



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

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

C/007/0022  
Received 4/17/20  
Task #6135

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

Re: Addition of Shop and  
Storage Containers  
Savage Service Corporation  
Savage Coal Terminal  
C/007/0022 , Task #6094

Dear Mr. Christensen:

Enclosed are 3 copies of the revised Appendix 5-6, Plate 5-2 and affected bond calculation sheets to address the deficiencies for the proposed amendment for the addition of a shop and storage containers for the Savage Coal Terminal MRP. The Plate 5-2 "Savage Coal Terminal Facility Map" is of better quality than that previously submitted. Also, the bond calculations for the removal of the steel containers has been included in the revised Appendix 5-6 and on the enclosed bond calculation sheets. Revised figures for the bonding sheets are shown in red.

Required C1/C2 Forms are included with this submittal. If you have any questions, or need additional information, please let me know.

Sincerely,

Heath Tanner  
Senior Operations 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:** Addition of Shop and Storage Containers, Task #6094

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

**To address deficiencies.**

**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:* \_\_\_\_\_

- 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.

Heath Tanner

Senior Operations Manager

Print Name

Position

Date

Heath Tanner  
Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 7 day of April, 2020

Notary Public: Ann Milano, state of Utah.

My commission Expires: 9-15-2020

Commission Number: 691927

Address: 370E 100 N

City: Price State: Ut Zip: 84520



<b>For Office Use Only:</b>	<b>Assigned Tracking Number:</b>	<b>Received by Oil, Gas &amp; Mining</b>



**APPENDIX 5-6**

**ADDITION OF SHOP  
AND  
STORAGE CONTAINERS**

**MARCH 2020**

## **Appendix 5-6**

### **Addition of Shop and Storage Containers**

#### **Project Description**

The previous storage area behind the Savage Coal Terminal office building has been modified to provide a more orderly and secure storage area with the addition of 3 portable storage containers and a new metal building to serve as an enclosed mechanic shop. The chain link fence around the previous storage site has also been removed.

#### **Project Details**

3 portable steel containers have been placed behind the Savage Coal Terminal office building. Two of the containers are 8' wide by 40' long, and one is 8' wide by 20' long. In addition, a 30' x 40' x10' steel building has been placed to provide a new mechanic shop area. The previous shop area adjacent to the office has been converted to an electrical shop. The metal building has been erected on a previously poured concrete pad with piers. The Surface Facility Map, Plate 5-2 has been updated to show the location of the structures. Bonding cost details are included in this appendix.

#### **Environmental Considerations**

The entire project is within the existing disturbed area. There will be no changes to the soils, biology, geology or hydrology (including drainage) as a result of this amendment. Proposed bonding costs are provided in the following section.

#### **Bonding**

The following costs are for the demolition of the steel building and concrete for the new shop area and the 3 steel storage containers. Although the containers are considered portable, the estimated costs are conservatively based on demolition and disposal of the units. This is consistent with the cost estimates in the latest bond calculations, including those for the Portable Hopper (Item 16). All costs are taken from those in the latest approved bond estimate for the Savage Coal Terminal Permit. The chain link fence is shown as a credit since it has been removed.

Demolition Cost

<u>Item</u>	<u>Unit Cost</u>	<u>Quantity</u>	<u>Cost</u>
Steel Bldg.	0.28/CF	12,000 CF	\$ 3,360.00
Concrete	21.00/CY	25.0 CY	525.00
8' x 40' Container	0.28/CF	2,560 CF (x 2)	1,434.00
8' x 20' Container	0.28/CF	1,260 CF	358.00
<u>ECDC</u>	<u>9.63/CY</u>	<u>5 CY</u>	<u>48.00</u>
		Sub-Total	\$ 5,725.00
<u>Chain Link (Removed)</u>	<u>4.33/LF</u>	<u>240 LF</u>	<u>- 1,039.00</u>
		Total =	<u>\$ 4,686.00</u>

Note: The estimated reclamation cost for this site is \$2,345,000.00, escalated to 2021. The bond posted for the site is \$2,525,000.00, which is \$180,000.00 more than required. When the above estimates for the shop building are included, there would still be an excess of \$174,000.00 in place for this site, as shown on the revised bonding calculations in Appendix 8-1.

Summary

The previous outside storage area behind the Savage Coal Terminal office has been modified by removal of the chain link fence and the addition of 3 steel storage containers. In addition, a 30' x 40' x 10' steel building has been erected on a pre-existing concrete pad, to serve as a mechanic shop. Bonding costs for the addition have been provided and show no need for an increase in the bond for this project. The Surface Facility Map, Plate 5-2 has been updated to reflect the changes described herein.

**Appendix 8-1**

**Reclamation Cost Estimate**

**Savage Services Corporation  
Savage Coal Terminal**

## Bonding Calculations

## Direct Costs

Subtotal Demolition and Removal	\$	936,701.00	
Subtotal Backfilling and Grading	\$	599,800.00	
Subtotal Revegetation	\$	254,047.00	
Direct Costs	\$	1,790,548.00	

## Indirect Costs

Mob/Demob	\$	179,055.00	10.0%
Contingency	\$	89,527.00	5.0%
Engineering Redesign	\$	44,764.00	2.5%
Main Office Expense	\$	121,757.00	6.8%
Project Mainagement Fee	\$	44,764.00	2.5%
Subtotal Indirect Costs	\$	479,867.00	26.8%

Total Cost 2016 Dollars	\$	2,270,415.00	
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Escalation factor			0.7%
Number of years			5
Escalation	\$	80,585.00	

Reclamation Cost Escalated	\$	2,351,000.00	
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Bond Amount (rounded to nearest \$1,000)	\$	2,351,000.00	
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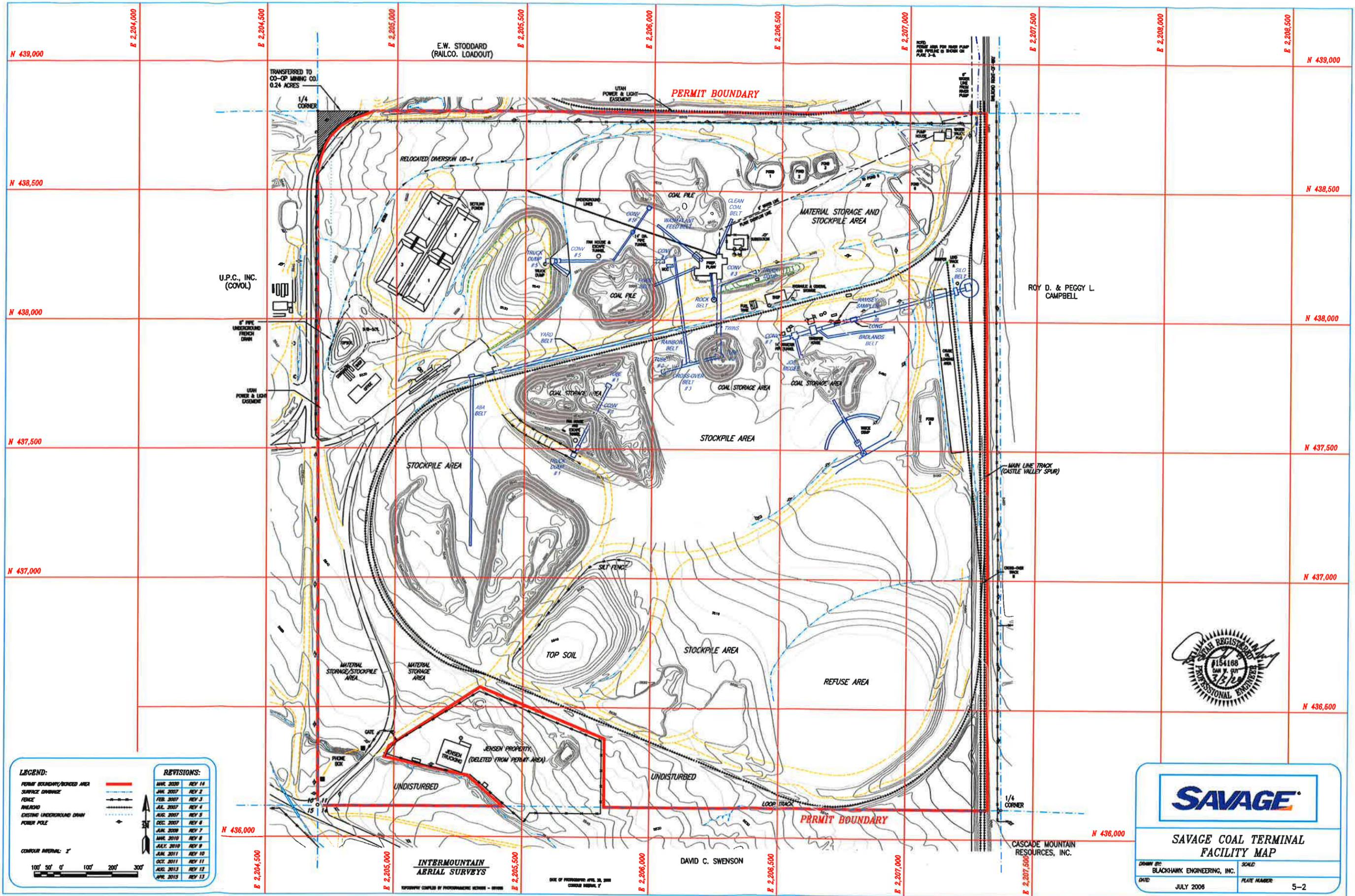
Bond Posted Dollars	\$	2,525,000.00	
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Difference Between Cost Estimate and Bond	\$	174,000.00	
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Percent Difference	\$	0.07	
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Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost	
	Shop Office 01																				23823
	Scale House 02																				1593
	No 1 Truck Dump 03																				4444
	No 2 Truck Dump 04																				2352
	No 3 Truck Dump 05																				1423
	No 4 Truck Dump 06																				1747
	No 5 Truck Dump 07																				1077
	Conveyors Eight 08																				8985
	Conveyor 48 inch 09																				9112
	No 4 Radial Stacker 10																				1018
	No 5 Radial Stacker 11																				1680
	Conveyor Piers 12																				1531
	Support Structure 13																				0
	Water Tank 14																				33760
	Reclaim Tunnel 15																				0
	Portable Hopper 16																				951
	Trailer 17																				0
	Transfer Bin 18																				2023
	Preparation Plant 19																				208054
	Substation 20																				5215
	Fuel Storage 21																				5656
	Reclaim Control Bld 22																				1391
	Sample House 23																				4303
	Stacking Tube 24																				49590
	Loadout Silo 25																				306629
	Railroad 26																				25440
	Powerline 27																				3750
	Asphalt 28																				90420
	Pumphouse 29																				14200
	River Pump 30																				185
	Guard Rails 31																				15890
	Culverts 32																				3232
	Stacking Tube 33																				19159
	Coal Sampler Addition 34																				4093
	Conveyor Transfer 35																				14388
	New Shop Oil Storage Bld 36																				19044
	Plant Expansion 37																				6534
	Road Surfacing Material 38																				40815
	<b>Total</b>																				<b>936701</b>

Ref.	Description	Materials	Means Reference Number	Bare Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Shop Office 01																			
	Structure's Demolition Cost	Steel Bld. Large	Southeast Blasting	0.28 /CF	CF	125	45	10								FT	0.01	58250	CF	15750
	Structure's Vol. Demolished																			
	Rubble's Weight (exclude steel)																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Non Steel Truck																			
	Transportation Cost Non Steel Drive																			
	Disposal Cost Non Steel	ECDC	ECDC	9.63 /CY	CY						17					CY		17	CY	164
	Steel's Weight																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Steel Truck																			
	Transportation Cost Steel Truck Drive																			
	Disposal Cost Steel																			
	Subtotal																			15914
	Equipment's Disposal Cost	Chain link, remove 3'-10'	02 41 13 60 1700	4.33 /LF	LF	240		REMOVED								LF				0
	Dismantling Cost																			
	Equipment's Vol. Demolished																			
	Loading Costs																			
	Transport Costs																			
	Disposal Costs																			
	Subtotal																			0
	Concrete Demolition																			
	Demolition Cost	Concrete Demolition/Onsite Disposal	Southeast Blasting	21.00 /CY	CY	125	45	0.5								FT	1.3	104	CY	2184
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			2184
	Shop / Storage Container Addition																			
	Structure Demolition Cost	Steel Bld. Large	Southeast Blasting	0.28 /CF	CF	40	30	10								FT		12000	CF	3360
	Steel Container Demolition	Steel Bld. Large		0.28 /CF	CF	40	30	8								2 FT		5120	CF	1434
	Steel Container Demolition	Steel Bld. Large		0.28 /CF	CF	20	30	8								FT		1280	CF	353
	Disposal Cost Non Steel	ECDC	ECDC	9.63 /CY	CY						5					CY	0.01	5		48
	Disposal Costs																			
	Subtotal																			5200
	Concrete Demolition																			
	Demolition Cost	Concrete Demolition/Onsite Disposal	Southeast Blasting	21 /CY	CY															525
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			525
	Total																			23823



TRANSFERRED TO  
CO-OP MINING CO.  
0.24 ACRES

U.P.C., INC.  
(COVOL)

ROY D. & PEGGY L.  
CAMPBELL

PERMIT BOUNDARY

PERMIT BOUNDARY

E.W. STODDARD  
(RAILCO. LOADOUT)

INTERMOUNTAIN  
AERIAL SURVEYS

DAVID C. SWENSON

CASCADE MOUNTAIN  
RESOURCES, INC.

**LEGEND:**

- PERMIT BOUNDARY/BOUNDED AREA
- SURFACE DRAINAGE
- FENCE
- RAILROAD
- EXISTING UNDERGROUND DRAIN
- POWER POLE

**REVISIONS:**

MAY 2009	REV 14
JUN 2007	REV 2
FEB 2007	REV 3
JUL 2007	REV 4
AUG 2007	REV 5
DEC 2007	REV 6
JAN 2008	REV 7
MAY 2010	REV 8
JULY 2010	REV 9
JAN 2011	REV 10
OCT 2011	REV 11
APR 2013	REV 12
APR 2013	REV 13

CONTOUR INTERVAL: 2'

100' 50' 0' 100' 200' 300'



**SAVAGE**

**SAVAGE COAL TERMINAL  
FACILITY MAP**

DRAWN BY: BLACKHAWK ENGINEERING, INC.      SOLD:

DATE: JULY 2008      PLATE NUMBER: 5-2