



GARY R. HERBERT  
Governor

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Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

June 3, 2013

Mr. Garth Nielsen, General Manager  
Savage Services Corporation  
2025 East 5000 South  
Price, Utah 84501

Subject: Conditional Approval to Construct, Transloading Crude Oil, Savage Services Corporation, Savage Coal Terminal, C/007/0022, Task ID #4334

Dear Mr. Nielsen:

The Division received the application to permit the transferring of bulk crude oil from semi-truck trailers to rail tank cars on May 17, 2013. This is not a process which is regulated by the Division of Oil, Gas and Mining under the R645 Coal Mining Rules. However, because the proposed activity occurs within the boundary of a SMCRA permit it is necessary to describe the activity and its location and disclose who is responsible for it. We have reviewed the application and approve the amendment conditioned upon the receipt of "As-Built" information.

The bulk crude oil transfer facility is **not** a support facility for the unloading, blending, and train loading of coal normally permitted through the Division of Oil, Gas and Mining under the R645 Coal Mining Rules. The Division is aware that there are other regulations enforced by the U. S. Department of Transportation and other agencies which may be applicable to this proposed facility. Savage Services Corporation is the responsible entity for compliance with those regulations.

Upon receipt of the submitted "As-Built" information and appropriate maps, the Division will grant a Final Approval of the Task ID #4334 amendment.

It is the Division's hope that this Conditional Approval to Construct will help expedite the construction of the facility. Please submit the required "As-Built" information within two weeks of the completion of the construction phase.

If you have any questions, please call me at (801)538-5325 or Pete Hess at (435)613-3731.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/PHH/ss

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