

May 30, 2006

James Jensen, Executive Vice President
Savage Services Corporation
6340 South 3000 East #600
Salt Lake City, Utah 84121

Subject: Final 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:

As you are aware, the Division granted a conditional approval for the aforementioned facilities expansion at the Savage Coal Terminal on April 24, 2006, pending the receipt of three clean copies prepared for incorporation and an approval from the Utah Division of Air Quality for the stacking tube addition and its associated conveyor.

The Division received a copy of the clarification letter from the Utah Division of Air Quality to Mr. Dan Guy, P.E., of Blackhawk Engineering indicating that the additional stacking tube had been previously approved by that agency (amendment to DAQE-022-06).

Three clean copies of the Task ID #2463 application were received by the Division on May 25, 2006.

A stamped incorporated copy is being returned to Mr. Dan Guy for insertion into the Savage Coal Terminal mining and reclamation plan.

Savage Services Corporation may now proceed with all construction activities associated with this new installation.

Thank you for completing this permitting action. Should you have any questions regarding this permitting action, please do not hesitate to contact me at (801) 538-5286, or the Team Lead, Peter Hess, at (435) 613-1146, Ext. 203.

Sincerely,

D. Wayne Hedberg
Permit Supervisor

PHH/sd
Enclosure

cc: Mark Stillson, Water Rights w/o
Dave Ariotti, DEQ w/o
Derris Jones, DWR w/o
Boyd Rhodes, Savage, Price
Dan Guy, Blackhawk Engineering, Price
Price Field Office

O:\007022.SAV\FINAL\Fin2463.doc