

April 24, 2006

James T. Jensen, Vice President
Savage Services Corporation
6340 South 3000 East, Suite 600
Salt Lake City, Utah 84121

Subject: Conditional Approval of Stacking Tube Addition / Water Truck Pad, Savage Services Corporation, Savage Coal Terminal, C/007/0022, Task ID #2463, Outgoing File

Dear Mr. Jensen:

The above-referenced amendment is conditionally approved upon receipt of three (3) clean copies prepared for incorporation. Please submit these copies by May 22, 2006.

This Division's conditional approval is an approval to construct the stacking tube and mid-conveyor support structure foundations, as well as the water truck concrete pad **ONLY**.

The Division is aware that Savage Services Corporation has applied for a minor modification to the current Air Quality Approval Order (DAQE-563-98) to permit the conveyor #1a/stacking tube addition, as well as increase the annual throughput for the Coal Terminal from 8 MTPY to 12 MTPY through the Utah DEQ/Division of Air Quality.

Once the Air Quality approval is in place, the Division will grant final approval of your application and Savage may proceed with the remaining construction activities associated with these new facilities.

A stamped incorporated copy of the approved plans will also be returned to you at that time, for insertion into your copy of the Mining and Reclamation Plan. A revision to the current Master Technical Analysis (MTA) document has been determined unnecessary.

If you have any questions, please call me at (801) 538-5286 or Peter Hess at (435) 613-1146, Extension 203.

Sincerely,

D. Wayne Hedberg
Permit Supervisor

PHH/sd
Enclosure

cc: Dan Guy
Boyd Rhodes
Price Field Office
Utah DEQ / Division of Air Quality
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