

COPY

C/007/022 Incoming

#3768

OK

SAVAGE

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

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

March 5, 2011

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

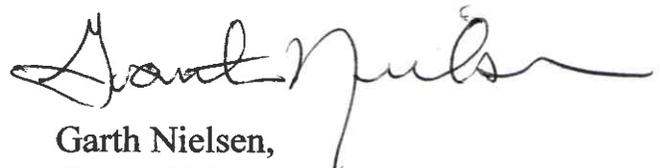
Re: Annual Report for 2010
Savage Coal Terminal
C/007/0022
Carbon County, Utah

Dear Mr. Haddock;

Enclosed is one copy of the 2010 Annual Report for the Savage Coal Terminal. An additional report has been submitted to the Price Field Office.

If you need any additional information, please let me know.

Sincerely,



Garth Nielsen,
General Manager

Cc: Price Field Office
Dan Guy, P.E.
File

File in:

Confidential

Shelf

Expandable

Date Folder *03072011* *C/0070022*

see: *Incoming* For additional information

Creative Solutions for Materials Management and Transportation Systems and Facilities

RECEIVED

MAR 07 2011

DIV. OF OIL, GAS & MINING

Submit by Email

Print Form

Reset Form

Annual Report

Date 2/22/11

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by April 30, 2010. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	<input type="text" value="Savage Services Corporation"/>	Mine Name	<input type="text" value="Savage Coal Terminal"/>
Permit Number	<input type="text" value="C/007/0022"/>	Permit expiration Date	<input type="text" value="2014-08-06"/>
Operator Name	<input type="text" value="Savage Coal Terminal"/>	Phone Number	<input type="text" value="+1 (435) 637-5664"/>
Mailing Address	<input type="text" value="P.O. Box 1001"/>	Email	<input type="text" value="garthnielsen@savageservices.com"/>
City	<input type="text" value="Price"/>	State	<input type="text" value="UT"/>
		Zip Code	<input type="text" value="84501"/>

CERTIFIED REPORTS

DOGM File Location

Excess Spoil Piles	<input type="checkbox"/> Required	<input type="text"/>
	<input type="checkbox"/> Not Required	
Refuse Piles	<input checked="" type="checkbox"/> Required	<input type="text" value="Included in Appendix A"/>
	<input type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required	<input type="text" value="Included in Appendix A"/>
	<input type="checkbox"/> Not Required	
Other:	<input type="text"/>	<input type="text"/>

OPERATOR COMMENTS

REVIEWER COMMENTS

Met Requirements Did Not meet Requirements

RECEIVED
MAR 07 2011
 DIV. OF OIL, GAS & MINING

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If the particular section is blank, no commitment has been identified and no response is required for this report. If additional written response is required, it should be filed under Appendix B to this report.

Title: EXPERIMENTAL PRACTICE FIELD TRIALS.

Objective: Monitoring to support proposed Experimental Practice.

Frequency: Annual Evaluation in June.

Status: Ongoing.

Reports: Provide in annual report a comparison of growth on field trials with Douglas/Fir reference area..

Citation: App. 2-6 and Map 2-4.

OPERATOR COMMENTS

N/A

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

Title: SOIL SAMPLING OF FILL AT T1, T2, T3

Objective: To protect buried substitute topsoil in the fill.

Frequency: Annual Evaluation during field season.

Status: Ongoing.

Reports: Provide information in Annual Report.

Citation: App. 2-6 Addendum and Map 2-4.

OPERATOR COMMENTS

N/A

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

Title: WILDLIFE AWARENESS PROGRAM

Objective: To inform employees of the wildlife and the need for protection in the mine facilities and access road areas.

Frequency: As needed.

Status: Ongoing.

Reports: Summary in Annual Report

Citation: Volume I, chapter three, page 3-10, paragraph 5.

OPERATOR COMMENTS

Included in regular employee meetings.

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the Status item. These commitments are included for information only, and do not currently require action.

Title: CULTURAL RESOURCES

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, the Permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the Permittee of necessary actions required. The Permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.

Frequency: As needed.

Status: Ongoing.

OPERATOR COMMENTS

N/A

Title: CULTURAL RESOURCES

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, the Permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the Permittee of necessary actions required. The Permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.

Frequency: As needed.

Status: Ongoing.

Reports: Annual.

OPERATOR COMMENTS

N/A

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as an attachment to this report or currently on file with the Division.

OPERATOR COMMENTS

N/A

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

The Division is Requesting that each Permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

LEGAL/ FINANCIAL UPDATE

Includ

DOGM File Location

Department of Commerce, Annual Report of Officers

On File

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2009, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential. (Please provide a CD.)

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

LIST ATTACHMENTS:

N/A

REVIEWER COMMENTS

2010 Annual Report

Appendix A

Certified Reports

Refuse Pile Inspections

Annual Impoundment Inspections

2010 Annual Report

Appendix A

Certified Reports

Refuse Pile Inspections
Annual Impoundment Inspections



BLACKHAWK ENGINEERING, INC.

1056 West 2060 North - Helper, Utah 84526 - Telephone (435) 637-2422 - Fax (435) 637-2431

Mr. Garth Nielsen
Savage Services Corporation
P.O. Box 1001
Price, Utah 84501

Re: Savage Coal Terminal
Pond Inspections

Dear Garth:

The Annual Pond Inspections and Certifications were done on 08/23/10. Since these inspections are done in the 3rd Quarter, the Annual Inspection Report should also be used as the 3rd Quarter Pond Inspection Report for this site.

If you have any questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan W. Guy', with a stylized flourish at the end.

Dan W. Guy
President

**SAVAGE INDUSTRIES, INC.
2010 ANNUAL POND INSPECTION REPORT**

POND: Sediment Pond 1 **LOCATION:** Savage Coal Terminal

IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3' Water.
(5) Existing Storage Capacity	0.91 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5485.00
(8) Sediment Cleanout Level (Elevation)	5487.20
(9) Principle Spillway (Elevation)	5491.80
(10) Emergency Spillway (Elevation)	5491.80
(11) Existing Sediment Capacity (To Cleanout)	0.37 acre feet.

GENERAL	
(12) Comments/Recommendations	No Discharge.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/10
(Date)



**SAVAGE INDUSTRIES, INC.
2010 ANNUAL POND INSPECTION REPORT**

POND: Sediment Pond 2 **LOCATION:** Savage Coal Terminal

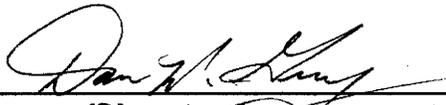
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	N/A - Dry.
(5) Existing Storage Capacity	0.91 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5484.60
(8) Sediment Cleanout Level (Elevation)	5485.50
(9) Principle Spillway (Elevation)	5492.30
(10) Emergency Spillway (Elevation)	5492.30
(11) Existing Sediment Capacity (To Cleanout)	0.13 acre feet.

GENERAL	
(12) Comments/Recommendations	No Discharge.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



(Signature)

08/23/10

(Date)



**SAVAGE INDUSTRIES, INC.
2010 ANNUAL POND INSPECTION REPORT**

POND: Sediment Pond 3 **LOCATION:** Savage Coal Terminal

IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	N/A - Dry.
(5) Existing Storage Capacity	0.94 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5483.60
(8) Sediment Cleanout Level (Elevation)	5484.80
(9) Principle Spillway (Elevation)	5491.40
(10) Emergency Spillway (Elevation)	5491.40
(11) Existing Sediment Capacity (To Cleanout)	0.13 acre feet.

GENERAL	
(12) Comments/Recommendations	No Discharge.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 08/23/10
 (Date)



**SAVAGE INDUSTRIES, INC.
2010 ANNUAL POND INSPECTION REPORT**

POND: Sediment Pond 5 **LOCATION:** Savage Coal Terminal

IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	12" Water.
(5) Existing Storage Capacity	4.20 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5473.00
(8) Sediment Cleanout Level (Elevation)	5475.20
(9) Principle Spillway (Elevation)	5482.00
(10) Emergency Spillway (Elevation)	5482.00
(11) Existing Sediment Capacity (To Cleanout)	0.52 acre feet.

GENERAL	
(12) Comments/Recommendations	No Discharge.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



(Signature)

08/23/10

(Date)



**SAVAGE INDUSTRIES, INC.
2010 ANNUAL POND INSPECTION REPORT**

POND: Sediment Pond 6 **LOCATION:** Savage Coal Terminal

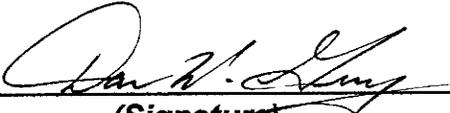
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3.0' Water.
(5) Existing Storage Capacity	1.18 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S. Discharge.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5473.70
(8) Sediment Cleanout Level (Elevation)	5474.70
(9) Principle Spillway (Elevation)	5480.30
(10) Emergency Spillway (Elevation)	5480.30
(11) Existing Sediment Capacity (To Cleanout)	0.20 acre feet.

GENERAL	
(12) Comments/Recommendations	No Discharge. S/W Inlet Cleaned.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

08/23/10

 (Date)



**SAVAGE SERVICES CORPORATION
2010 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #1 **LOCATION:** Savage Coal Terminal

IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	N/A - Dry.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	Not a Sediment Pond. Pond Just Cleaned.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 08/23/10
 (Date)



**SAVAGE SERVICES CORPORATION
2010 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #2 **LOCATION:** Savage Coal Terminal

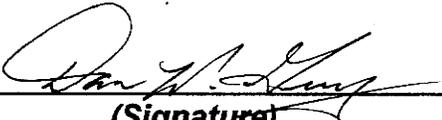
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	NA - Dry.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	Not a Sediment Pond. No Inflow. About 2/3 Full of Coal Fines.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 08/23/10
 (Date)



**SAVAGE SERVICES CORPORATION
2010 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #3 **LOCATION:** Savage Coal Terminal

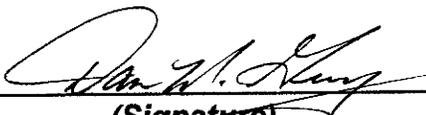
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	Nearly Full of Water/Coal.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	Not a Sediment Pond.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 08/23/10
 (Date)



**SAVAGE SERVICES CORPORATION
2010 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #4 **LOCATION:** Savage Coal Terminal

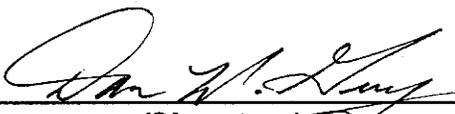
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	Full of Water.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	Not a Sediment Pond.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/10
(Date)



**SAVAGE COAL TERMINAL
REFUSE PILE INSPECTION REPORT**

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 4-2010

ITEM	REMARKS
(1) Potential Safety Hazards	None Noted. No Water Impoundment.
(2) Slope Stability	Slopes appear stable.
(3) Removal of Topsoil/Organics.	N/A - No removal necessary.
(4) Construction and Maintenance Performance Standards.	Ditches - O.K. Berms - O.K.
(5) Recommendations/Comments.	Sign - O.K. Culvert/Belting - O.K. Removing Refuse on West End.

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.



Dan W. Guy 11/03/10
(Signature/Date)

SAVAGE COAL TERMINAL REFUSE PILE INSPECTION REPORT

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 3-2010

ITEM	REMARKS
(1) Potential Safety Hazards	None Noted. No Water Impoundment.
(2) Slope Stability	Slopes appear stable.
(3) Removal of Topsoil/Organics.	N/A - No removal necessary.
(4) Construction and Maintenance Performance Standards.	Ditches - O.K. Berms - O.K.
(5) Recommendations/Comments.	Sign - O.K. Culvert/Belting - O.K. Removing Refuse on West End.

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.



Dan W. Guy 8/23/10
(Signature/Date)

SAVAGE COAL TERMINAL REFUSE PILE INSPECTION REPORT

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 2-2010

ITEM	REMARKS
(1) Potential Safety Hazards	None Noted. No Water Impoundment.
(2) Slope Stability	Slopes appear stable.
(3) Removal of Topsoil/Organics.	N/A - No removal necessary.
(4) Construction and Maintenance Performance Standards.	Ditches - O.K. Berms - O.K.
(5) Recommendations/Comments.	Sign - O.K. Culvert/Belting - O.K. Dumping Pond Fines.

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.



Dan W. Guy 5/28/10
(Signature/Date)

