

**COPY**

Incoming  
C0070022  
#3590  
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cc: April

**SAVAGE**

Savage Services Corporation  
Coal & Power Services Group  
2025 East 5000 South  
Box 1001  
Price, UT 84501

(435) 637-5664  
Fax (435) 637-3418

Mr. Daron Haddock  
Coal Program Manager  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Re: Proposed Office Extension  
Savage Coal Terminal  
C/007/022  
Carbon County, Utah

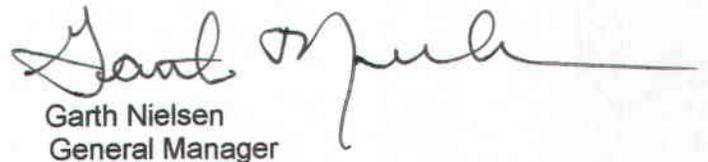
Dear Mr. Haddock:

Enclosed are 3 copies of a proposed amendment to extend the existing office building at the Savage Coal Terminal. The proposed extension will be 25' x 45' x10' high and will attach to and match the existing building.

There will be no new surface disturbance or drainage changes as a result of this project. The existing septic system for the office is adequately sized and will not need to be modified for this extension. Additional bonding costs have been provided for the extension. This additional cost is well within the surplus in the posted bond for this site.

Revised pages and plates for the approved MRP are included with this submittal. A C<sub>1</sub>/C<sub>2</sub> Form is also enclosed. If you have any questions, or need additional information, please let me know.

Sincerely,

  
Garth Nielsen  
General Manager

cc: Pete Hess, DOGM  
File

File in:  
 Confidential  
 Shelf  
 Expandable  
Date Folder 07132010 C10070022  
see: Incoming For additional information

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JUL 12 2010

DIV. OF OIL, GAS & MINING

## APPLICATION FOR PERMIT PROCESSING

Permit Change  New Permit  Renewal  Transfer  Exploration  Bond Release  Permit Number: C/007/022

Title of Proposal: Proposed Office Building Extension  
 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 specialist.

- |   |  |  |
|---|--|--|
| <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 checked="" 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 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 O. Fisher* Signed - Name - Position - Date  
 Subscribed and sworn to before me this 10<sup>th</sup> day of July 2010.

*General Manager 7-6-10*

Received by Oil, Gas & Mining

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**JUL 12 2010**

My Commission Expires: 12-3-13 Notary Public 12-3-2010  
 Attest: STATE OF Ut COUNTY OF Carbon  
*Evelyn Allred*



DIV. OF OIL, GAS & MINING  
 ASSIGNED TRACKING NUMBER



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### Savage Coal Terminal

### Chapter 5 - Engineering

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R645-301-513.	Compliance With MSHA Regulations and MSHA Approvals
R645-301-514.	Inspections
R645-301-515.	Reporting and Emergency Procedures
R645-301-520.	Operation Plan
R645-301-530.	Operational Design Criteria and Plans
R645-301-537.	Regraded Slopes
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R645-301-541.	Contemporaneous Reclamation
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Table 5-2	Seed Mix for the Shadscale (Upland Areas)
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Figure 5-7	Centerline and Grade of Belts
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Appendix 5-1	Proposed Removal of Main Refuse Pile
Appendix 5-2	BTU Resource Recovery Plan 5-3 for Refuse Pile
Appendix 5-3	Office Building Extension

Maintenance

All support facilities at Savage Coal Terminal will be maintained and used in a manner which prevent damage to fish, wildlife and related environmental values and prevents additional contributions of suspended solids to streamflow or runoff outside the permit area.

Facilities Construction Dates

The following is a list of facilities and approximate dates on which construction begun and completed on each:

Facility	Construction Begun	Construction Completed
Preparation Plant	10/77	12/78
Conveyors	10/77	4/78
Silo/Loadout	10/77	4/78
Shop/Lab/Warehouse	3/80	6/80
Power Line/Substation	10/77	4/78
Pumphouse	8/78	10/78
Scales/Scalehouse	2/78	4/78
Refuse Pile	12/78	On-Going
Railroad Loop	10/77	4/78
Roads/Parking Areas	10/77	4/78
Water System	10/77	10/78
Culinary Water	8/84	9/84
Sewage System	3/80	5/80
Diversion Ditches	6/78	6/79
Sedimentation Ponds	6/78	6/79
New Shop/Oil Storage	10/05	4/06
New Reclaim Conveyor	10/05	6/06
New Stacking Tube	04/06	8/06
New Plant Feed Conveyor	08/06	11/06
New Stacking Conveyor	08/06	11/06
New Raw Coal Conveyor	08/06	11/06
Settling Ponds	08/06	11/06
Refuse Conveyor	08/06	11/06
Storage to Silo Conveyor	10/07	12/07
Office Building Extension	07/10	08/10

### Buildings and Structures

All buildings and structures at the Savage Coal Terminal are shown on Plate 5-2. The only structure modification proposed at this time is the expansion of the office building as described in Appendix 5-3.

### Coal Refuse and Non-Coal Storage/Disposal

Storage sites for stockpiled coal and disposal of coal processing refuse and non-coal wastes are shown on Plate 5-2.

### Non-Coal Waste Disposal

Temporary storage of non-coal waste is in a metal trash receptacle and/or a designated storage area. As needed, the garbage is loaded into a truck and disposed of within an approved sanitary landfill. See Plate 5-2 for locations.

### Oil and Grease Disposal

Oil and grease wastes are collected in a surface tank for temporary on-site storage. As needed, this tank is pumped out by a licensed contractor and removed for recycling. All oil, grease and anti-freeze wastes at Savage Coal Terminal are recycled, and none of these wastes are stored in underground tanks or disposed of in any landfill.

### Coal Processing Waste Disposal

The coal processing waste disposal sites are designed and constructed to meet all requirements of R645-301-536. Plate 5-3, Refuse Disposal Plan, shows the planned locations and cross-sections of refuse disposal areas #1, #2, and #3. Coal processing waste from the 2006 plant restart is taken to the approved Dugout Canyon Mine refuse site per contract agreement.

### Transportation Facilities

#### Roads

The location of access and coal haulage roads and parking areas are provided on Plates 5-2 and 5-4.

526.110. The following is a list of structures that were constructed on the site prior to January 21, 1981:

Structure	Construction Begun	Construction Completed
Preparation Plant	10/77	12/78
Conveyors	10/77	4/78
Silo/Loadout	10/77	4/78
Shop/Lab/Warehouse	3/80	6/80
Power Line/Substation	10/77	4/78
Pumphouse	8/78	10/78
Scales/Scalehouse	2/78	4/78
Refuse Pile	12/78	On-Going
Railroad Loop	10/77	4/78
Roads/Parking Areas	10/77	4/78
Water System	10/77	10/78
Sewage System	3/80	5/80
Diversion Ditches	6/78	6/79
Sedimentation Ponds	6/78	6/79

526.111. See Plate 5-2.

526.112. See Plates 5-2 thru 5-5, 5-7, 5-8 and Plates 7-3 thru 7-6.

526.113. All of the above structures were in use at the time of the original permit application, and are still in use at this time. The structures were constructed, and have been maintained to meet the requirements of R645-301. This is evidenced by the fact that they have been reviewed, inspected and approved in the original and all subsequent permit renewals.

526.114. See Section 526.100.

526.115. The only proposed structure modification at this site is the office building expansion, which is detailed in Appendix 5-3.

526.116. N/A - There are no plans to conduct operations within 100 feet of the right of way line of a public road or to relocate a public road.

526.200. Utility Installation and Support Facilities.

The majority of utility and support facilities for this operation were installed 20 - 30 years ago, and have been reviewed and approved by relevant agencies whenever required. See Section 511.100.

**Appendix 5-3**

**Office Building Extension**

**Savage Services Corporation  
Savage Coal Terminal**

**July 2010**

### Appendix 5-3

#### Office Building Extension

**Introduction** : Savage Services Corporation is proposing to expand the existing office building by lengthening it 25' to the west. The internal configuration of the building will be changed as shown on the enclosed plan; however, existing utilities (water, sewer and power) will not need to be modified. The expansion will be 25' and will match the 45' depth and 10' height of the existing building. The siding will also match the existing building. There will be approximately 20 cubic yards of concrete placed with this expansion.

**Plans** : A plan showing the proposed addition is included with this Appendix. A building permit for the addition has been obtained from the Carbon County Building Department.

**Reclamation Costs** : Reclamation cost estimates for the proposed extension have been calculated using the figures from the approved Reclamation Cost Estimate in Appendix 8-1 of the M.R.P.. The only expected additional reclamation costs will be in the form of demolition of the steel building, disposal of the non-steel material and concrete demolition and burial.

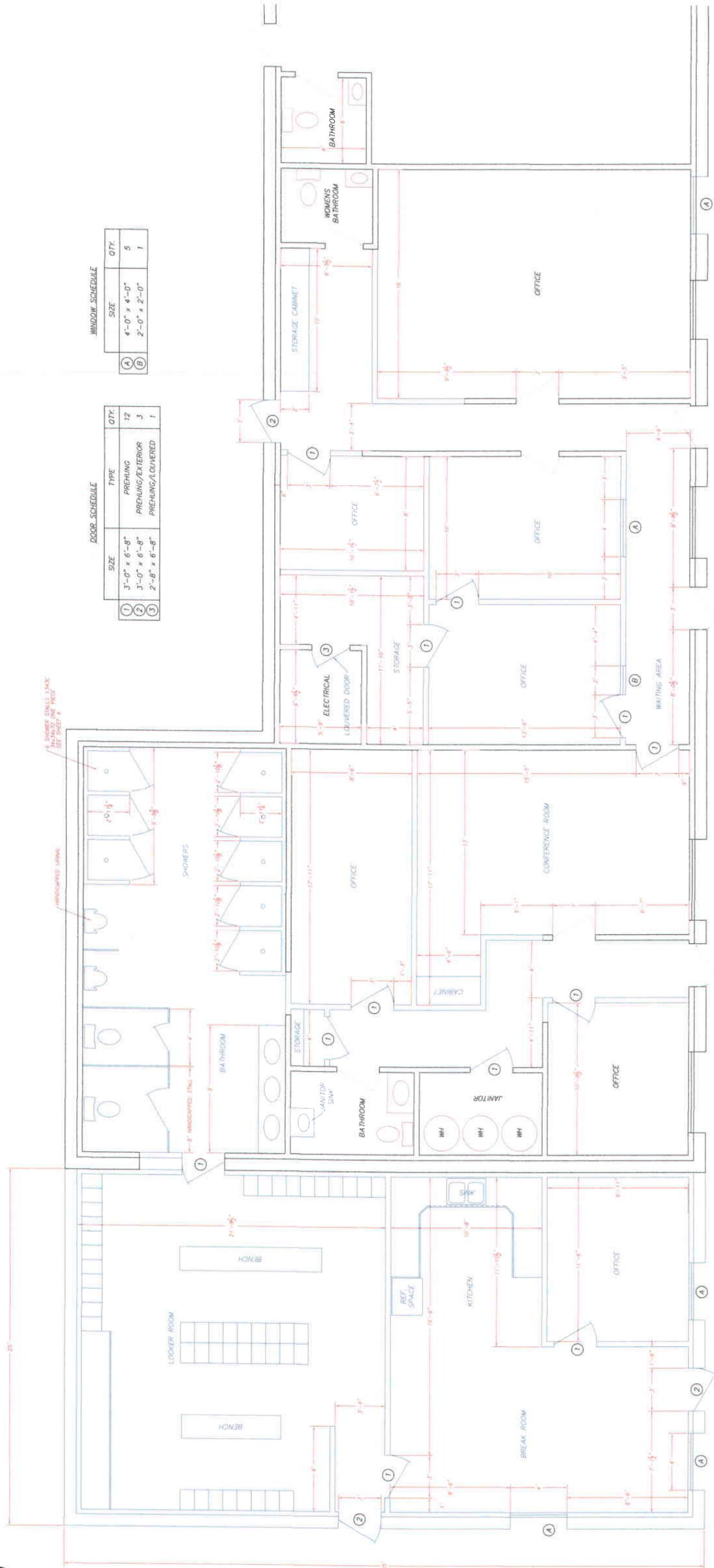
<u>Item</u>	<u>Cost/Unit</u>	<u>Units</u>	<u>Cost</u>
Steel Building (Large)	0.28/cf	11,250 cf	3150.00
Disposal Non-Steel	35/ton (cy)	4 cy	140.00
Concrete Demolition	9.82/cy	20 cy	196.40
Concrete Volume	-	1.3 x 20 = 26 cy	-
Loading Cost	1.50/cy	26 cy	39.00
Transportation Cost	3.79/cy	26 cy	98.54
Disposal on Site	8.25/cy	26 cy	214.50
Sub-Total			= 3838.44
+ 26.8% Indirect Costs			= 1028.70
Total			= 4867.14
Use			= <u>4867.00</u>

**Summary** : The total estimated reclamation cost for the proposed office extension is \$4867.00. The bond required for this site in 2012 dollars is \$2,412,000. The bond

posted is \$2,525,000, which shows a \$113,000 surplus. This proposed office expansion would reduce the surplus to approximately \$108,133, indicating the existing bond is still more than adequate.

**Attachment 1**

**Plan of Proposed Office  
Building Extension**



WINDOW SCHEDULE

SIZE	QTY.
4'-0" x 4'-0"	5
2'-0" x 2'-0"	1

DOOR SCHEDULE

SIZE	TYPE	QTY.
3'-0" x 6'-8"	PREHING	12
3'-0" x 6'-8"	PREHING/EXTERIOR	3
2'-8" x 6'-8"	PREHING/LOUVERED	1

BLUE = PROPOSED CONSTRUCTION

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