



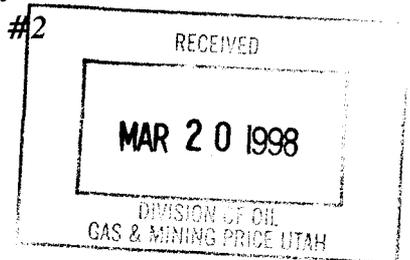
Savage Industries Inc.
2025 E. 5000 S.
Price, Utah 84501
(801) 637-5664
(801) 637-3418 FAX

Mr. Joe Helfrich
Permit Supervisor
Utah Division of Oil, Gas, & Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Q8B

ACT/007/022 #2

Re: Water Monitoring Wells
Proposed Amendment
Savage Coal Terminal
ACT/007/022; Folder #2
Carbon County, Utah



Dear Mr. Helfrich:

In response to the February 19, 1998 letter from Mr. Malencik, Savage Industries, Inc. has decided to pursue Option No. 3, justifying the proposed elimination of ground water monitoring wells CV-10W and CV-11W. In fact, this amendment will propose elimination of all ground water monitoring wells except CV-1W, the French Drain well.

Ground water monitoring data for the site has been evaluated for the past 5 years - which includes the time prior to Savage Industries' purchase of the site. This data, along with other justification specific to each well, is presented in the attached Appendix 7-1.

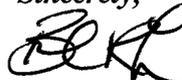
While the letter was specific to wells CV-10W and CV-11W, upon examination, it was apparent that many of the wells are either dry or not located on property controlled by Savage Industries; therefore, it was decided to evaluate each of the wells and determine their value. Wells CV-10W and CV-11W have been destroyed by the land owner - they were in a field which is regularly plowed, irrigated and used for cattle grazing. Wells CV-3W and CV-12W are also located on property controlled by others, and eventually, will likely suffer the same fate. Wells CV-0W, CV-4W, CV-5W, CV-10W and CV-12W have been dry since 1992. The data and justifications in Appendix 7-1 will provide details specific to each well.

The proposed data and justifications have been submitted as an Appendix;

however, applicable pages and plates have also been amended for the permit. Required change forms are also enclosed.

It is our hope this proposal will meet with your approval. If you have any questions or need additional information, please contact me at (435) 637-5664 or Dan Guy at (435) 637-2422.

Sincerely,

A handwritten signature in black ink, appearing to read 'BR', with a long horizontal line extending to the right.

*Boyd Rhodes
Manager*

*cc: Jeff Chesler - Savage
Dan W. Guy - Blackhawk
File*

APPLICATION FOR PERMIT PROCESSING

| | | | | | | |
|--|-------------------------------------|----------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|
| Permit Change <input type="checkbox"/> | New Permit <input type="checkbox"/> | Renewal <input type="checkbox"/> | Transfer <input type="checkbox"/> | Exploration <input type="checkbox"/> | Bond Release <input type="checkbox"/> | Permit Number: |
| Title of Proposal: PROPOSAL TO DEACTIVATE GROUND WATER MONITORING WELLS | | | | | | Mine: SAVAGE COAL TERMINAL |
| | | | | | | Permittee: SAVAGE INDUSTRIES |

Description, include reason for application and timing required to implement:
LANDOWNER DESTROYED WELLS / DRY WELLS

Instructions: If you answer yes to any of the first 7 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to an inspector.

| | | |
|---|--|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Change in the size of the Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is the application submitted as a result of a Violation? Violation # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Division Order? D.O. # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?) |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Is proposed activity within 100 feet of a public road or perennial stream or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Is this coal exploration activity? |

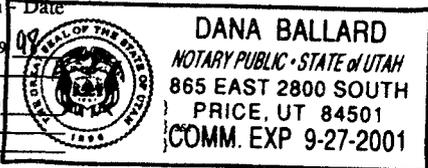
Attach 4 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings and obligations, herein.

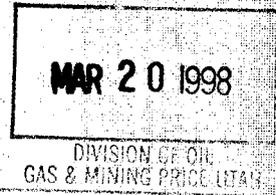
[Signature] **MR** **3-14-98**
 Signed - Name - Position Date

Subscribed and sworn to before me this 14 day of MARCH, 1998

My Commission Expires: 9-27-2001
 Attest: STATE OF _____ COUNTY OF _____



Received by Oil, Gas & Mining



ASSIGNED PERMIT CHANGE NUMBER

ADDENDUM TO AMENDMENT:

R 645-301-200, Soils

No soils issues are involved with this amendment.

R 645-301-300, Biology

No biology issues are involved or impacted by this amendment.

R 645-301-400, Land Use and Air Quality

This amendment will have no impact on land use or air quality. The adjacent landowner has plowed 2 of the wells under as described in Appendix 7-1.

R 645-301-500, Engineering

This amendment does not involve any new structures or designs. Required maps are certified as provided in this section.

R 645-301-600, Geology

No geologic concerns are involved with this amendment, except for the occurrence and monitoring of ground water. These issues are discussed under R645-301-700.

R 645-301-700, Hydrology

Text, required maps and water monitoring data are provided with this amendment.

R 645-301-800, Bonding and Insurance

No bonding issues or changes are necessary for this amendment.