



notice of violation

NO. NO6-46-3-1

"Conducting Mining Activities without DOGM Approval"

To the following Permittee or Operator:

Name Savage Services Corporation

Mine Savage Coal Terminal Surface Underground Other

County Carbon State Utah Telephone (435)637-5664

Mailing Address 6340 South, 3000 East, Suite 600, SLC, Utah

State Permit No. C/007/022 84121

Ownership Category State Federal Fee Mixed

Date of inspection 7/13/2006

Time of inspection 1:30 a.m. p.m. to 3:30 a.m. p.m.

Operator Name (other than Permittee) NA

Mailing Address NA

Under authority of the Utah Coal Mining and Reclamation Act, Section 40-10-1 et seq., *Utah Code Annotated*, 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found violation(s) of the act, regulations or required permit condition(s) listed in attachment(s). This notice constitutes a separate Notice of Violation for each violation listed.

You must abate each of these violations within the designated abatement time. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned representative finds that **cessation of mining is** **is not** expressly or in practical effect required by this notice. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This notice shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas & Mining. Time for abatement may be extended by authorized representative for good cause, if a request is made within a reasonable time before the end of abatement period.

Date of service/ mailing 7/14/2006 Time of service/ mailing 8⁰⁵ a.m. p.m.

Mr. Dan Guy, P.E.
Permittee/Operator representative

Permittee Representative / Resident Agent
Title

Mailed / FAXed from PFO/DOGM
Signature

Peter Hess
Division of Oil, Gas & Mining representative

Environmental Scientist III
Title

Peter Hess
Signature

#46
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

IMPORTANT — READ CAREFULLY

1. PENALTIES.

a. **Proposed assessment.** The Board of Oil, Gas & Mining assesses fines based upon a proposed assessment recommended by an assessment officer. You may submit written information pertaining to violation(s) covered by this order within 15 days of the date this notice or order is served on you or your agent. Information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. A representative of the Division of Oil, Gas & Mining will serve the proposed assessment on you or your agent within 30 days of issuance of notice or order.

b. **Assessment.** The penalty will be finalized unless you or your agent file a written request within 15 days of receipt of proposed assessment for an informal hearing before the assessment officer.

For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violations within the time set for abatement or for meeting any interim step, you will be assessed a minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring you to cease surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

An informal public hearing may be held at or near the mine site if this notice requires cessation of mining, expressly or in practical effect. On the reverse of this page, the authorized representative has made a finding as to whether or not this notice

requires cessation of mining. Please review this finding and inform the authorized representative if you disagree with it. (See Utah Admin. R. 645-400-350 et seq.)

If this notice requires cessation of mining, it will expire within 30 days from date you are notified unless an informal public hearing is held or waived, or the condition, practice or violation is abated within the 30-day period. You will be notified of date, time and location of hearing.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may apply for review of this notice or assessment before the Board of Oil, Gas & Mining by submitting an application for hearing within 30 days of receipt of notice or assessment by you or your agent. Apply to:

Secretary
Board of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

If applying for a formal board hearing, you may submit with your petition for review a request for temporary relief from this notice. Procedures for obtaining a formal board hearing are contained in the board's Rules of Practice and Procedure and in Utah Admin. R. 645-401-800 et seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult *Utah Code Annotated* Section 40-10-20, 21, 22 and 23, Utah Admin. R. 645-400-300 et seq. and R. 645-401 et seq. or contact the Division of Oil, Gas & Mining at (801) 538-5340.



NOTICE OF VIOLATION NO. N 06-46-3-1

"Conducting Mining Activities Without DOGM Approval"

Violation No. 1 of 1

Nature of violation

- 1) Conducting mining activities prior to receiving proper DOGM approvals to conduct these activities.
- 2) Excavating and forming conveyor support footings for conveyors #1 b (BC-02) and #1 d (BC-03) without DOGM authorization.

Provisions of act, regulations or permit violated

- 1) ~~R~~ R 645-300, 142, Conducting all coal mining and reclamation operations only as described in the approved application.
- 2) UCA 40-10-9; Permit Required

Portion of operation to which notice applies

- 1) Footings which were being prepared for concrete pours for proposed conveyors #1 b, and #1 d. Both are adjacent to the Savage Coal Terminal wash plant building.

Remedial action required (including any interim steps)

- 1) The Permittee must salvage and store any soil material recovered from the #1 b and #1 d footer excavations. Material is to be used in settling basin berm construction.
- 2) The Permittee may proceed with concrete pours for footers @ #1 b and #1 d.

Abatement time (including interim steps)

- 1) Soil recovery and storage to be completed by 7/28/2006 @ 17:00 Hours.

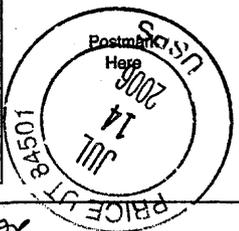
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Total Postage & Fees	\$ 4.64



Sent To: Danbury - Savage
 Street, Apt. No., or PO Box No.: 10518 W. 2060 N.
 City, State, ZIP+4: Heller UT 84526