

0003

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
P.O. Box 145801
Salt Lake City, Utah 84114-5801

J. King
4/007/002 I

Re: Stacking Tube Amendment
Savage Coal Terminal
C/007/022
Carbon County, Utah

Dear Pam:

Enclosed are 3 copies of a proposed amendment to install approximately 250' of new conveyor and 1 steel stacking tube at the Savage Coal Terminal. The installation of these structures will reduce the need to push the coal over long distances in the existing coal storage area northwest of the preparation plant.

All proposed work will take place within the existing disturbed (coal storage) area, and no changes to the hydrology, soils or vegetation resources are required. This proposal will actually have a positive effect on air quality, since the coal that is presently being moved by dozers and loaders will be transported by covered conveyors and placed into piles by the stacking tubes.

Bond calculations have been completed for this proposed addition. The projected additional reclamation bond cost for this amendment is \$3,947.00. The required bond amount for the Savage Coal Terminal is \$2,155,000.00. The bond posted for this site is \$2,525,000.00; therefore, the additional cost for this project is still well within the existing posted bond amount.

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MAR 20 2006

DIV. OF OIL, GAS & MINING

Required C₁/C₂ Forms are enclosed. If you have any questions, or need additional 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: Ken Moiser - Savage
Boyd Rhodes - Savage
Pete Hess - DOGM
File

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/022
Title of Proposal:						Mine: Savage Coal Terminal
Stacking Tube Addition						Permittee: Savage Industries

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

To reduce pushing of coal.

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? _____ acres <input type="checkbox"/> 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: Request by Division.
<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 checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input 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?

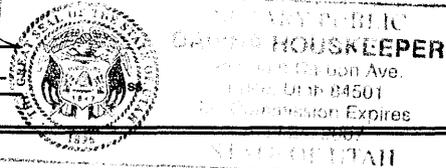
X Attach 3 complete copies of the application.

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

John W. ... Agr.
Signed - Name - Position - Date

Subscribed and sworn to before me this 17 day of March, 2006.

Notary Public
Diana ...
My Commission Expires: Utah 4/24, 2007
Attest: STATE OF Utah COUNTY OF Carbon



Received by Oil, Gas & Mining

RECEIVED

MAR 20 2006

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

