

**PERMIT TRACKING FORM**

- Permit Amendment  
  Exploration Permit  
  NOV Abatement  
  Division Order  
  Permit Transfer  
  Incidental Boundary Change  
 Permit Midterm  
  Permit Renewal  
  New Permit  
  Significant Revision  
  Bond Release

Permit Number	ACT/007/0322	Title of Proposal:	Permit Renewal
Permit Change Number	RN99	Description:	Doc on 7/9/99
Permittee	ANDALEX RESOURCES		
Mine Name	WILDCAT LOADOUT	# of Copies Required:	5
		# of Copies Received:	

<input type="checkbox"/> Permit Change Application Sent to SLC:		Transmittal Letter to Permittee:	
<input type="checkbox"/> Notice of Affidavit of Publication. (If change is a Significant Revision, New Permit, or Permit Transfer.)		Dates Published:	Date Received at DOGM:

**REVIEW TRACKING**

ROUND 1				ROUND 2			
DATE RECEIVED:				DATE RECEIVED:			
	Reviewer:	Date Due:	Date Done:		Reviewer:	Date Due:	Date Done:
<input type="checkbox"/> Project Lead	<i>[Signature]</i>			<input type="checkbox"/> Project Lead			
<input type="checkbox"/> Administrative				<input type="checkbox"/> Administrative			
<input type="checkbox"/> Land Use/ AQ				<input type="checkbox"/> Land Use/ AQ			
<input type="checkbox"/> Biology				<input type="checkbox"/> Biology			
<input type="checkbox"/> Engineering				<input type="checkbox"/> Engineering			
<input type="checkbox"/> Geology				<input type="checkbox"/> Geology			
<input type="checkbox"/> Soils				<input type="checkbox"/> Soils			
<input type="checkbox"/> Hydrology				<input type="checkbox"/> Hydrology			

ROUND 1	TA Review Due:	Date Compiled:	Permittee Response Due:	Date Received:
ROUND 2	TA Review Due:	Date Compiled:	Permittee Response Due:	Date Received:

Coordinated Reviews:	Round 1		Round 2		Comments Received: Y/N	Additional Tracking	Date:
	Sent	Due	Sent	Due			
<input type="checkbox"/> OSM						Public Hearing	
<input type="checkbox"/> BLM						Letter from Compliance Super.	
<input type="checkbox"/> US Forest Service						AVS Completed	
<input type="checkbox"/> Wildlife Resources						Approval Effective Date	
<input type="checkbox"/> Water Rights						Approved Copy to File	
<input type="checkbox"/> DEQ						Approved Copy to Permittee	
<input type="checkbox"/> SITLA						Approved Copy to PFO/ SLO	
						Approved Copy to Agencies	
						CHIA Modified	
						Update Master TA	

COMMENTS: *Informal fax on 4/7/99.*



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

July 9, 1999

Jim Jensen  
Savage Industries, Inc.  
5250 South 300 West, Suite 200  
Salt Lake City, Utah 84107

Re: Five-Year Permit Renewal- Completeness Determination, Savage Industries, Inc., Savage Coal Terminal, ACT/007/022-99PR, Folder #3, Emery County, Utah

Dear Mr. Jensen:

The Division has determined that the permit renewal application for the Crandall Canyon Mine is "complete and accurate," with the submittal of the current bond and evidence of liability insurance. Violation information was submitted but needs to include a brief description of the violation alleged in the notice (R645-801-113.320). Please submit this information by July 30, 1999.

Publication of the public notice for permit renewal may proceed as required by R645-300-121. The publication should now proceed for four consecutive weeks. At the end of the 30-day comment period, findings for the renewal will be made and the permit renewed unless a factual basis for denial of the renewal is presented to and upheld by the Division.

Sincerely,

  
Pamela Grubaugh-Littig  
Permit Supervisor

tm  
cc: Price Field Office  
O:\007022.SAV\FINAL\FIVEYEAR.WPD



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
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Savage Industries, Inc.  
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Sincerely,

  
Pamela Grubaugh-Littig  
Permit Supervisor

tm  
cc: Price Field Office  
O:\007022.SAV\FINAL\FIVEYEAR.WPD

July 7, 1999

**FIELD(name)**  
**FIELD(company)**  
**FIELD(address)**

Re: Determination of Administrative Completeness for Permit Renewal, Savage Industries, Inc., Savage Coal Terminal, ACT/007/022-99PR, Folder #3, Carbon County, Utah

Dear **FIELD(greeting)**:

The Division has determined that the permit renewal application for the Crandall Canyon Mine is "complete and accurate," with the submittal of the current bond and evidence of liability insurance and violation information.

In compliance with the Utah Coal Mining Rules R645-300-121.300, R645-300-121.310, R645-300-121.320, and the Utah Coal Mining Act (UCA Section 40-10-1 et seq.), notice is hereby given to all appropriate agencies having a jurisdiction or an interest in the area of the operations that this application is available for public review.

This permit area is located in Carbon County. (A permit area map is attached for your information.)

This permit renewal application is available for public review at:

Coal Regulatory Program  
Division of Oil, Gas, and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Carbon County Courthouse  
120 East Main  
Price, Utah 84501

Please comment by August 6, 1999.

Administrative Completeness  
ACT/015/032-98PR  
February 19, 1998  
Page 2

Comments may be addressed to:

Utah Coal Program  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

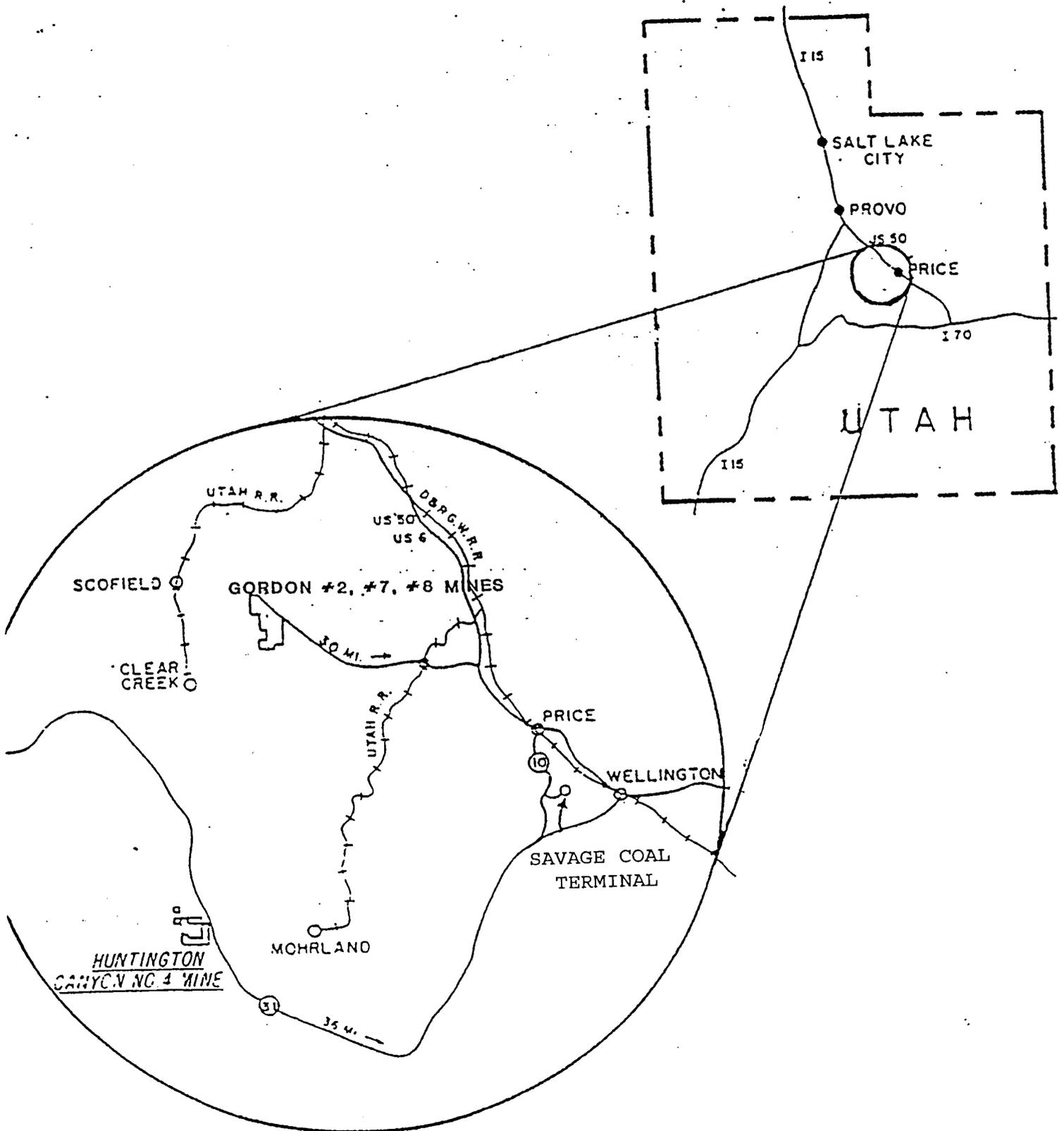
If you have any questions please call me or Pamela Grubaugh-Littig.

Sincerely,

Mary Ann Wright  
Associate Director of Mining

tm  
Enclosure  
O:\007022.SAV\DRAFT\ADMREN99.FRM

# SAVAGE COAL TERMINAL AREA OF OPERATIONS



LOCATION MAP

*Savage*

JAMES FULTON CHIEF  
OSM  
1999 BROADWAY STE 3320  
DENVER CO 80202

RANVIR SINGH  
OSM  
1999 BROADWAY STE 3320  
DENVER CO 80202

RICHARD MANUS AREA MANAGER  
BLM  
PRICE FIELD OFFICE  
125 S 600 W  
PRICE UT 84501

ROBERT WILLIAMS  
USF&WS  
ECOLOGICAL SERVICES  
145 E 1300 S STE 404  
SLC UT 84115

MIKE SCHWINN DISTRICT ENGINEER  
US ARMY CORPS OF ENGINEERS  
1403 S 600 W  
BOUNTIFUL UT 84010

ROBERT MORGAN STATE ENGINEER  
DIVISION OF WATER RIGHTS

**INTERDEPARTMENT**

MARK PAGE REGIONAL ENGINEER  
DIVISION OF WATER RIGHTS

MAX J. EVANS  
UT DIVISION OF STATE HISTORY

WILLIAM P. YELLOWTAIL JR.  
EPA  
999 18TH ST  
DENVER PLACE STE 500  
DENVER CO 80202

**INTERDEPARTMENT**

**INTERDEPARTMENT**

GARY L. ROEDER  
NRC  
350 N 400 E  
PRICE UT 84501

BRENT BRADFORD  
DEQ

DAVE ARIOTTI DISTRICT ENGINEER  
DEQ

**INTERDEPARTMENT**

**INTERDEPARTMENT**

JOHN KIMBALL DIRECTOR  
DIVISION OF WILDLIFE RESOURCES

BILL BATES  
DIVISION OF WILDLIFE RESOURCES

ROANALD P. PARKIN  
INDUSTRIAL COMMISSION OF UT  
COLLEGE OF EASTERN UT  
451 E 400 N  
PRICE UT 84501

**INTERDEPARTMENT**

**INTERDEPARTMENT**

CAROLYN B. WRIGHT  
GOV OFF OF PLANNING & BUDGET

DAVID WINDER  
DEPT OF COMM & ECONOMIC DEV  
324 S STATE ST STE 500  
SLC UT 84111

KATHLEEN CLARKE  
DNR

**INTERDEPARTMENT**

**INTERDEPARTMENT**

BILL HOWELL  
SE UT ASSOC OF GOVERNMENTS  
PO BOX 1106  
PRICE UT 84501

DAVID LEVANGER  
CARBON CO PLANNING & ZONING  
120 E MAIN  
PRICE UT 84501

JAY MARK HUMPHREY  
EMERY WATER CONSERVANCY DIST  
PO BOX 998  
CASTLE DALE UT 84513

DARREL V. LEAMASTER P.E.  
CVSSD  
PO BOX 877  
CASTLE DALE UT 84513

MENCO COPINGA PRESIDENT  
N EMERY WATER USERS ASSOC  
BOX 129  
CLEVELAND UT 84513

DUANE K. JENSEN PRESIDENT  
HUNTINGTON-CLEVELAND IRR CO  
BOX 1183  
HUNTINGTON UT 84528

LEE LEMMON VICE PRESIDENT  
HUNTINGTON-CLEVELAND IRR CO  
BOX 1183  
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VARDEN WILLSON SECRETARY  
HUNTINGTON-CLEVELAND IRR CO  
BOX 327  
HUNTINGTON UT 84528

EUGENE JOHANSEN CHARIMAN  
EMERY COUNTY WATER CONS DIST  
PO BOX 856  
CASTLE DALE UT 84513

THOMAS BINGHAM PRESIDENT  
UT MINING ASSOCIATION  
KEARNS BUILDING  
136 S MAIN STE 825  
SLC UT 84101

CHUCK SEMBORSKI  
ENVIRONMENTAL CHAIRMAN  
ENERGY WEST  
PO BOX 310  
HUNTINGTON UT 84528

July 7, 1999

FIELD(name)  
FIELD(company)  
FIELD(address)

Re: Determination of Administrative Completeness for Permit Renewal, Savage Industries, Inc., Savage Coal Terminal, ACT/007/022-99PR, Folder #3, Carbon County, Utah

Dear FIELD(greeting):

The Division has determined that the permit renewal application for the Savage Coal Terminal is "complete and accurate," with the submittal of the current bond and evidence of liability insurance and violation information.

In compliance with the Utah Coal Mining Rules R645-300-121.300, R645-300-121.310, R645-300-121.320, and the Utah Coal Mining Act (UCA Section 40-10-1 et seq.), notice is hereby given to all appropriate agencies having a jurisdiction or an interest in the area of the operations that this application is available for public review.

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This permit renewal application is available for public review at:

Coal Regulatory Program  
Division of Oil, Gas, and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Carbon County Courthouse  
120 East Main  
Price, Utah 84501

Please comment by August 6, 1999.

Administrative Completeness

ACT/007/022-99PR

July 12, 1999

Page 2

Comments may be addressed to:

Utah Coal Program  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

If you have any questions please call me or Pamela Grubaugh-Littig.

Sincerely,

Mary Ann Wright  
Associate Director of Mining

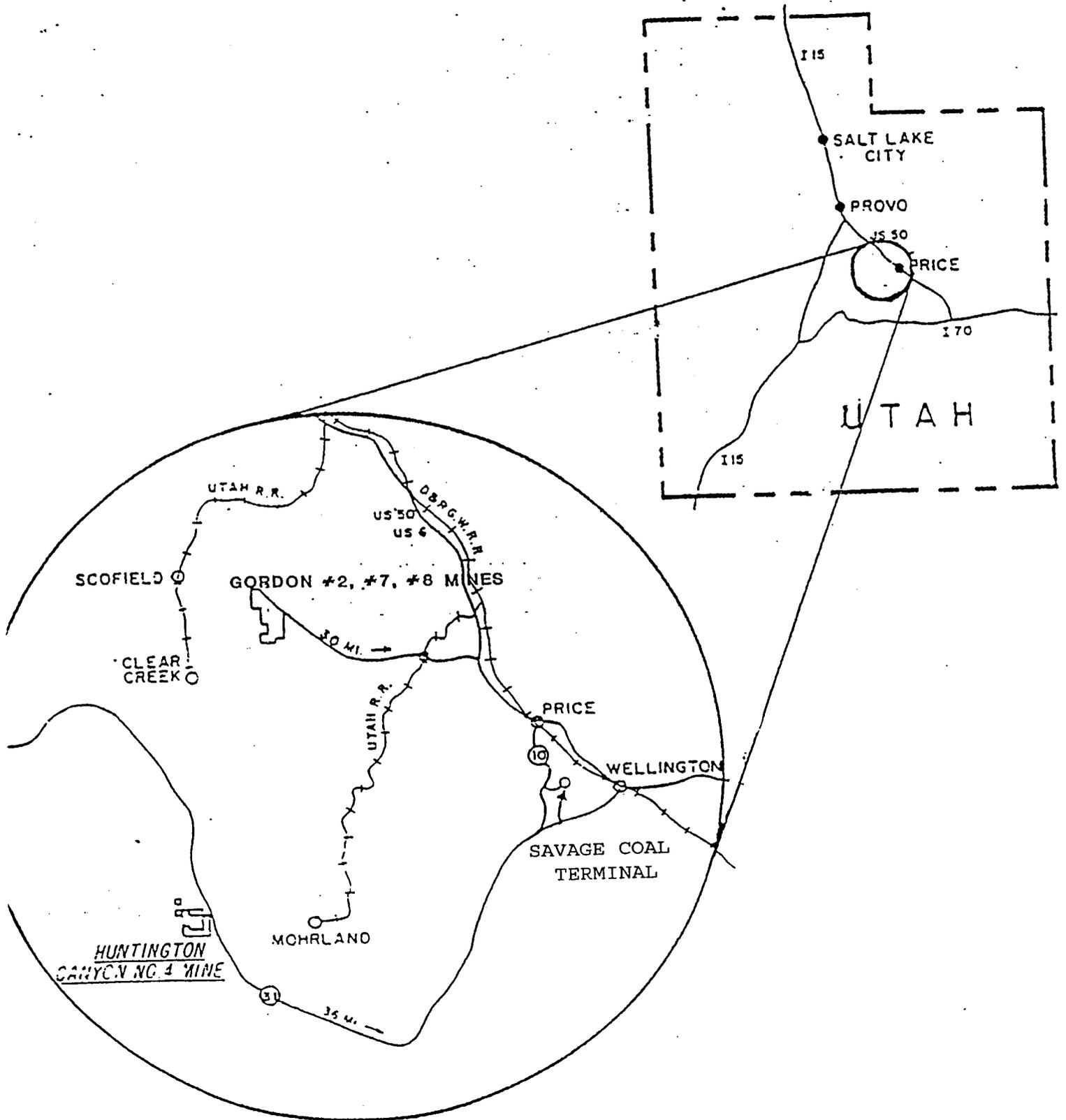
tm

Enclosure

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# SAVAGE COAL TERMINAL

## AREA OF OPERATIONS



LOCATION MAP

*Savage*

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DENVER CO 80202

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BLM  
PRICE FIELD OFFICE  
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SLC UT 84101

CHUCK SEMBORSKI  
ENVIRONMENTAL CHAIRMAN  
ENERGY WEST  
PO BOX 310  
HUNTINGTON UT 84528

6/30/99



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

**Pamela Grubaugh-Littig**  
**Permit Supervisor**  
**Utah Division of Oil, Gas & Mining**  
**1594 West North Temple, Suite 1210**  
**Box 145801**  
**Salt Lake City, Utah 84114-5801**

Re: **Permit Renewal**  
**Savage Coal Terminal**  
**ACT/007/022 #2**  
**Carbon County, Utah**

*Josy [Signature]*  
*Renewal*  
*File*

**Dear Ms. Littig:**

**As a designated agent of Savage Industries, Inc., and in accordance with R645-301-230, I am herein applying for renewal for a period of 5 years.**

**Enclosed are 3 copies of a notarized C-1 Form, the liability insurance, reclamation bond, a proposed public notice and a summary of enforcement actions over the last 5 years.**

**I understand that a notice of intent to renew the permit was faxed to Daron Haddock by Dan Guy on 04/07/99. As Mr. Guy indicated in that letter, the permit is in the process of being re-formatted to the R645 Rules, but no changes are proposed at this time.**

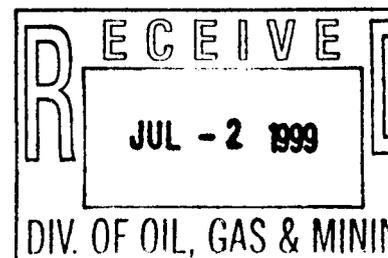
**The public notice will be published once per week for 4 consecutive weeks, as required. Proof of publication will be submitted to the Division upon receipt.**

**If you have any questions, or need any further information, please let me know.**

**Sincerely,**

*James T. Jensen*  
**James T. Jensen**  
**Executive Vice President**

**cc: Boyd Rhodes**  
**Dan Guy**  
**File**



# APPLICATION FOR PERMIT PROCESSING

Permit Change <input type="checkbox"/>	New Permit <input type="checkbox"/>	Renewal <input checked="" type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: <i>ACT/007/022</i>
----------------------------------------	-------------------------------------	---------------------------------------------	-----------------------------------	--------------------------------------	---------------------------------------	--------------------------------------

Title of Proposal: <i>PERMIT RENEWAL</i>	Mine: <i>SAVAGE COAL TERMINAL</i>
Permittee: <i>SAVAGE INDUSTRIES, Inc.</i>	

Description, include reason for application and timing required to implement:

**Instructions:** If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO #
<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 checked="" type="checkbox"/> Yes	<input 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 proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV #
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: <i>RENEWAL</i>
<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 type="checkbox"/> Yes	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 3 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.

*James T. Deaser Ex VP*  
Signed Name - Position - Date

Subscribed and sworn to before me this *30* day of *JUNE*, 19 *99*

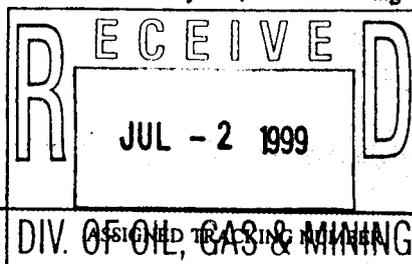
*Jo L. Sanders*  
Notary Public

My Commission Expires: *4-1* IS DL  
STATE OF *UTAH*  
COUNTY OF *SALT LAKE*



**NOTARY PUBLIC**  
**JO L. SANDERS**  
6250 So. Commerce Dr. #200  
Salt Lake City, Utah 84107  
My Commission Expires  
April 1, 2001  
**STATE OF UTAH**

Received by Oil, Gas & Mining



**ATTACHMENT A  
SPECIAL CONDITION**

- 1. This permit is effective October 24, 1998. If any public comments are received between the time of expiration and the extended public comment period (November 27, 1998), those comments will be given appropriate programmatic consideration.**

TRANSACTION REPORT

P. 01

JUN-16-99 TUE 12:36 PM

SEND (M)

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
JUN-16	12:32 PM	14356372431	4' 00"	7	SEND	( M) OK	068	
TOTAL				4M	OS	PAGES:	7	



**State of Utah**  
 DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
 PO Box 145801  
 Salt Lake City, Utah 84114-5801  
 801-538-5340  
 801-359-3940 (Fax)  
 801-538-7223 (TDD)

Michael O. Leavitt  
 Governor  
 Lowell P. Braxton  
 Division Director

**UTAH DIVISION OF OIL, GAS AND MINING  
 FACSIMILE COVER SHEET**

**DATE:** 6-16-99

**FAX#:** (435) 437-2431

**ATTN:** Dan Guay

**COMPANY:** Blackhawk Engineering

**DEPARTMENT:** \_\_\_\_\_

**NUMBER OF PAGES:(INCLUDING THIS ONE)** 7

**From:** Dan Guay



**State of Utah**  
 DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
 PO Box 145801  
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Michael O. Leavitt  
 Governor  
 Lowell P. Braxton  
 Division Director

435-  
 437-  
 2431

**UTAH DIVISION OF OIL, GAS AND MINING  
 FACSIMILE COVER SHEET**

**DATE:** 0-16-99

**FAX#:** (435) 437-2431

**ATTN:** Dan Guay

**COMPANY:** Blackhawk Engineering

**DEPARTMENT:** \_\_\_\_\_

**NUMBER OF PAGES:(INCLUDING THIS ONE)** 7

**From:** Pam Grubaugh-Littig

If you do not receive all of the pages, or if they are illegible, please call (801)538-5340.  
 We are sending from a sharp facsimile machine. Our telecopier number is (801)359-3940.

**MESSAGES:**

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Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have recieved this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.



BOND NO. 158987108

Permit Number: ACT/007/022

**E X H I B I T " B "**

**SURETY BOND  
(NON-FEDERAL COAL)**

THIS SURETY BOND entered into by and between the undersigned PERMITTEE, and SURETY company, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (DIVISION) in the penal sum of:

(\$)2,525,000.00 (Surety Bond Amount)

for the timely performance of reclamation responsibilities of the permit area as described in Exhibit "A" of the Reclamation Agreement.

This SURETY BOND will remain in effect until all of the PERMITTEE's reclamation obligation have been met and released by the DIVISION and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, the approved permit and the DIVISION.

The SURETY will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability.

The SURETY and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the DIVISION from any and all expenses which the DIVISION may sustain as a result of the PERMITTEE's failure to comply with the condition(s) of the reclamation obligation.

The SURETY will give prompt notice to the PERMITTEE and to the DIVISION of any notice received or action alleging the insolvency or bankruptcy of the SURETY, or alleging any violations or regulatory requirements which could result in suspension or revocation of the SURETY's license.

Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the PERMITTEE in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

IN WITNESS WHEREOF, the PERMITTEE has hereunto set its signature and seal  
this 9TH day of DECEMBER, 1997.

SAVAGE INDUSTRIES INC.

PERMITTEE

By: *James T. Jensen*  
Title: *Ex. V.P.*

IN WITNESS WHEREOF, the SURETY has hereto set its signature and seal  
this 9TH day of DECEMBER, 1997.

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD

SURETY

By: *Tina Davis*  
Title: TINA DAVIS, ATTORNEY-IN-FACT

ACCEPTED BY THE STATE OF UTAH  
this 12<sup>th</sup> day of December, 1997.

*Lowell P. Braxton*  
Lowell P. Braxton, Acting Director  
Division of Oil, Gas and Mining

**NOTE:** An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the PERMITTEE is a corporation, the Agreement shall be executed by its duly authorized officer.

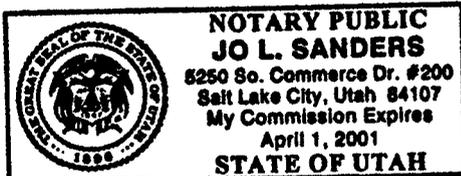
AFFIDAVIT OF QUALIFICATION  
PERMITTEE

--oo00oo--

I, JAMES T. JENSEN being first duly sworn under oath, deposes and says that he/she is the EX. V. P. of SAVAGE INDUSTRIES INC. the **PERMITTEE**; and that he is duly authorized to execute and deliver the foregoing obligations; and that said **PERMITTEE** is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

James T. Jensen

Subscribed and sworn to before me this 9TH day of DECEMBER, 1997.



Jo L. Sanders  
Notary Public

My Commission Expires: \_\_\_\_\_

Attest:

STATE OF UTAH )

COUNTY OF SALT LAKE )ss:

**AFFIDAVIT OF QUALIFICATION  
SURETY COMPANY**  
--oo00oo--

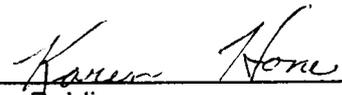
I, TINA DAVIS, being first duly sworn  
under oath, deposes and says that he/she is the (officer or agent) ATTORNEY-IN-FACT  
of NATIONAL FIRE INSURANCE COMPANY OF HARTFORD; and that he/she is duly  
authorized to execute and deliver the foregoing obligations; and that said **SURETY**  
**COMPANY** is authorized to execute the same and has complied in all respects with the laws  
of Utah in reference to becoming sole surety upon bonds, undertakings and obligations  
herein.

  
\_\_\_\_\_  
~~SURETY COMPANY OFFICER~~

ATTORNEY-IN-FACT

(Position)

Subscribed and sworn to before me this 9TH day of DECEMBER, 19 97.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 8-11-00

Attest:

STATE OF UTAH)

COUNTY OF SALT LAKE)ss:



**POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT**

Know All Men By These Presents, That CONTINENTAL CASUALTY COMPANY, an Illinois corporation, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, a Connecticut corporation, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a Pennsylvania corporation (herein collectively called "the CNA Surety Companies"), are duly organized and existing corporations having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signature and seals herein affixed hereby make, constitute and appoint Earl D. Brown, Karen Hone, Doris Martin, Jace Pearson, Tina Davis, Vicki Sorensen, Individually

of Salt Lake City, Utah

their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their corporations and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Laws and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the corporations.

In Witness Whereof, the CNA Sureties Companies have caused these presents to be signed by their Group Vice President and their corporate seals to be hereto affixed on this 2nd day of July, 1997.



CONTINENTAL CASUALTY COMPANY  
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

M.C. Vonnahme Group Vice President

State of Illinois, County of Cook, ss:

On this 2nd day of July, 1997, before me personally came M. C. Vonnahme, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Darien, State of Illinois; that he is a Group Vice President of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA described in and which executed the above instrument; that he knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



My Commission Expires June 5, 2000

Eileen T. Pachuta Notary Public

**CERTIFICATE**

I, Robert E. Ayo, Assistant Secretary of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of each corporation printed on the reverse hereof are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seals of the said corporations this 9TH day of DECEMBER, 1997.



CONTINENTAL CASUALTY COMPANY  
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

Robert E. Ayo Assistant Secretary

1-801-359-3940

Attn: Daron Haddock

ACT/M7/022 #2

CC: Pam  
Daron

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1-800-848-7300

4/7/99

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

Re: Permit Renewal  
Savage Industries, Inc.  
Savage Coal Terminal  
ACT/007/022  
Carbon County, Utah

Dear Mr. Haddock:

Per our phone discussion this morning, I am forwarding this letter to notify the Division of the intent of Savage Industries, Inc. to renew the above referenced permit for the Savage Coal Terminal.

The existing permit will expire on August 8, 1999; therefore, this letter will provide the minimum 120 day notice for renewal. It is my understanding that a copy of the updated Liability Insurance and Reclamation Performance Bond are on file with the Division. I will send a copy of the proposed newspaper notice to you as soon as it is ready.

(2)

As we discussed, we are in the process of rewriting the plan in accordance with the R645 rules and format. I intend to have this completed by the end of April or early May 1999. This is simply a reformatting of the permit - we are not proposing any changes to the existing permit.

I appreciate your willingness to work with me on this renewal notice, since I am out of town. If you have any questions, or need any additional information, please contact me at (435) 637-2422. I'll be back in the office on 4/9/99.

Thanks again.

Respectfully,

Dan W. King  
for  
Boyd Rhodes