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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED
Executive Director

Division of Oil, Gas and Mining

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Division Director

April 21, 2020

Heath Tanner, Senior Operations Manager
Savage Services Corporation
901 W. Legacy Center Way
Midvale, Utah 84047

Subject: Conditional Approval of Addition of Shop and Storage Containers, Savage Services Corporation, Savage Coal Terminal, C/007/0022, Task #6135

Dear Mr. Tanner:

The above-referenced amendment is approved conditioned upon receipt of 2 clean copies prepared for incorporation. Please submit these copies by May 21, 2020. Once we receive these copies, final approval will be granted.

A stamped incorporated copy of the approved plans will also be returned to you at that time, for insertion into your copy of the Mining and Reclamation Plan.

If you have any questions, please call me at (385) 290-9937.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Christensen".

Steve Christensen
Coal Program Manager

SKC/sqs
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Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070022
TaskID: 6135
Mine Name: SAVAGE COAL TERMINAL
Title: ADDITION OF SHOP AND STORAGE CONTAINERS

Operation Plan

Maps Facilities

Analysis:

The amendment meets the State of Utah R645 requirements for Facilities Maps because the attached Plate 5-2 shows the locations of three portable steel storage containers and a 30' x 40' x 10' steel building that will serve as an enclosed mechanic shop. The portable steel containers are no larger than 8' x 40' and do not require a paved foundation. The mechanic shop has been erected on a previously poured concrete pad with piers. Plate 5-2 was recently revised to enhance the visibility of the text labels within the map and legend. Certification was provided by Dan Guy, Registered Professional Engineer in the State of Utah.

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Reclamation Plan

Bonding Determination of Amount

Analysis:

The amendment meets the State of Utah R645 requirements for Determination of Bonding Amount.

The application satisfies the requirements of R645-301-830 because Appendix 5-6 adequately addresses the removal and disposal of three portable steel containers and a 30' x 40' x 10' mechanic shop located behind the Savage Coal Terminal office building. The narrative states that the 3 steel containers are considered portable, and upon completion of use will be hauled off site. Although there is no expected demolition for the three trailers in question, there is nevertheless a cost associated with the physical removal and disposal of the trailers, and this cost has been accounted for within the revised bond. All calculations within the bond are accurate and have been escalated to 2021. The additional structures have raised the overall bonding liability by \$6,000 to \$2,351,000. The Permittee does not need to increase bond for this project because the currently posted bond is \$2,525,000, which is \$174,000 more than the bond liability.

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