

0014

**SAVAGE**

Savage Services Corporation  
2025 East 5000 South  
Price, UT 84501

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Pamela Grubaugh-Littig  
Permit Supervisor  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Re: Clean Copies  
Silo Belt Feed Conveyor  
Savage Coal Terminal  
C\007\022; Task ID #2829  
Carbon County, Utah

*Incoming  
C\007\022*

Dear Pam:

Enclosed are 3 clean copies of the amendment to add a fixed conveyor to the Savage Coal Terminal plan. Conveyor details and bonding calculations are provided in Appendix 3-9, "Silo Belt Feed Conveyor".

A required C<sub>1</sub>/C<sub>2</sub> 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: Pete Hess - DOGM  
Boyd Rhodes - Savage  
File

**RECEIVED**

**AUG 13 2007**

## APPLICATION FOR PERMIT PROCESSING

|   |                                     |                                  |                                   |                                      |                                       |                                  |
|---|-------------------------------------|----------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Permit Change X             | <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: Clean Copies for the Silo Belt Feed Conveyor |                                     |                                  |                                   |                                      |                                       | Mine: Savage Coal Terminal       |
|   |                                     |                                  |                                   |                                      |                                       | Permittee: Savage Services Corp. |

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

**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:  |
| <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 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.**

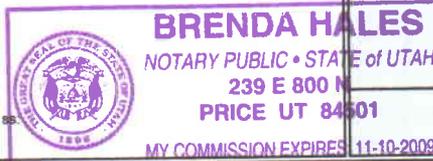
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein

*Adam V. Humphrey Boyd Rhode, Mgr.* 8/9/07  
Signed - Name - Position - Date

Subscribed and sworn to before me this 9<sup>th</sup> day of Aug, 2007.

*Brenda Hales*  
Notary Public

My Commission Expires: 11-10, 2009  
Attest: STATE OF Utah COUNTY OF Carbon



Received by Oil, Gas & Mining  
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AUG 13 2007

DIV. OF OIL, GAS & MINING  
ASSIGNED TRACKING NUMBER



The line will undoubtedly remain in service after closure of the C.V. Spur.

The railroad loop within the C.V. Spur is owned by Beaver Creek Coal Company. It consists of a single set of tracks slightly elevated (3') above natural ground. This rail serves as a loop for the unit trains to travel head-first into the silo, eliminating the need for engine switching. The loop is 8,340 feet long. This rail line will be used and maintained throughout the C.V. Spur operational life.

Grades and typical cross-section of the rail loop are shown on Plate 3-5, "Railroad Facilities".

### 3.2.5.3 Conveyors

There are eighteen (18) separate, permanent conveyor runs at the C.V. Spur (see Figure 3-7). In addition, there are temporary, portable conveyors used on the site. The number and location of the temporary conveyors varies according to need.

Conveyor #1 - 36" x 250' long stacking conveyor from the truck dump to the raw coal stacking tube.

Conveyor #1a - 36" x 250' long stacking tube conveyor from the above raw coal stacking tube to a new steel stacking tube. (Appendix 3-8 BC-01)

Conveyor #1b - 36" x 233' conveyor from new stacking tube area to wash plant. (Appendix 3-8 BC-02)

Conveyor #1c - 36" x 130' stacking conveyor from wash plant to clean coal pile on north side. (Appendix 3-8 BC-05)

Conveyor #1d - 36" x 200' conveyor for -1/4" coal from wash plant to raw coal pile to west. (Appendix 3-8 BC-03)

Conveyor #1e - 36" x 101' conveyor to carry refuse from the wash plant to the refuse bin. (Appendix 3-8 BC-04)



Conveyor #2 - 36' x 300' reclaim conveyor from raw coal pile to conveyor #9.

Conveyor(s)#3-(2) 36" x 365' clean fine and coarse coal conveyors from the plant to the clean coal stacking tube.

Conveyor #4 - 36" x 225' clean fine coal transfer conveyor from coarse coal stacking tube to fine coal stacking tube.

Conveyor #5 - 48" x 600' clean coal reclaim conveyor from clean coal piles to transfer in loadout sample building.

Conveyor #6 - 48" x 660' loading conveyor from transfer point in sample building to 10,000 ton silo.

Conveyor #7 - This conveyor is 36" x approximately 350' and runs from the new truck dump to a crushed coal stacking tube.

Conveyor #8 - 42" x 150' conveyor from the new truck dump to the twin 36" conveyors described in #3 above.

Conveyor #9 - 48" x 440' conveyor from the plant feed belt to the clean coal stacking tube area.

Conveyor #10 - 48" x 728' elevated conveyor from truck loop storage area to conveyor #9.

Conveyor #11 - 48" x 246' feed conveyor from the truck loop storage area to conveyor #10.

Conveyor #12 - 48" x 564' surface transfer system to move coal from the track loop storage area to conveyors #10 and #11.

Conveyor #13 - 48" x 375' feed conveyor from storage area to silo feed conveyor #6.

Grade of all conveyors are shown on Figure 3-7, "Conveyors - Loadout & Grades". All surface conveyors are covered and equipped with walkways. All conveyors will be used throughout the C.V. Spur operational life.

## **APPENDIX 3-9**

Silo Belt Feed Conveyor

## **Appendix 3-9 Silo Belt Feed Conveyor**

1. Introduction:

This appendix will provide design details and reclamation cost estimate for the proposed new feed conveyor for the silo loadout belt.

This conveyor is simply a replacement of existing portable conveyors presently in use at this location.

2. Specifications:

This is a 48" wide x 375' long conveyor system which will replace the temporary, portable system presently in use. This conveyor will feed coal from the storage area southeast of the sample house to the main loadout conveyor to the silo.

The tail piece and drive will be mounted on 3 - 8' x 8' x 2' concrete pads. The conveyor will consist of pre-assembled sections with legs supported on concrete pads on the sections. Pad details are shown on the attached drawing A 3-9-1.

3. Reclamation Cost Estimate:

A. Introduction :

Reclamation cost estimate for the proposed new conveyor is based on those used in Appendix 3-5 - "Reclamation Cost Estimate" updated in August 2006. Demolition and Labor costs are based on the latest figures provided by the Division. No additional costs are estimated for earthwork or revegetation for this area, since these costs are included with the overall reclamation estimate in Appendix 3-5.

B. Procedure :

The only additional reclamation cost included on this area will be the removal of the conveyor and demolition/disposal of the concrete. The proposed reclamation will include removal and transport of steel structures. Concrete will be broken up and placed in the Sediment Pond No. 5 during final reclamation.

C. Calculations :

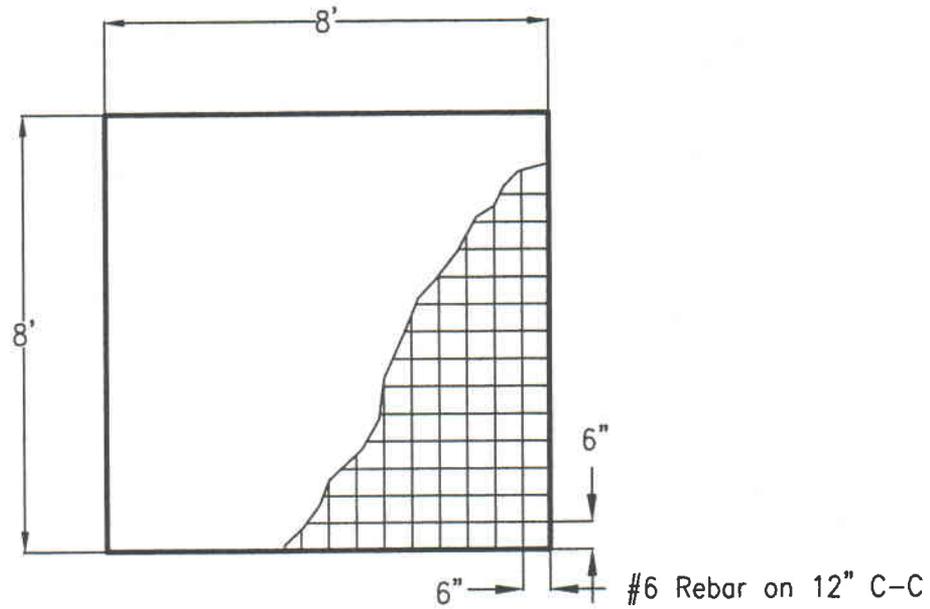
| <u>Structure</u>      | <u>Item</u> | <u>Size</u> | <u>Disposal</u> | <u>Cost/Unit</u> | <u>Cost</u> |
|-----------------------|-------------|-------------|-----------------|------------------|-------------|
| Silo Feed<br>Conveyor | Steel       | 375'x5'x5'  | Haul            | \$ 0.25/CF       | \$ 2343.75  |
|                       | Concrete    | 14.22 CY    | On-site         | \$ 21.05/CY      | \$ 299.33   |
| Demolition            | Foreman     | 8 hours     | On-site         | \$ 55.45/MN      | \$ 443.60   |
| Total:                |             |             |                 |                  | \$ 3086.68  |

D. Summary :

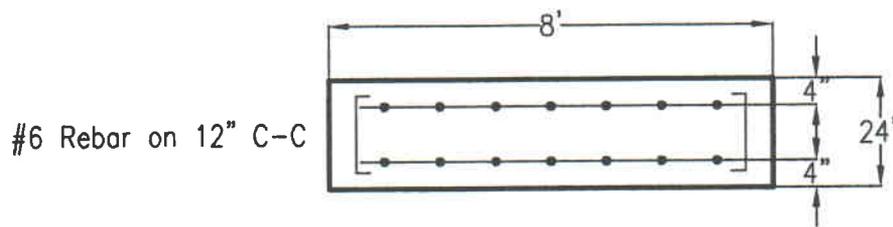
The total projected reclamation cost for the proposed new feed conveyor is \$ 3,086.68. The Savage Coal Terminal is presently bonded for a total of \$2,525,000 in 2007 dollars. The required bond for reclamation is \$2,412,000. This proposed addition, along with the stacking tube and settling ponds, would raise the required bond amount to \$2,415,087, which is still \$109,913 less than the bond posted for the site.

# TYPICAL CONCRETE PAD FOR CONVEYOR

DRAWING A-3-9-1



PLAN VIEW



SECTION VIEW

NOTE:

Conveyor Installation will have 3 of the above sized pads.



