0001

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

C/007/0022

Re: Clean Copies
B.T.U. Resource Recovery
Plan for Refuse Material
Savage Coal Terminal M.R.P.
C/007/0022 Task ID #2360

Dear Pam:

Enclosed are 3 clean copies of the B.T.U. Resource Recovery Plan for Refuse at the Savage Coal Terminal. A C_1/C_2 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

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Form DOGM - C1 (Last Revised December 28, 2005) File Folder # 3

APPLICATION FOR PERMIT PROCESSING

Permit Change X	New Permit ☐	Renewal ☐	Transfer ☐	Exploration ☐	Bond Release ☐	Permit Number: C/007/0022

Title of Proposal: B.T.U. Resource Recovery Plan for Refuse - Clean Copies.

Mine: Savage Coal Terminal

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*

☐ Yes	X No	**1. Change in the size of the Permit Area? _____ acres Disturbed Area? 13.3 acres X increase ☐ decrease.**
☐ Yes	X No	**2. Is the application submitted as a result of a Division Order? DO #**
☐ Yes	X No	**3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?**
☐ Yes	X No	**4. Does application include operations in hydrologic basins other than as currently approved?**
☐ Yes	X No	**5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?**
☐ Yes	X No	**6. Does the application require or include public notice/publication?**
☐ Yes	X No	**7. Does the application require or include ownership, control, right-of-entry, or compliance information?**
☐ Yes	X No	**8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?**
☐ Yes	X No	9. Is the application submitted as a result of a Violation? NOV #
X Yes	☐ No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:
☐ Yes	X No	11. Does the application affect the surface landowner or change the post mining land use?
☐ Yes	X No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
☐ Yes	X No	13. Does the application require or include collection and reporting of any baseline information?
☐ Yes	X No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
☐ Yes	X No	15. Does application require or include soil removal, storage or placement?
☐ Yes	X No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
☐ Yes	X No	17. Does the application require or include construction, modification, or removal of surface facilities?
☐ Yes	X No	18. Does the application require or include water monitoring, sediment or drainage control measures?
☐ Yes	X No	19. Does the application require or include certified designs, maps, or calculations?
☐ Yes	X No	20. Does the application require or include subsidence control or monitoring?
☐ Yes	X No	21. Have reclamation costs for bonding been provided for?
☐ Yes	X No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
☐ Yes	X 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.

David ? for Boyd Rhodes, Mgr. 12/29/05

Signed - Name - Position - Date

Subscribed and sworn to before me this 29 day of 12, 20 05

Wende L. Jacobson

Notary Public

My Commission Expires: 1-7, 20 06

Attest: STATE OF Ut } ss:
COUNTY OF Carbon

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

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ASSIGNED TRACKING NUMBER

Application for Permit Processing
Detailed Schedule of Changes to the MRP

Title of Application: B.T.U. Resource Recovery Plan for Refuse - Clean Copies.	Permit Number: C/007/0022 Mine: Savage Coal Terminal Permittee: Savage Services Corp.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
☐ ADD	X REPLACE	☐ REMOVE	Appendix 3-6
☐ ADD	☐ REPLACE	☐ REMOVE	
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

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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.

Attachment 1

Acid-Toxic Analysis
for
Savage Coal Terminal Refuse

HORIZON LABORATORIES

General Offices: P.O. Box 995 Price, Utah 84501 435-637-4343
Laboratory: 545 East 100 North Price, Utah 84501

Submitted to: 6/1/2005

Commonwealth Coal Sales
5413 Patterson Ave.
Suite 205
Richmond, VA 23226

Date Sampled: 5/4/2005
Date Received: 5/4/2005

Sampled By: SCT Auto
Identification By: WRRI

Sample Identification:
Composite of Savage Holes
H33-S1, H31-S2, H34-S1

Analysis Report #: 49997

CERTIFICATE OF ANALYSIS

Proximate

	As Received Basis	Dry Basis
% Moisture	7.73	-----
% Ash	19.21	20.82
% Volatile Matter	34.67	37.57
% Fixed Carbon	38.39	41.61
	100.00	100.00
% Sulfur	0.66	0.71
Btu/Lb.	10053	10895

Moisture Ash Free Btu/Lb. 13760

Respectfully Submitted,
HORIZON LABORATORIES

Laboratory Manager

HORIZON LABORATORIES

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Analysis Report #: 49997

CERTIFICATE OF ANALYSIS

Mineral Ash Analysis

Parameter	Percent Weight Ignited Basis
Silica, Si02	55.34
Alumina, Al203	10.51
Titania, Ti02	0.97
Lime, Ca0	6.55
Ferric Oxide, Fe203	2.87
Potassium Oxide, K20	0.82
Magnesia, Mg0	2.44
Sodium Oxide, Na20	0.71
Sulfure Trioxide, S03	17.30
Phosphorus Pentoxide, P205	0.50
Undetermined	1.99
Alkalic Content, Total on Ash =	0.26
Silica Value =	82.35
Base to Acid Ratio =	0.20
Estimated Temperature of Critical Viscosity =	xxxx
Estimated T250 Temperature =	2700

Respectfully Submitted,
HORIZON LABORATORIES

Laboratory Manager

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H33-S1, H31-S2, H34-S1

Sampled By: SCT Auto
Identification By: WRRI

Analysis Report #: 49997

CERTIFICATE OF ANALYSIS

Ultimate Analysis

%	As Received Basis	Dry Basis
Moisture	7.73	----
Carbon	57.90	62.75
Hydrogen	3.77	4.09
Nitrogen	1.23	1.33
Ash	19.21	20.82
Sulfur	0.66	0.71
Oxygen	9.50	10.30
	100.00	100.00

Respectfully Submitted,
HORIZON LABORATORIES

Laboratory Manager