

0016

TRANSACTION REPORT

JUN-03-2003 TUE 11:47 AM

FOR: OIL, GAS & MINING

801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
JUN-03	11:43 AM	14356135828	3' 40"	2	SEND	OK	219	

TOTAL : 3M 40S PAGES: 2



Canyon Fuel Company, LLC
 SUFCO Mine
 397 South 800 West
 Salina, UT 84654
 (435) 286-4880 Fax: (435) 286-4499

May 21, 2003

Mr. Don Ostler, Director
 Department of Environmental Quality
 Division of Water Quality
 288 North 1460 West
 P.O. Box 144870
 Salt Lake City, Utah 84114-4870

RE: NPDES PERMIT UT-0022918

Dear Mr. Ostler:

According to the conditions of NPDES Discharge Permit UT-0022918, Part II-I-3 and Utah Coal Mining Rules R645-301-731.223, Canyon Fuel Company is providing the written notification of a failure to comply with the maximum seven-day average limitation for TSS at outfall 002. The receiving drainage for outfall 002 is East Spring Canyon.

The daily maximum limit for TSS of 70 mg/L was not exceeded because the sample taken on May 7, 2003 had a TSS reported value of 45.6 mg/L. But, this TSS value will cause the seven-day average of 35 mg/L to be exceeded since this was the only sample taken during that week. Under Part I-D-3, a settleable solids sample with a daily maximum limitation of 0.5 ml/L should be taken with a snowmelt runoff event instead of the total suspended solids limitation contained in Part I-D-1. The settleable solids sample taken had a reported value of <0.11 ml/L. The outflow was 25 gpm when the sample was taken. The high TSS value is believed to be partially caused by the 0.28-inch rain and snow precipitation event received on May 5, 2003. This rain and snowmelt runoff drained into the sediment pond the two days before this sample was taken.

Outgoing

Incoming
 C/P 4/1002
 Copy Dana, Pa
 FAX PFO ✓



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 Department of Environmental Quality
 Division of Water Quality
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 P.O. Box 144870
 Salt Lake City, Utah 84114-4870

RE: NPDES PERMIT UT-0022918

Dear Mr. Ostler:

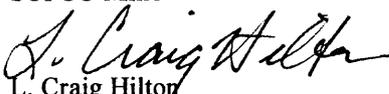
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The results of the May 7, 2003 sample were reported to Mike Herkimer by telephone on May 20, 2003 within 24-hours of receiving the sample results by Mike Davis.

Another sample was taken on May 21, 2003.

Sincerely,
 CANYON FUEL COMPANY, LLC
 SUFCO Mine


 L. Craig Hilton
 Technical Services Manager

LCH/MLD:kb

cc: Division of Oil, Gas & Mining
 EPA - Water Management Division
 Ken May
 Chris Hansen

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Incoming
CFO 4/1/002
Cory Dana, Dan
ASK PFD ✓

RECEIVED

MAY 28 2003

DIV. OF OIL, GAS & MINING

0017

MARSH

Tina Davis, AFSB, CIC
Assistant Vice President

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60 East South Temple, Suite 1600
Salt Lake City, UT 84111
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May 20, 2003

PAM GRUBAUGH-LITTIG
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
P. O. BOX 145801
SALT LAKE CITY UT 84114-5801

FAX TFO
Revised
5/20/03
Tina Davis

Subject:
SAVAGE INDUSTRIES, INC.

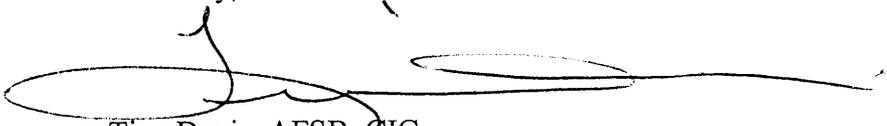
Dear Pam:

Please accept this letter as confirmation that Bond No. 158987108 written through National Fire Insurance Company of Hartford is still in full force and effect for the above captioned Principal.

I hereby request that you return the original Bond No. 3SE016664 written through American Manufacturers Mutual Insurance Company so that I may send it back to the bonding company for flat cancellation and return of the premium they charged.

If you have any questions, please call me. Thank you for your assistance in this matter.

Sincerely,



Tina Davis, AFSB, CIC
Assistant Vice President
Attorney-In-Fact for National Fire Insurance Company of Hartford

Copy:
DAN GUY - F. 435-637-2431

RECEIVED

MAY 21 2003

DIV. OF OIL, GAS & MINING