

**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
For
PERMIT RENEWAL**

**Savage Services Corporation
Savage Coal Terminal
C/007/0022
Carbon County, Utah**

August 6, 2004

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ADMINISTRATIVE OVERVIEW

Savage Services Corporation
Savage Coal Terminal
C/007/0022
Carbon County, Utah

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BACKGROUND

The Castle Valley Spur Coal Processing and Loadout Facility (aka "C.V. Spur") was purchased in 1977 by Beaver Creek Coal Company from Utah Power and Light Company, which used the site for coal loading. This permit was transferred from Beaver Creek Coal Company to Mountain Coal Company on September 12, 1991.

Mountain Coal Company transferred this permit to Savage Industries, Inc. on July 6, 1995 and changed the name to the Savage Coal Terminal. The name changed from Savage Industries, Inc. to Savage Services, Inc. on January 20, 2003.

The permit area, comprising 154 acres, is located approximately four miles south-southeast of Price, Utah, and approximately one mile from the Price River floodplain. The site is characterized by gently-sloping terrain. Soils are fine textured and saline, supporting a salt desert vegetation community.

PERMIT RENEWAL

The application for permit renewal was submitted on March 29, 2004. This renewal application was determined administratively complete on April 19, 2004. Public notice for this permit renewal was published in the Sun Advocate on May 4, 11, 18, and 25, 2004.

This renewal encompasses the same permit area and disturbance as currently approved in the permit.

ANALYSIS

The permit renewal application was received at least 120 days prior to permit renewal. All notices were published as required. No comments were received.

RECOMMENDATION

Approval for this permit renewal is recommended.

PERMITTING CHRONOLOGY

Savage Services Corporation
Savage Coal Terminal
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Carbon County, Utah

August 6, 2004

March 29, 2004	Savage Services Corporation submitted the permit renewal application for the Savage Terminal.
April 19, 2004	Determination of Administrative Completeness of permit renewal application.
April 20, 2004	Permit renewal completeness determination sent to applicable state, federal, and county agencies.
May 4, 11, 18, and 25, 2004	Public notice for permit renewal for the Savage Coal Terminal published in the <u>Sun Advocate</u> .
June 25, 2004	End of public comment period. No comments received.
August 6, 2004	Permit renewed.

PERMIT RENEWAL FINDINGS

Savage Services Corporation
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1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being met. See original TA (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program. See list of violations for the past 3 years. (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program. See original TA. (R645-303-233.130).
5. The operator has provided evidence of maintaining liability insurance in full effect (ACE American Insurance Company, Policy HDOG18072518)(R645-303-233.140).
6. The operator has a reclamation surety on file with the Division and has provided evidence that the surety will remain in full effect. (Liberty Mutual Insurance Company- #965-003-641 in the amount of \$2,525,000) (R645-303-233.150).
7. To date, the operator has submitted updated information as required by the Division through this permit term. (R645-233.160).

Permit Supervisor

Permit Supervisor

Associate Director of Mining

Director