



State of Utah

Department of
Natural ResourcesMICHAEL R. STYLER
Executive DirectorDivision of
Oil, Gas & MiningJOHN R. BAZA
Division DirectorJON M. HUNTSMAN, JR.
GovernorGARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070045
Inspection Type:	PARTIAL
Inspection Date:	Friday, February 29, 2008
Start Date/Time:	2/29/2008 10:00:00 AM
End Date/Time:	2/29/2008 11:00:00 AM
Last Inspection:	Thursday, January 17, 2008

Inspector: Pete Hess, Environmental Scientist IIIWeather: Clear and warm; ground conditions are drying.InspectionID Report Number: 1570

Accepted by: dhaddock

3/6/2008

Permittee:

Operator:

Site: **COVOL SITE**Address: **1865 S RIDGE RD, WELLINGTON UT**County: **CARBON**Permit Type: **PERMANENT COAL PROGRAM**Permit Status: **PROPOSED**

Current Acreages

30.00	Total Permitted
30.00	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:

Headwaters, Inc., / COVOL Engineered Fuels, LC submitted a permit application package to the Division on January 15, 2008 for the Wellington facility. This review is identified as Task ID #2899. A March 15, 2008 due date has been assigned.

Mrs. Gina Rau, Environmental Manager, and Mr. Kyle Edwrds, Assistant Plant Manager accompanied the Division representative during today's partial inspection.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Friday, February 29, 2008

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, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 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 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 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 checked="" 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 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 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 and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

Mr. Edwards pointed out that all of the sites diversions will be re-worked with a road grader when soil moisture conditions allow. Based on the small amount of frozen melt water in the ponds, it appears that the majority of the snowpack was absorbed directly by the ground.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sites two sediment ponds were inspected. Both contained a small amount of frozen snow melt in their bottoms. Both ponds were well below the discharge elevation of the open channel spillways. Some erosion was observed below the riprapped north side inlet of the east pond. The ground is still too saturated to work at this point. Mr. Edwards agreed to dress the area and install additional riprap. It was suggested that a length of conveyor belting might be installed rather than rock in the regraded area. Quarterly inspections by qualified personnel were discussed, as was the required annual Professional Engineer certification for each impoundment.

4.c Hydrologic Balance: Other Sediment Control Measures

The topsoil pile, which will require a engineered berm to contain a 10 year 24 hour design event (alternate sediment control area), was discussed.

5. Explosives

There are no explosive or detonator storage magazines at this location.

7. Coal Mine Waste, Refuse Piles, Impoundments

Gray carbonaceous material containing a small percentage of coal was observed along the edge of the surfaced access between the perimeter gate and the Ridge Road. The Division requested that the material be cleaned up, as it appears to be coal waste. It is doubtful that the material can meet ASTM standards for road gravel.

16.a Roads: Construction, Maintenance, Surfacing

Please refer to the comment in item #7.

20. Air Quality Permit

Watering of the haul roads during hot / low humidity conditions was discussed. It is not known if the currently approved Utah Air Quality approval order has a maximum required speed limit for coal trucks inside the permit area.