



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

Table with 3 columns: Category, Name, Title. Row 1: Company, Rusty Netz, Environmental Coordinator. Row 2: Other, S. Scott Carlson, President. Row 3: OGM, Karl Houskeeper, Environmental Scientist III.

Inspection Report

Table with 2 columns: Field, Value. Fields include Permit Number (C0070042), Inspection Type (COMPLETE), Inspection Date (Wednesday, June 22, 2005), Start Date/Time (6/22/2005 9:00:00 AM), End Date/Time (6/22/2005 1:00:00 PM), Last Inspection (Saturday, May 28, 2005).

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Partly Cloudy, Temp 82 Deg F

InspectionID Report Number: 643

Accepted by: pgrubaug
6/27/2005

Permittee: SUNNYSIDE COGENERATION ASSOCIATES
Operator: SUNNYSIDE COGENERATION ASSOCIATES
Site: STAR POINT REFUSE
Address: PO BOX 159, SUNNYSIDE UT 84539
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Label. Values: 152.81 (Total Permitted), 88.78 (Total Disturbed), Phase I, Phase II, Phase III.

Mineral Ownership

- Federal, State, County, Fee (checked), Other

Types of Operations

- Underground, Surface, Loadout, Processing, Reprocessing (checked)

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

Pending actions: No pending actions.

Inspector's Signature

Date Thursday, June 23, 2005

Karl Houskeeper, Environmental Scientist III
Inspector ID Number: 49

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

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 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 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 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.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 checked="" 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 and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Pending actions: No pending actions.

The following permits were reviewed:

- Mining permit C/007/042 issued November 14, 2003 and expires November 14, 2008.
- UPDES permit #UTG040025 effective May 1, 2003 and expires midnight April 30, 2008 (under general permit UTG040000).
- Air Quality Permit DAQE-239-02 issued April 1, 2002, remains in effect.
- SPCC plan is not required.
- Certificate of Insurance effective 08/01/2004 and terminates 08/01/2005.
- Reclamation agreement is dated October 14, 2003 and signed by both parties.
- Storm Water Permit UTR000604, effective 08/29/02 and expires @ midnight 12/31/06.

2. Signs and Markers

The mine ID signs are located at the contact points of the public road to the permit area and contains all of the appropriate information. All other signs and markers observed during the inspection were in compliance with the approved MRP.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The first quarter 2005 sediment pond inspections were done in conjunction with a complete inspection (March 25, 2005) by Scott Carlson a registered professional engineer in the State of Utah. The Report date is April 8, 2005, no problems were noted. The second quarter 2005 sediment pond inspections were done in conjunction with this complete inspection (June 22, 2005) by Scott Carlson a registered professional engineer in the State of Utah.

4.c Hydrologic Balance: Other Sediment Control Measures

Several sediment basins have material build up in them. These sediment basins are a pre-treatment before the sediment pond. The sediment basins still have water in them. The operator has plans to clean the basins out when they have dried.

4.e Hydrologic Balance: Effluent Limitations

The May 2005 discharge monitoring reports were reviewed. No discharge occurred in May 2005.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mining of the refuse pile was taking place during the inspection. The pile appears to be stable with no visible hazards.

19. AVS Check

The Applicant/Violator System (AVS) was checked on May 26, 2005. No violations were listed. The entity ID showed 149252 Sunnyside Holdings I Inc 50% ownership and 149255 Sunnyside II LP 50% ownership, which correlates with the information contained in the approved Mining and Reclamation Plan (MRP).

20. Air Quality Permit

The air quality permit DAQE-239-02 was issued on April 1, 2002 and remains in effect.

21. Bonding and Insurance

The bond is a collateral bond in the amount of \$1,254,000 in Escrow Account No. 15152700.