



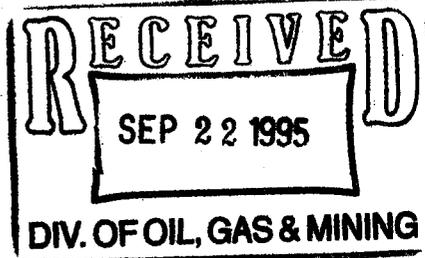
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

U-64375
3480
(UT-921)



SEP 21 1995

James Carter, Director
Utah Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center
Salt Lake City, Utah 84180-1203

Dear Mr. Carter:

KAT checked
This letter supersedes the letter dated September 11, 1995, from the Bureau of Land Management (BLM). After review of the Trail Mountain Mine Permit Application Package (PAP), the BLM is responding to the "Updated Plan for Trail Mountain Mine (Permit renewal), Trail Mountain Mine, PacifiCorp, ACT/015/009, Folder #2, Emery County, Utah," dated June 5, 1995. Issues of concern are listed below.

BLM has *not* approved the following:

1. The text in chapter 3 p. 3-13 through 3-26. Because of the change in text in chapter 3, there is a discrepancy between paragraph 3.3.1.3 Mining Methods—Continuous Miner and Longwall, and the Geotechnical report in chapter 12. Chapter 12 discusses the results of second mining (pulling pillars) p. 12-14. PacifiCorp submitted changes to the R2P2 on December 5, 1994, that are currently under review (Plate 3-2). Room and pillar mining (first and second mining), barrier pillars, and mining to the lease boundaries are issues that are of concern to BLM that have not yet been resolved.

2. Plate 3-2 (Energy West Mining Co. Trail Mountain Coal Mine Mining Plan). Maximum economic recovery (MER) is still at issue.

BLM has approved the following:

1. Trail Mountain PAP, Appendix 3-3, BLM approval of the Resource Recovery Protection Plan for Tract 2.

2. Trail Mountain PAP, Appendix 3-3(L), [Figure 3-6], BLM Approval of R2P2 for New Lease Area, (enclosure 1).

3. On April 3, 1995, BLM authorized an interim approval for the mining of the 1st East gateroad on Plate 3-2 and the neckoff of the 2nd east gateroad, (enclosure 2).

4. On August 30, 1995, BLM vacated a notice of noncompliance for mining the 2nd East gateroad on Plate 3-2. As of this date, the 2nd East panel is complete, (enclosure 3).
5. On August 30, 1995, BLM authorized an interim approval for the mining of the 3rd East gateroad on Plate 3-2, (enclosure 3).

Any questions on this matter may be referred to Stan Perkes at 539-4036.

Sincerely,

A handwritten signature in black ink, appearing to read "DKoza", written in a cursive style.

Douglas M. Koza
Deputy State Director,
Mineral Resources

3 Enclosures

Moab District
Price River Resource Area
900 North 700 East
Price, Utah 84501

3482
U-64375
U-49332
(UT-066)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Certified No. P 425 155 715

Mr. J. R. Key
Director, Technical Services
PacifiCorp
One Utah Center
201 South Main, Suite 2000
Salt Lake City, Utah 84140-0020

APR - 3 1995

Re: Trail Mountain Mine Resource Recovery and Protection Plan (R2P2), Minor Modification Request, Interim Approval for the Following Proposed Development:

- Neckoff and Eastern Development of the Proposed 1st East and 2nd East Gateroads; Eastside of 5th Left Mains.
- Development of Rock Rooms Between Crosscuts 53 - 56.5 and Crosscuts 61 - 64.5; Westside of 5th Left Mains.

Dear Mr. Key:

On March 14, 1995, the Bureau of Land Management (BLM) received PacifiCorp's written request amending a portion of the December 5th revision modifying the approved R2P2 for the Trail Mountain Mine. A verbal request was first acknowledged February 28, 1995, in a meeting with PacifiCorp at the Price River Resource Area (PRRA) office concerning the development of the 1st East gateroads only. On March 10, 1995, verbal approval was given to PacifiCorp to initiate development of 1st East to the extent where the would-be setup room and bleeder entries were projected. However, at that time, PacifiCorp revised the initial request (verbally) to encompass the development of declared rock rooms between crosscuts 53 and 56.5. On March 10, 1995, BLM received PacifiCorp's fax showing the revision to the initial request, plus plans to establish the ventilation for PacifiCorp's intended location for the 9th Right gateroads which are adjacent to the proposed rock rooms (Enclosure 1). On March 13, 1995, BLM received a second fax with an explanation for the revision; plus, additional changes were proposed within this fax. The additional changes included the initial development of 2nd East gateroads and more rock rooms between crosscuts 61 and 64.5 (Enclosure 2). In conjunction with the revision, PacifiCorp gave a synopsis outlining their perspective on the course of events since November 2, 1994, to the present. The affected reserves are located in the Hiawatha Seam on Federal coal lease U-64375.

On December 5, 1994, PacifiCorp submitted to the BLM a proposal to completely revise the approved R2P2 for the Trail Mountain Mine. PacifiCorp now requests interim approval to develop the 1st East gateroads, neckoff for the 2nd East gateroads, and to develop the declared rock rooms which coincide with the neckoff location for the 9th and 10th Right gateroads. The 1st East gateroads and 2nd East neckoff development conforms with the time sequence of the revision as submitted on December 5.

However, the development of the declared rock rooms, which coincides with the intended neckoff location for the 9th and 10th right gateroads, was not to occur until 1997, per the December 5th revision.

As an interim determination, BLM does concur with the location and development of 1st East and the 2nd East neckoff and grants approval accordingly. However, with regard to the declared rock rooms and PacifiCorp's intended location for the 9th and 10th Right gateroads, general deficiencies have been discussed with PacifiCorp concerning the recoverable reserves to the south and west of 4th Left and potential adjustment to the proposed gateroad locations. BLM can agree only in-part with this portion of the proposed request. In as much as PacifiCorp deems it necessary to develop rocks rooms for the storage of muck and/or temporary storage of equipment only, as stated in the verbal request, BLM concurs and grants approval. Regarding the intended location of 9th and 10th Right gateroads, BLM, at this time, cannot determine whether or not the intended locations are appropriate. However, this will be concluded upon final determination/approval of PacifiCorp's proposed December 5th revision, based on conformance with 43 CFR Part 3400 Coal Management.

In response to PacifiCorp's synopsis outlining the course of events since November 2, 1994 to the present, BLM would like to amend this chronology with the following:

- **April 1, 1993**, Effective date of approval for lease assignment from Mountain Coal Company to PacifiCorp.
- **April 1, 1993 to December 5, 1994**, In the interim period, no proposals to completely revise the approved resource recovery and protection plan (R2P2) were submitted by PacifiCorp to the BLM for review.
- **November 23, 1994**, BLM requested information in accordance with 43 CFR 3484.1(b)(1); General performance standards for underground mining and Lease Terms and Conditions, Part II, Sec. 6; Documents, Evidence and Inspection, PacifiCorp shall submit updated information on their coal wash plant/prep plant facility near the Hunter Power Plant. This was in response to a discussion during the close out of BLM quarterly inspection on August 27, 1993, at the Trail Mountain Mine with Energy West/PacifiCorp. In brief, the discussion encompassed the proposed mining method, recoverable reserves, mine layout and unmined areas which PacifiCorp alleged to have a high ash concentration (a preview of the December 5th revision). PacifiCorp has yet to comply with BLM's request. The information BLM requested is needed to determine if maximum economic recovery (MER) will be achieved with regard to the proposed December 5th revision. More specifically, one of BLM's concerns is in regard to unmined areas designated as high ash.
- **December 16, 1994**, A meeting was held at the PRRA office with PacifiCorp. The issues discussed were Deer Creek's R2P2 and Trail Mountain's R2P2 December 5th revision (major revisions).
- **January 27, 1995**, A meeting was held at the PRRA office with PacifiCorp. The issues discussed were Cottonwood's R2P2 minor modification request and Trail Mountain's R2P2 (December 5th revision).
- **February 28, 1995**, A meeting was held at the PRRA office with PacifiCorp. The issues discussed were Deer Creek's R2P2 (general deficiencies of the proposed revision) and Trail Mountain's R2P2 (December 5th revision).
- In addition to the above, numerous phone calls discussing the Trail Mountain R2P2 revision have been received from PacifiCorp in an ongoing effort to resolve the issues.

The BLM does recognize the importance of panel development and timing to assure uninterrupted longwall retreat at PacifiCorp's mines. However, the BLM is mandated to review revisions to the approved R2P2 in conformance with 43 CFR Part 3400 Coal Management, ensuring that MER is achieved. With major revisions of such magnitude, such as the December 5th revision and the Deer Creek's 3rd North "B" Mains revision, and the time required to properly review the issues, a timely approval becomes urgent. Perhaps with future revisions, as advised on previous occasions, in order to lessen the urgency regarding BLM's approvals, PacifiCorp should anticipate, due to staffing levels, current work loads and BLM budge constraints, a reasonable review period of 6 months. The BLM commits to professional cooperation with PacifiCorp on resolving situations that will arise during mining operations and achieving MER on Federal coal leases.

The BLM has determined the proposed request, as stipulated, does comply with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and stipulations, and will achieve maximum economic recovery of the Federal coal. Therefore, approval has been granted and confirms verbal approval given on March 10, 1995, regarding this matter. However, approval for the locations of 9th and 10th Right is contingent upon BLM's final determination/approval of the December 5th revision.

If you have any questions, please contact Barry Grosely in the Price River Resource Area at (801) 637-4584.

Sincerely,

MARK E. BAILEY

Area Manager

2 Enclosures

- 1-Fax dated March 10, 1995
- 2-Fax dated March 13, 1995

cc: UT-065, DM, Moab (w/encl.)
UT-921, SD, Utah (w/encl.)
Morgan Moon
Manager, Technical Services
Energy West Mining Company
15 North Main
Huntington, Utah 84528 (w/encl.)
Steve E. Kochevar, PE
Mining Planning Administrator
PacifiCorp
One Utah Center
201 South Main, Suite 2000
Salt Lake City, Utah 84140-0020 (w/encl.)

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Max
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Moab District
Price River Resource Area
900 North 700 East
Price, Utah 84501

3482
U-64375
(UT-066)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Certified No. P 118 951 476

Mr. J. R. Key
Director, Technical Services
PacifiCorp
One Utah Center
201 South Main, Suite 2000
Salt Lake City, Utah 84140-0020

AUG 30 1995

Re: Trail Mountain Mine Resource Recovery and Protection Plan (R2P2): Notice of Noncompliance

Dear Mr. Key:

The Notice Of Noncompliance issued July 25, 1995, and modification to the Notice of Noncompliance issued August 8, 1995, are hereby vacated, based upon PacifiCorp's verbal agreement of August 29, 1995, to accept the stipulation stated below.

INTERIM RELIEF FOR TRAIL MOUNTAIN

Interim approval is hereby granted for the continuation of development of the 3rd East gateroad entries up to, but not including, the proposed setup room at the Trail Mountain Mine, based upon the following stipulation:

PacifiCorp/Energy West must demonstrate to the satisfaction of the Authorized Officer that the reserves in question (areas I, II, and III as described in June 21 BLM letter to PacifiCorp) cannot be economically recovered as defined by MER.

BLM, in the event it determines that MER cannot be achieved in the areas of dispute, does not waive its right to argue that the minor modification submitted by PacifiCorp fails to achieve MER. Specifically, PacifiCorp agrees that BLM's interim approval to mine according to its proposed plan does not give recognition that PacifiCorp has submitted a modified mine plan that achieves MER; rather, interim approval is given in an effort to avoid disruption of the operation while BLM performs its statutory duty to review data submitted by the permittee in order to make a finding that MER will be achieved.

This interim relief is subject to termination upon a final decision on the modification request, in the event the decision precedes the completion of the gateroad as described above.

Appeal Rights

You have 30 days from the receipt of this decision to appeal to the Board of Land Appeals, Office of the Secretary, in accordance with the regulations at 43 CFR Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

encl. 3

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993) for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and the petition for a stay must also be submitted to each Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with his office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if a stay is granted or denied;
- (2) The likelihood of the appellant's success on the merits;
- (3) The likelihood of the immediate and irreparable harm if the stay is not granted, and;
- (4) Whether the public interest favors granting the stay.

Sincerely,

MARK E. BAILEY

Area Manager

cc: DM, Moab (UT-065)
SD, Utah (UT-921)
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