



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
 JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0070045
Inspection Type:	COMPLETE
Inspection Date:	Monday, May 13, 2013
Start Date/Time:	5/13/2013 2:20:00 PM
End Date/Time:	5/13/2013 3:00:00 PM
Last Inspection:	Wednesday, April 10, 2013

Representatives Present During the Inspection:
OGM Pete Hess

Inspector: Pete Hess
 Weather: Warm; 82 degrees F. High stratified clouds.
 InspectionID Report Number: 3473
 Accepted by:

Permittee: **HEADWATERS ENERGY SERVICES**
 Operator: **HEADWATERS ENERGY SERVICES**
 Site: **COVOL SITE**
 Address: **10653 SOUTH RIVER FRONT PARKWAY, SUITE 300, SOUTH JORDAN UT 840**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

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:

The Wellington dry coal processing plant is now in operation and has shipped two trains thus far, with five trains forecast for June, 2013.
 Mr. Kyle Edwards represented the Permittee during today's field inspection.
 Carbon County received several intense / short duration rain fall events during the previous week.

Inspector's Signature:

Pete Hess,
 Inspector ID Number: 46

Date Monday, May 13, 2013



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 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 type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 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 checked="" 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 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 Division has granted final approval for Task ID # 4304 which changes the Operator of the Wellington facility from Headwaters Energy Services to Bowie Refined Coal, LLC. Task ID # 4308 (Response to Division Order DO12B) has received a Conditional Approval for a permit change. It will permit the area east of the west permit boundary fence as an ASCA. Clean copies are pending, prior to Final Approval.

2. Signs and Markers

The installation of new permittee identification signs was discussed. Mr. Edwards was told he could order the new signs, but that the new signs could not be installed until the Division had approved a permit transfer to Bowie Refined Coal LLC. Bowie has been approved as the new operator of the site. To date, a permit transfer application has not been received by the Division.

4.a Hydrologic Balance: Diversions

All ditches were in good repair and appeared to be capable of functioning as designed. The outlet of culvert C-1 (See Plate 7-1 in the MRP) was nearly blocked with coal fines. Mr. Edwards assigned personnel to clean the ditch and outlet during the inspection. The culvert was checked prior to the end of today's inspection. It was field compliant and appeared capable of functioning as designed. C-1 was installed with a very low gradient, which is why it requires extensive monitoring.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Both the East and West sediment ponds were observed as dry. The open channel spillways at each were capable of functioning as designed. No compliance issues were identified with either pond.

4.d Hydrologic Balance: Water Monitoring

Water monitoring is not required at this time.

4.e Hydrologic Balance: Effluent Limitations

Both the East and West sediment ponds were dry; neither pond has ever discharged from the permit area.

17. Other Transportation Facilities

All raw feed and finished product is trucked to and from the site. Trains are loaded at the Savage Coal Terminal site.

19. AVS Check

A permit transfer application to Bowie Refined Coal LLC is being prepared by EarthFax Engineering for submittal to the Division. This will include updated Chapter One information for the new Permittee.

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20. Air Quality Permit

The operational areas where equipment was being utilized had recently received an application of water to control fugitive dust.