

C/007/022 Incoming

4077

K

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. Steve Christensen
Permit Supervisor
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

MAY 18 2012

DIV. OF OIL, GAS & MINING

Attn: April Abate

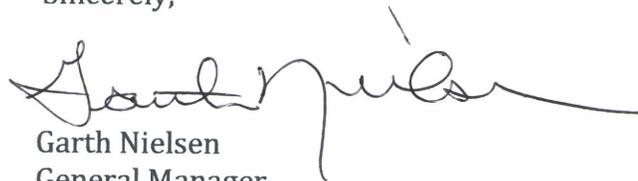
Re: Proposed Replacement Well
Savage Service Corporation
Savage Coal Terminal
C/007/0022 , Task ID #4077

Dear Mr. Christensen:

Enclosed are 4 clean copies of the amendment to the Savage Coal Terminal MRP for the installation of a new ground water monitoring well to replace the dry well S-1-GW. As requested in the conditional approval letter, the tense and references in Section 731-212 and page 5 of the PHC have also been revised to show the new well from "proposed" to "installed". Required C1/C2 Forms are also enclosed.

As indicated in the plan, Savage Services Corporation will submit an updated Plate 7-1 showing the actual location of the new well within 30 days of its completion. If you have any questions, or need additional information, please let me know.

Sincerely,



Garth Nielsen
General Manager

Cc: Dan Guy
File

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Savage Services Corporation

Mine: Savage Coal Terminal

Permit Number:

C/007/0022

Title: Proposed Replacement Monitoring Well (Clean Copies)

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

To replace a dry ground water monitoring well.

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: Division request for clean copies.

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

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.

Garth Nielsen General Manager 04/04/2012 Garth Nielsen
 Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 17th day of May, 2012

Notary Public: Mary B Patton, state of Utah.

My commission Expires: 5-8-2013
 Commission Number: 578809 } ss:
 Address: 340 E MAIN
 City: ORICE State: UT Zip: 84501



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining RECEIVED MAY 18 2012 DIV. OF OIL, GAS & MINING
-----------------------------	---------------------------	--

- 731.112. For the purposes of SURFACE COAL MINING AND RECLAMATION ACTIVITIES ground-water quantity will be protected by handling earth materials and runoff in a manner that will restore approximate premining recharge capacity of the reclaimed area as a whole, excluding coal mine waste disposal areas and fills, so as to allow the movement of water to the ground-water system.
- 731.120. Surface-Water Protection. In order to protect the hydrologic balance, coal mining and reclamation operations will be conducted according to the plan approved under R645-301-731 and the following:
- 731.121. Surface-water quality will be protected by handling earth materials, ground-water discharges and runoff in a manner that minimizes the formation of acidic or toxic drainage; prevents, to the extent possible using the best technology currently available, additional contributions of suspended solids to streamflow outside the permit area; and, otherwise prevent water pollution. If drainage control, restabilization and revegetation of disturbed areas, diversion of runoff, mulching or other reclamation and remedial practices are not adequate to meet the requirements of R645-301-731.100 through R645-301-731.522, R645-301-731.800 and R645-301-751, the operator will use and maintain the necessary water treatment facilities or water quality controls; and
- 731.122. Surface-water quantity and flow rates will be protected by handling earth materials and runoff in accordance with the steps outlined in the plan approved under R645-301-731.
- 731.200. There are presently 2 surface water monitoring points and 3 groundwater monitoring stations at the Savage Coal Terminal. One monitoring well (S-1-GW) has not provided any information, and will be replaced by a new well (S-3-GW). An updated map showing the location of the new well will be submitted within 30 days of completion. S-1-GW will be decommissioned as described under R645-301-748. The following is a list of existing water monitoring stations, along with sample frequency:

WATER MONITORING PROGRAM

Station	Location	Type	Frequency	Flow Device	Results To	Remarks
CV-1-W	Pumphouse	French Drain	Bi-annually	Time/Volume or Depth	DOGM	Sample during 2 nd and 4 th Quarters.
CV-14-W	N.E. Corner Property	Ditch	Bi-annually	Time/Volume	DOGM	Sample during 2 nd and 4 th Quarters.
CV-15-W	Sediment Pond Discharge	Pond Outlet	Monthly	Hand-Held Time/Volume	E.P.A., DOGM, Utah Health Dept.	Monitored per UPDES Permit
S-3-GW*	South of French Drain	Ground Water Monitoring Well	Quarterly	Grab Sample Depth	DOGM	Quarterly - 2 years Bi-Annual - After
S-2-GW	South of Pond 5	Ground Water Monitoring Well	Quarterly	Grab Sample Depth	DOGM	Quarterly - 2 years Bi-Annual - After

*S-3-GW will replace S-1-GW. S-1-GW is to be removed and backfilled.

Note: In addition to the above regular water monitoring schedule, baseline sampling will be completed on all stations at least once each 5 years. Baseline samples were taken in the 4th Quarter of 2009 and are scheduled to be taken again in the 4th Quarter of 2013. Baseline samples are analyzed per the parameter list on Table 7-17.

Water monitoring will include parameters on Table 7-17. Results will be submitted to the Division within 60 days following the end of each sampling cycle.

- 731.210. Ground-Water Monitoring. Ground-water monitoring will be conducted according to the plan approved under R645-301-731.200 and the following:
- 731.211. See 731.200 and Table 7-17.
- 731.212. Ground-water will be monitored and data will be submitted at least every six months for the French Drain and every quarter for the ground water monitoring wells S-1-GW and S-3-GW. Monitoring submittals will include analytical results from each sample taken during the approved reporting period. When the analysis of any ground-water sample indicates noncompliance with the permit conditions, then the operator will promptly notify the Division and immediately take the actions provided for in R645-300-145 and R645-301-731.
- 732.213. N/A - Not requested.
- 731.214. Groundwater monitoring will continue through operation; however, since the French Drain and monitoring wells will be removed during reclamation further monitoring of those sites will not be possible.

- 746.221 The refuse pile is considered active and still under construction (and/or removal as discussed in Chapter 5); therefore, slopes and diversions have not been revegetated at this time.
- 746.222 N/A - No impoundments are planned on the refuse pile.
- 746.300 N/A - No impounding structures are constructed of coal mine waste.
- 746.400 N/A - There are no plans to return coal processing waste abandoned underground workings.
- 747 Non-coal mine waste is collected, stored and disposed of as described in Section 528.330.
- 747.100 See Section 528.330.
- 747.200 See Section 528.330.
- 747.300 See Section 528.330.
- 748 All decommissioned water monitoring wells have been plugged and sealed as approved by the Division. Existing groundwater monitoring well S-1-GW will also be decommissioned after a new well (S-3-GW) is completed. The well pipe will be cut off at least 6" below existing ground level. The well pipe will then be backfilled with sand or other fine native material to within 12" of the top of the pipe. The upper 12" will then be filled with concrete and the site backfilled to existing ground level. The 2 remaining water monitoring wells, French Drain collection sump and river pump well are shallow, water systems. They will be reclaimed according to the approved plan as described here and in Section 540 of this permit.
- 750 All coal mining and reclamation operations will be conducted to minimize disturbance to the hydrologic balance within the permit and adjacent areas, to prevent material damage to the hydrologic balance outside the permit area and support approved postmining land uses in accordance with the terms and conditions of the approved permit and the performance

standards of R645-301 and R645-302.

- 751 Discharges or water from areas disturbed by coal processing and reclamation operations will be made in compliance with all Utah and federal water quality laws and regulations and with effluent limitations for coal mining promulgated by the U.S. Environmental Protection Agency set forth in 40 CFR Part 434. (See approved UPDES Permit).
- 752 Sediment control measures are located, maintained, constructed and will be reclaimed according to plans and designs given under R645-301-312.240, R645-301-732, R645-301-742 and R645-301-760.
- 753 See Section 741.
- 754 See Section 528.
- 755 See Section 748.
- 760 Reclamation is discussed in Section 540 of this M.R.P.
- 761 Reclamation will be performed as per Sections 540 and 550
- 762 All roads will be removed and reclaimed during final reclamation.
- 763 Siltation structures will remain in place as described in Section 540, until removal by the Division.
- 764 See Section 540 for reclamation timetable.
- 765 See Section 540 and 748 for details on sealing of wells.

In 2009, 2 new ground monitoring wells were installed as required by the Division. These wells were designated S-1-GW and S-2-GW, and were placed near the northeast corner of the site and below (east) of the refuse pile respectively. S-1-GW has not produced any useful data, and was replaced in 2012 with a new well S-3-GW with approval by the Division.

The measurements in the observation wells as recorded in Table 7-1 of Chapter 7 indicate that there is no regional ground water table at the site, although a perched water table exists at some locations on the site. The aerial extent of this perched water table could not be precisely determined from existing monitoring well network.

As previously mentioned, the original wells were monitored for 18 years at this site. When the wells were finally approved for removal, 5 of the 8 remaining wells had been dry for more than 5 years, 2 wells showed some ground water which appeared to be recharged by the irrigation canal south of the site. Water from one of these wells is also evident as ground water in Sediment Pond No. 5. The last remaining well was in an irrigated field east of the site, on land not controlled by Savage Services Corporation.

Of the 2 new wells installed in 2009, one remained dry and has been replaced. The other has provided consistent data.

When the facilities were first constructed in 1977 - 1978, ground water was present throughout the site, ranging in depths from 0' to 20' from the surface. A French Drain system was placed along the western and northern edge of the property to intercept a majority of the ground water, which appears to be recharged primarily by the irrigation

