

Mr. Daron Haddock
Coal Regulatory 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: Statement on Transloading
Crude Oil at Terminal
Savage Services Corporation
Savage Coal Terminal
C/007/0022

Dear Mr. Haddock:

Enclosed is an electronic copy of a proposed amendment to the Savage Coal Terminal MRP, along with a C1/C2 Form. The amendment is in the form of a paragraph added to the operation plan to clarify the non-coal operation of transloading crude oil from trucks to rail at the Terminal.

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

Sincerely,

Garth Nielsen
General Manager

Cc: Jim Jensen
Dan Guy
File



Suzanne Steab < suzannesteab@utah.gov >

FW: Savage Amendment, Statement on Transloading Crude Oil

2 messages

LuAnn Koch < LuAnnKoch@savageservices.com >
To: "suzannesteab@utah.gov" < suzannesteab@utah.gov >

Fri, May 17, 2013 at 10:06 AM

Hello Suzanne – I have attached the notarized Coal Permit that you need for the application.

Let me know if this will work.

Thank you!

LuAnn Koch • Coordinator
P.O. Box 1001
2025 East 5000 South • Price Utah 84501
435-637-5664 Office • 435-637-3418 Fax •
www.savageservices.com



From: Garth Nielsen
Sent: Wednesday, May 15, 2013 8:22 AM
To: LuAnn Koch
Subject: Fwd: Savage Amendment, Statement on Transloading Crude Oil

Sent from my iPhone

Begin forwarded message:

From: Suzanne Steab < suzannesteab@utah.gov >
Date: May 14, 2013, 7:35:00 AM MDT
To: Garth Nielsen < garthnielsen@savageservices.com >
Cc: "Christensen, Steve" < stevechristensen@utah.gov >, "Haddock, Daron" < daronhaddock@utah.gov >
Subject: Savage Amendment, Statement on Transloading Crude Oil

Hello Garth,

The Division received your electronic submission of the above application. However, in order to process this amendment, the C1 form is required to be notarized.

Once we receive the notarized copy, the application will be processed.

Thanks!

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Suzanne Steab, Engineering Technician II

Division of Oil, Gas & Mining

1594 West North Temple, Suite 1210

Salt Lake City, Utah 84114-5801

Garth Nielsen • General Manager

2025 E 5000 So

Box 1001 • Price Utah 84501

435-637-5664 Office • 435-637-3418 Fax • 435-630-3569 Mobile

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SAVAGE



Coal Permit.pdf

639K

Suzanne Steab < suzannesteab@utah.gov >
To: LuAnn Koch < LuAnnKoch@savageservices.com >

Fri, May 17, 2013 at 10:13 AM

That will work fine. Thanks!

[Quoted text hidden]

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: Addition of Statement on Transloading Crude Oil

Description: Include reason for application and timing required to implement

Statement to clarify transloading operation requested by Division.

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

- | | | | |
|---|--|----|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1 | Change in the size of the Permit Area? Acres _____ Disturbed Area: _____ <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 the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4 | Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5 | Does the 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 checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 10 | Is the application submitted as a result of other laws or regulations or policies?
<i>Explain: Division request</i> _____ |

- | | | | |
|------------------------------|--|----|--|
| <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 the 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 type="checkbox"/> Yes | <input checked="" 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 type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19 | Does the application require or include certified designs, maps or calculation? |
| <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? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22 | Does the 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? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> 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.

<u>Garth Nielsen</u>	<u>General Manager</u>	<u>05/13/2013</u>	
Print Name	Position	Date	Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 17 day of May, 2013

Notary Public: Tami L McKendrick state of Utah

My commission Expires: 07-09-2014

Commission Number: 583388

Address: PRICE State: UT Zip: 84501

For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
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standards.

This notice will describe mitigation measures to be employed in accordance with the terms and conditions of the permit approval, such as a statement of the number of surface acres involved in the cessation, extent of sub-surface strata, prior reclamation efforts accomplished on the property, and identification of all backfilling, regrading, revegetation, environmental monitoring, underground opening closures and water treatment activities that will continue during the temporary cessation.

516. N/A - This is not a Surface Mining Operation.

520. Operation Plan.

521. The Savage Coal Terminal receives, processes, stores and ships coal from various coal mines in the area. In general, coal is brought in by truck and dumped through 1 of 5 separate truck dump locations. The coal is then screened and/or crushed, washed if required, and conveyed into specific storage areas. When ordered, specific coal is withdrawn from the pile and loaded into the silo by conveyor. The coal is then loaded into a unit train at the silo, and shipped to the desired location.

The Savage Coal Terminal is operated under an approved Mining and Reclamation Plan, and has an excellent history of compliance with that plan and the R645 Regulation.

Savage will begin transloading crude oil from trucks to rail tank cars in calendar year 2013. This is a non-coal operation that will neither affect nor interfere with the approved coal operation permit. The transloading of crude oil at the Savage Coal Terminal will be conducted south of the silo within the railroad right-of-way, using portable, self-contained loading racks, drip pans and additional protection to the extent required by the SPCC Plan.

521.110. Previously Mined Areas.

521.110. This is a surface operation. Original disturbance on the site occurred in 1975 under Utah Power & Light ownership. The site was expanded under Swisher Coal Co. between October 1977 and April 1978. Some additional disturbed area was added after the Arco Coal Co. purchase in 1980.

Previous and present disturbance on the area are shown on Plate 5-1.

- 521.111. N/A - Surface operation.**
- 521.112. This is not a surface mine; however, the extent of surface disturbance is shown on Plate 5-1.**
- 521.120. Existing surface and subsurface facilities are shown on Plate 5-2.**
- 521.121. See Plate 5-2.**