

NOTICE

This plan is for the
SAVAGE COAL TERMINAL
formerly known as the
C.V. Spur Coal Processing
and Loadout Facility.

As of July 6, 1995, Savage Industries, Inc. is the successor in interest of the site as Permittee. As of June 22, 2003, Savage Industries, Inc. changed its name to Savage Services Corporation. All references in the plan to Mountain Coal Company, or Beaver Creek Coal Company, or Savage Industries, Inc., will now be

SAVAGE SERVICES CORPORATION

09/03

File in:

Confidential

Shelf

Expandable

Refer to Record No. 0021 Date 09/18/2003

In CR 0070022, 2003, Incoming

For additional information

COPY

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

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

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

*Incoming
 C/007/0022
 Task ID# 1702*

Re: Name Change Amendment
 Savage Industries, Inc.
 to
 Savage Services Corporation
 Savage Coal Terminal
 ACT/007/022
 Carbon County, Utah

Dear Pam:

Enclosed are 3 copies of an amendment to the Savage Coal Terminal Permit. This amendment is submitted to update the permit with the recently approved corporation name change from Savage Industries, Inc. to Savage Services Corporation.

A new cover sheet for the front of the permit is provided, along with a revised Chapter 2 (Legal, Financial, Compliance and Related Information) and a new Appendix 2-9 which documents the name change from Savage Industries, Inc. to Savage Services Corporation.

Required C₁/C₂ Forms are also enclosed. If you have any questions, or need any additional information, please contact me.

Sincerely,

Dan W. Guy

for

Boyd Rhodes, Manager

RECEIVED

cc: Boyd Rhodes
 James Jensen
 File

SEP 18 2003

DIV. OF OIL, GAS & MINING

CHAPTER 2

**LEGAL, FINANCIAL
COMPLIANCE AND
RELATED INFORMATION**

**Savage Services Corporation
Castle Valley Spur Processing and Loadout Facility**

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

2.1 Scope

The scope of the legal, financial, compliance and related information chapter of this mining and reclamation plan is to describe the status of the owner and permittee of the C.V. Spur Processing and Loadout Facility, and to document its right to mine the property. Sections within this chapter cover the following major topics; identification of interests, right of entry and operation information, other licenses and permits, location of public office for filing application, and newspaper publication.

Certain portions of the narrative, maps and other documents in this M.R.P. carry the name of Beaver Creek Coal Company, Mountain Coal Company or Savage Industries, Inc. As of June 22, 2003, the corporate name of Savage Industries, Inc. was changed to Savage Services Corporation. In lieu of changing each of these at this time, it is assumed for purposes of this permit, that wherever the name "Beaver Creek Coal Company", Mountain Coal Company" or "Savage Industries, Inc." appears, it now pertains to "Savage Services Corporation."

2.2 Identification of Interests

2.2.1 Permit Applicant

The permit applicant, name and address, including telephone number:

Savage Services Corporation
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121
Phone # (801) 944-6600
Employer I.D. #87-0237425

2.2.2 Owner of Record of Surface Area and of Coal Rights

Every legal or equitable owner of record of the areas to be affected by surface operations and facilities and every legal or equitable owner of record of the coal to be mined:

a) Surface

Savage Services Corporation
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

b) Coal

Savage Services Corporation
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

Savage Services Corporation
Savage Coal Terminal

Savage Services Corporation will be responsible to pay for any Abandoned Mine Reclamation fees.

2.2.3 Holders of Leasehold Interests in Surface Area and of Coal Rights

The holder of record of leasehold interests in areas to be affected by surface operations of facilities and the holders of record of any leasehold interest in the coal to be mined is shown below:

- a) Leasehold interest in surface: None
- b) Leasehold interest in coal: None

2.2.4 Purchaser of Record Under a Real Estate Contract for Surface Area or Coal

Any purchaser of record under a real estate contract of area to be affected by surface operations and facilities and any purchaser of record under a real estate contract of the coal to be mined.

Savage Services Corporation is the owner of the site.

2.2.5 Operator

If the operator is a person different from the applicant, including his or her telephone number:

The operator is the same as the applicant.

2.2.6 Resident Agent

The resident agent of the applicant who will accept service of process, including his or her telephone number:

C.T. Corporation Systems
50 West Broadway
Salt Lake City, Utah 84101
Phone # 1-(801)-441-9820

2.2.7 Business Designation

A statement of whether the applicant is a corporation, partnership, single proprietorship, association or other business entity:

The applicant is a Utah corporation.

Savage Services Corporation
Savage Coal Terminal

2.2.7.1 Officers and Directors of the Applicant

The names and addresses of every officer, partner, director, or other person performing a function similar to a director of the applicant:

SAVAGE SERVICES CORPORATION (Shareholder: The Savage Companies)

Neal Savage	Chairman of the Board/Director	10/84
Allen B. Alexander	President and Director	10/84
H. Benson Lewis	Ex. V.P., CFO, Asst. Sec./Director	8/85
David G. Wolach	Executive Vice Pres, Business Dev.	5/87
James T. Jensen	Ex. V.P., General Counsel and Sec.	7/90
C. Fred Busch	Senior Vice President	7/90
Roger P. Fordham	Regional Vice President	6/92
John K. Savage	Regional Vice President	6/93
L. James Mecham	Regional Vice President	6/93
Donald W. Alexander	Regional Vice President	6/93
Kenneth W. Cooper	Regional Vice President	6/94
Arthur D. Johnson	Vice President	7/90
L. Dean Rees	Vice President and Treasurer	8/87
Eric B. Adamson	Vice President	6/92
Howard F. Goodman	Vice President and Controller	6/92
Richard L. Biddinger	Vice President	6/92
Ronald J. Konnick	Vice President	6/92
Raymond Alt	Vice President	6/92
Michael A. Marchbanks	Vice President	6/94

The Address is:

Savage Services Corporation
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

2.2.7.2 Principal Shareholder of the Applicant

The name and address of any person who is a principal shareholder of the applicant:

All stock is owned by:
The Savage Companies
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

Employer I.D. #87-0387049

Savage Services Corporation
Savage Coal Terminal

2.2.7.3 Names Under which Applicant and Principal Shareholder Operated U.S. Coal Mines

Names under which the applicant, partner, or principal shareholder previously operated underground or surface coal mining operations in the United States within the five years preceding the date of application:

Savage Industries Inc.
Catale Oklahoma Loadout
Catale, Oklahoma

Employer I. D. Number for Savage Coal Service Corporation was #87-0387048. On 12/1/88, Savage Coal Service Corporation merged into Savage Industries, Inc. - Federal I. D. #87-0237425.

M.S.H.A. #34-01626, Issued 7/31/87.

2.2.7.4 Principals, Officers and Resident Agents

If any owner, holder, purchaser, or operator identified under paragraph 2.2. of this section is a business entity other than a single proprietor, the application shall contain the names and addresses of their respective principals, officers and resident agent.

The officers and directors of The Savage Companies, the principle shareholder of the applicant identified in 2.2.7.2 are as follows:

<u>OFFICER</u>	<u>TITLE</u>	<u>BEGIN DATE</u>
Neal Savage	Chairman of Board/Director	10/02/70
T. Luke Savage	Vice-Chairman of Board/Director	10/02/70
Allen B. Alexander	President and Chief Executive Officer/Director	04/01/87
H. Benson Lewis	Executive V.P., C.F.O. and Assistant Secretary /Dir.	09/23/87
James T. Jensen	Executive V.P., General Counsel and Secretary/Dir.	07/01/90
David G. Wolach	Executive Vice President/Director	01/31/88
Todd L. Savage	Executive Vice President/Director	01/03/00
L. Dean Rees	Senior Vice-President and Treasurer	09/23/97

Savage Services Corporation
Savage Coal Terminal

Resident Agent

The resident agent of the owner who will accept service or process, including his or her telephone number:

The Corporation Trust Company
1209 Orange Street
Wilmington, Delaware 19801
Phone # 1- (800)-441-9820

The applicant and operator is Savage Services Corporation. Officers and directors of Savage Services Corporation are listed in Section 2.2.7.1.

2.2.8 Current, Pending or Previous Coal Mining Permits

A statement of any current or previous coal mining permits in the United States held by the Applicant subsequent to 1970 and by any person identified in paragraph 2.2.7.3 of this section and of any pending permit application to conduct underground or surface coal mining activities in the United States. The information shall be listed by permit or application number and identify the division for each of those coal mining operations.

See Appendix 2-1
Coal Mining Permits - Approved and Pending

2.2.9 Owner of Record of Surface and Subsurface Areas Contiguous to Proposed Permit Area

The names and addresses of the owners of record of all surface and subsurface areas contiguous to an part of the proposed permit area.

See Plate 4-1 for owner of record, and Table 4-2 for addresses.

2.2.10 Mine Name and MSHA Identification

The name of the proposed mine and the Mine Safety and Health Administration identification number for the mine and all sections:

Mine Name

Savage Services Corporation
Savage Coal Terminal

MSHA Identification Number

42-01444

(See also Appendix 2-5 for MSHA Refuse Pile Numbers.)

Savage Services Corporation
Savage Coal Terminal

2.2.11 Applicant's Interest in Areas Contiguous to Proposed Permit Area

A statement of all lands, interests in lands, options or pending bids on interests held or made by the applicant for lands which are contiguous to the area to be covered by the permit:

None

2.3 Compliance Information

2.2.1 Status of Mining Permits or Bonds

A statement of whether the applicant, any subsidiary, affiliate or person controlled by or under common control has had any federal or state mining permits suspended or revoked in the last five years or has forfeited a mining bond ore security deposit:

Permits Suspended or Revoked

None

Bond or Security Forfeited

None

2.3.2 Suspension, Revocation or Forfeiture

Each application shall describe all proceedings identified under 2.3.1 and the status of any suspension, revocation of forfeiture proceedings:

None

2.3.3 Compliance Information

A list of all notices of violation received by the applicant in the past 3 years for violations pertaining to air or water environmental protection:

See Appendix 2-2 - Compliance History.

2.4 Right of Entry and Operation Information

A description of the documents upon which the applicant bases its legal right to enter and begin underground coal activities in the permit area and whether the rights are the subject of pending litigation. For underground activities where operations involve the surface mining of coal, evidence of the right to surface mine must be provided.

Documents Establishing Right

See Appendix 2-9 for Documentation of Name Change from Savage Industries, Inc. to Savage Services Corporation.

See Tables 4-1 and 4-2 for all required leases, easements and rights to access.

Pending Litigation

None

Surface Mining Rights

None

2.5 Relationship to Areas Designated Unsuitable for Mining

The relationship of the permit area to possible areas designated as being unsuitable for mining, whether an exemption is claimed under the regulation, and whether surface operations will be conducted within 300 feet of occupied dwellings:

Areas Designated Unsuitable for Mining

The proposed permit area is not within an area designated unsuitable for the surface effects of underground coal mine activities under the R645 regulations. Neither is the proposed permit area under study for designation in an administrative proceeding initiated under renewable resource lands and would not result in substantial losses of food fiber, or water supply. The permit area contains no prime farmland or merchandisable timber. Mining would not affect natural hazard lands and thereby endanger life and property. It contains no cemeteries, no national trails, no wild and scenic rivers, no wilderness or wilderness study areas, and no sufficient harvestable forest cover.

The operations are within 100' of a public road which provides access to the site.

Exemption

The applicant does not claim exemption.

Dwellings

There are no occupied dwellings within 1/4 mile of the proposed permit area.

2.6 Permit Term Information

The number of surface acres to be affected and the horizontal and vertical extent of the workings:

Surface Acres Affected

The number of surface acres to be disturbed by the operation is 153.46 acres. There are no plans for additional surface disturbance for this operation at this time.

Horizontal Extent of Underground Workings

All 153.46 acres of the permit area may be affected by surface activities.

Vertical Extent of Workings

Permit Term

This permit will be for the term of the existing permit - starting on August 7, 1994 through August 7, 1999. The permit has been recently renewed. The permit is expected to be renewed at 5-year intervals throughout the life of the property.

2.7 Personal Injury and Property Damage Insurance Information

A certificate of liability insurance or evidence that the self insurance requirements are satisfied.

See Appendix 2-3
Certificate of Liability Insurance

2.8 Proposed Performance Bond

A performance bond in the name of Savage Industries, Inc. is included.

See Appendix 2-4
Performance Bond

Savage Services Corporation
Savage Coal Terminal

2.9 Identification of Other Licenses and Permits

A list of all other licenses and permits under applicable state and federal law needed by the applicant to conduct underground coal mining activities:

See Appendix 2-5
Other Licenses and Permits

2.10 Identification of Location of Public Office for Filing of Application

Savage Services Corporation will simultaneously file a complete copy of this permit application for public inspection with:

- a) Carbon County Recorder
Carbon County Courthouse
Price, Utah

- b) Utah Division of Oil, Gas & Mining
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

2.11 Newspaper Advertisement and Proof of Publication

On the date of the filing of the Permit Transfer application with the Division of Oil, Gas & Mining, the applicant will also file an advertisement in the Sun-Advocate, a local newspaper with circulation in Carbon County, sufficient to cover the locality of the applicants operations. This advertisement will be run as required. A copy of the proposed advertisement is attached.

See Appendix 2-6.

2.12 Certification Statement:

See Appendix 2-7.

Appendix 2-9

Name Change
from
Savage Industries, Inc.
to
Savage Services Corporation



Ted Boyer
Executive Director
Department of Commerce

Michael O. Leavitt
Governor
State of Utah

Kathy Berg
Director
Division of Corporations
& Commercial Code

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF CORPORATIONS & COMMERCIAL CODE
CERTIFICATE OF REGISTRATION

H BENSON LEWIS
SAVAGE SERVICES CORPORATION
5250 S 300 W STE 200
SALT LAKE CITY UT 84107



State of Utah
Department of Commerce
Division of Corporations & Commercial Code

CERTIFICATE OF REGISTRATION

Corporation - Domestic - Profit

This certifies that **SAVAGE SERVICES CORPORATION** has been filed and approved on **June 22, 1959** and has been issued the registration number **578765-0142** in the office of the Division and hereby issues this Certification thereof.

KATHY BERG
Division Director

EXPEDITE

00578765

RECEIVED
FEB - 5 2003
Utah Div. of Corp.
& Comm. Code

2

Articles of Amendment
to the
Articles of Incorporation
of
Savage Industries Inc.

SAVAGE INDUSTRIES INC., a corporation organized and existing under the law of the State of Utah, and acting in accordance with Section 16-10a-1006, *et. seq.*, of the Utah Revised Business Corporation Act, hereby amends its Articles of Incorporation, as follows:

FIRST: The name of the Corporation is: Savage Industries Inc.

SECOND: Article I of the Corporation's Articles of Incorporation, entitled "Name," is amended by deleting such Article in its entirety, and inserting the following in lieu thereof:

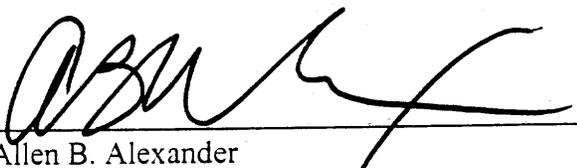
Article I - Name

The name of this Corporation is Savage Services Corporation.

THIRD: The foregoing amendment was approved by the Corporation's Board of Directors by written consent and recommended to the Corporation's sole shareholder as of January 20, 2003, and was approved by the Corporation's sole shareholder by written consent as of January 20, 2003.

FOURTH: The number of shares issued and outstanding and entitled to vote on such amendment is 28,533 shares of common stock, par value \$1.00 per share. All such issued and outstanding shares were voted in favor of the amendment by unanimous written consent, and no shares were voted against.

IN WITNESS WHEREOF, the undersigned officer of the Corporation has executed these Articles of Amendment this 20th day of January, 2003.



Allen B. Alexander
President and Chief Executive Officer

02-05-03P12:58 RCVD

Date: 02/05/2003
Receipt Number: 788062
Amount Paid: \$100.00