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SAVAGE

Savage Services Corporation
2025 East 5000 South
Price, UT 84501

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

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

*Incoming
d/007/0022*

Re: Replacement Pages
Appendix 3-6
B.T.U. Resource Recovery
Plan for Refuse Material
Savage Coal Terminal M.R.P.
ACT/007/022
Carbon County, Utah

Dear Pam:

Enclosed are 3 copies of 2 replacement pages for revised Appendix 3-6 (B.T.U. Recovery Plan for Refuse Pile, Revised October 2005). These pages will clarify that the refuse proposed for return to the site will be tested for acid - toxic potential prior to return and burial.

A C₁/C₂ Form is also included.

If you need any additional information, please let me know.

Sincerely,



Dan W. Guy
for
Boyd Rhodes, Manager

cc: Pete Hess - DOGM
Boyd Rhodes - Savage
File Creative Solutions for Materials Management and Transportation Systems and Facilities

RECEIVED

NOV 14 2005

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

Permit Change
 New Permit
 Renewal
 Transfer
 Exploration
 Bond Release

Permit Number: ACT/007/022

Title of Proposal: Replacement Pages for Revised B.T.U. Resource Recovery Plan for

Mine: Savage Coal Terminal

Refuse . (Appendix 3-6)

Permittee: Savage Services Corp.

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

Refuse/Waste Utilization.

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

- | | | |
|---|--|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? <u>13.3</u> acres X 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 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 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: Division Request |
| <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 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. 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? |

X 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.

Wende L. Jacobson
 Signed - Name - Position - Date

Subscribed and sworn to before me this 10 day of NOV, 2005



WENDE L. JACOBSON
 NOTARY PUBLIC • STATE of UTAH
 821 CASTLE GATE CIRCLE
 HELPER, UTAH 84526
 COMM. EXP. 1-7-2006

My Commission Expires: _____
 Attest: STATE OF _____
 COUNTY OF Ut Carbon

Received by Oil, Gas & Mining

RECEIVED

NOV 14 2005

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

APPENDIX 3-6

B.T.U. Resource Recovery Plan

for

Refuse Pile

(Revised October 2005)

**B.T.U. Resource Recovery Plan
for
Refuse Material**

Introduction : Savage Services Corporation is proposing to utilize a portion of the existing Savage Coal Terminal refuse pile as a B.T.U. Resource Recovery Material. A plan and approval are in place for removal of the refuse pile and subsequent burning of the material in the Sunnyside Cogeneration Associates power plant. This proposal is not intended to replace that plan, but to supplement it, since the power plant has not been consistent in its usage of the material.

General : The proposal is to remove from 15,000 to 100,000 tons of refuse material to be used as a B.T.U. resource recovery material. The refuse will be blended with a coal product, shipped to and burned in cement plants. The actual amount of refuse material to be recovered will be determined by analyses and customer demand.

The plan for removal is detailed in Appendix 3-4. The removal plan will remain the same; however, dates of removal will vary since Sunnyside Cogeneration Associates have not been taking the refuse on a regular basis.

Under this alternate scenario, refuse will be removed and cleaned using a patented air cleaning technology. The cleaned product will actually be the B.T.U. Resource Recovery product to be blended or shipped to the customer. The company which will perform the cleaning and distribution to the customer is operating under approved permits for these activities; however, since they are not considered a coal preparation facility they do not have an approved refuse disposal site. Therefore, this proposal is to allow removal and cleaning of the refuse, and then to return the reject from the cleaning back to the Savage Coal Terminal refuse pile.

The refuse to be returned will be sampled for acid-toxic potential according to Division guidelines, at no less than 5000 ton intervals. Sampling and testing will be completed and the material will be shown to be non-acid and non-toxic prior to return and final placement at Savage Coal Terminal.

The following parameters will be tested on the refuse designated for return: pH, EC, Soluble Na, K, Mg, Ca (October 2005 Soil Guidelines, Table 3), and total Organic Carbon, Soluble Selenium, Available Born, Acid Potential, Neutralization Potential (October 2005 Soil Guidelines, Table 7).

Under this proposal, only tested material from the Savage Refuse Pile would be returned to the Savage Coal Terminal. The reject material would be placed and compacted in the refuse pile according to the approved refuse disposal plan, after test results show the material to be non-acid and non-toxic.

Although this procedure will not completely eliminate the refuse pile, it will at least partially reduce the size of the pile, reduce the potential for a pile fire by substantially reducing the combustible material and provide for the original intent of the plan, which is **B.T.U. Resource Recovery**. Refuse will be provided at no cost as per the "no value determination". Refuse remains under ownership of Savage Services Corporation until shipped.

The refuse, or B.T.U. resource recovery material, will be handled and burned by the customer in the same manner as any other fuel product at their site.

The material has been tested and found to be non-acid and non-toxic. (See Attachment 1). **The cleaning process uses only air, and there will be no chemicals or other material added to the refuse; therefore, the returned material will also be non-acid and non-toxic.**

The removal plan will be as shown and described in Appendix 3-4, whether the refuse material is shipped to Sunnyside Cogeneration Associated, or utilized as a B.T.U. resource recovery material.

Existing Approvals :

- 1- Removal of the entire refuse pile for burning at the Sunnyside Cogeneration Plant was approved by the Division on 8/10/2000;
- 2- A "No Value Determination" for the refuse was made by OSM on 10/28/2000;
- 3- MSHA approved the removal and ground control plan on 7/31/2000.
- 4- **DOGM approved the removal of 15,000 tons of the refuse material (without the return of reject) on August 19, 2005.**

Environmental Controls : The method of removal and environmental controls will remain the same as described and approved in Appendix 3-4 of this M.R.P.

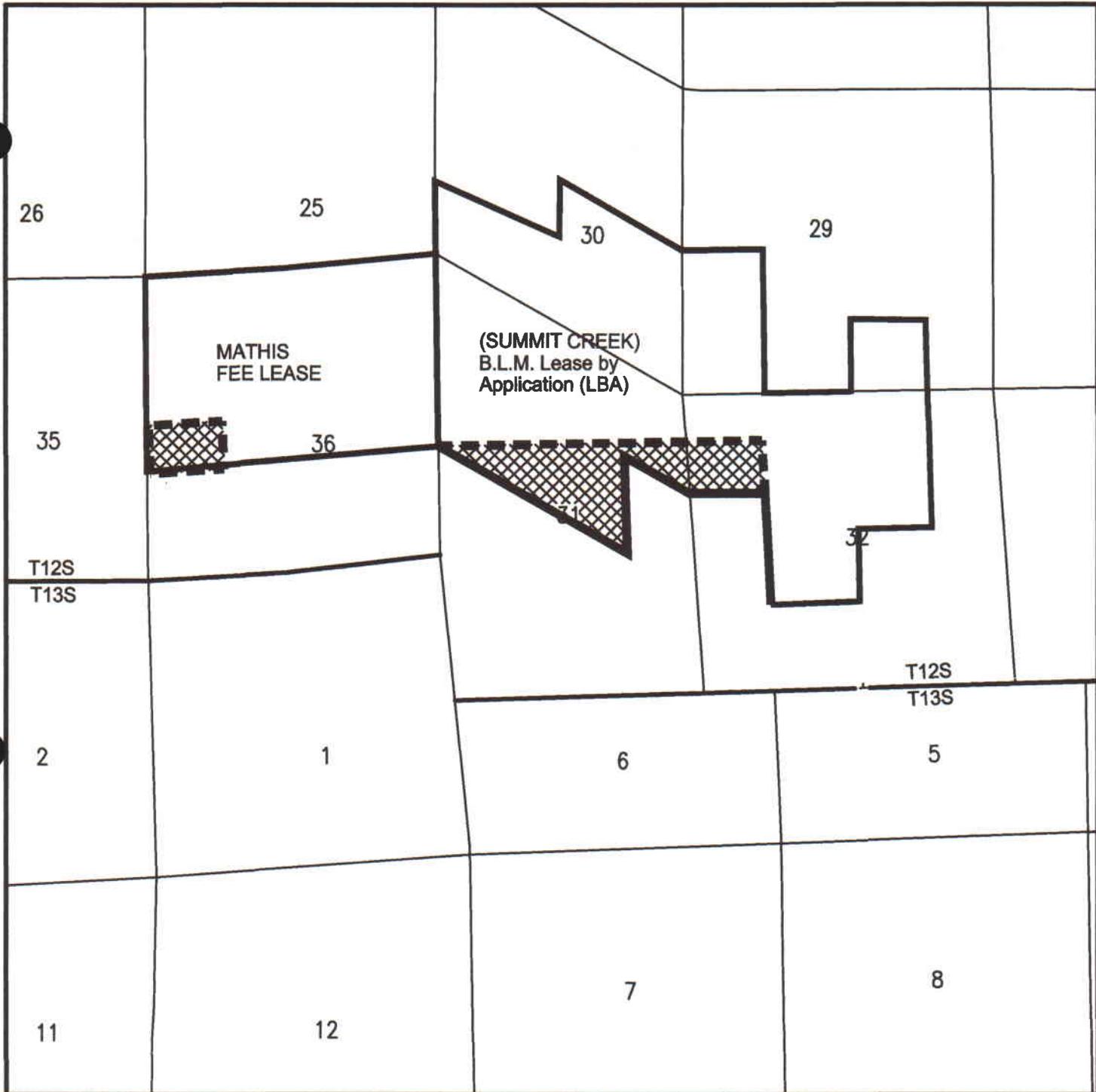


Figure 1: Proposed Lease Expansion

