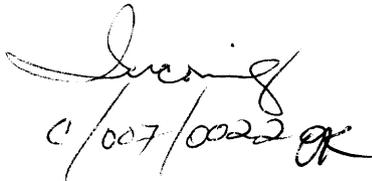


SAVAGESavage Services Corporation
2025 East 5000 South
Price, UT 84501(435) 637-5664
Fax (435) 637-3418Pamela Grubaugh-Littig
Permit Supervisor
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
C/007/0022 grRe: Response for Conditional Approval
Proposed Expansion of Disturbed Area
Savage Coal Terminal, Task # 2613
C\007\022
Carbon County, Utah

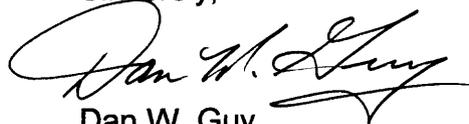
Dear Pam:

Enclosed are 3 copies of information to meet the conditions required by the Conditional Approval of the Savage Coal Terminal amendment for expansion of the disturbed area and construction of coal fine settling ponds.

A required C₁/C₂ Form is included.

If you have any questions, or need additional information, please contact Dan Guy at (435)637-2422.

Sincerely,



Dan W. Guy

for

Boyd Rhodes, Manager

cc: Pricilla Burton - DOGM
Boyd Rhodes - Savage
FileRefer to Expandable 09252006
file in C0070022. 2006. INCOMING
for additional information

RECEIVED

SEP 25 2006

DIV. OF OIL, GAS & MINING

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: C/007/022
Title of Proposal: Response for Conditional Approval Proposed Expansion of Disturbed Area Task #2613						Mine: Savage Coal Terminal
						Permittee: Savage Services Corp.

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

For New Settling Ponds.

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? <u>6.61</u> acres <input checked="" 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 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.

David W. Jones for Boyd Photo, Mgr. 9/22/06
 Signed - Name - Position - Date

Subscribed and sworn to before me this 22 day of Sept, 2006.

Cynthia Dayley
 Notary Public
 My Commission Expires: 12-10-2009
 Attest: STATE OF UTAH
 COUNTY OF Carson


CYNTHIA DAYLEY
 NOTARY PUBLIC - STATE of UTAH
 675 EAST 100 NORTH
 PRICE, UTAH 84501
 COMM. EXPIRES 12-10-2009

Received by Oil, Gas & Mining
RECEIVED
SEP 25 2006
 DIV. OF OIL, GAS & MINING
 ASSIGNED TRACKING NUMBER

