty Mutual Fire Insurance Company policy number TB2-691-518993-011. The policy was issued on August 1, 2001 and expires on August 1, 2002. The policy meets all the minimum requirements of the coal rules. No explosive coverage is noted on the insurance form. However, the MRP clearly identifies that all issues regarding explosives are not addressed, since explosives will not be used at the site.

Inspector's Signature: _____

Karl R. Houskeeper
Karl R. Houskeeper #49

Date: May 29, 2002

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

cc: James Fulton, OSM
Rusty Netz, Cogen
Price Field office

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