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DIVISION OF
OIL, GAS AND MINING

Savage Industries Inc.
2025 East 5000 South
Price, Utah 84501

(435) 637-5664
(435) 637-3418 Fax

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

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6/007/022
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AM02B

Re: Coal Sampler Amendment
Savage Coal Terminal
ACT/007/022
Carbon County, Utah

Dear Mr. Haddock:

Enclosed are 3 copies of a proposed amendment to the Savage Coal Terminal Permit. The proposal is to install a new coal sampler and building on the silo loading conveyor, just east of the existing sample house.

The proposed system is enclosed at sampling and transfer points. The sample house is a steel structure, measuring 26' x 16' x 27', and will sit on a concrete pad and footers totaling approximately 20 cubic yards.

The proposed addition is in the existing disturbed area, and any runoff will be directed to Sediment Pond No. 6. Complete plans are included as Plates 3-2F & 3-2G.

The location is shown on the revised Facility Map, Plate 3-2.

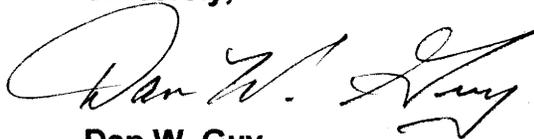
A bond estimate for reclamation of this system has also been completed (See Appendix 3-6.) The estimate shows the expected reclamation cost to be approximately \$6,279.95. The present bond on the facility is \$2,525,000.00 and includes a 5% contingency of \$126,250.00. The reclamation cost for this amendment is less than 5% of the contingency figure and only 0.25% of the posted bond; therefore, the existing bond should be adequate.

Required permit change forms are enclosed. If you have any

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questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan W. Guy". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dan W. Guy
for
Boyd Rhodes

cc: **Boyd Rhodes - Savage**
Dave Spillman - Canyon Fuels
File

