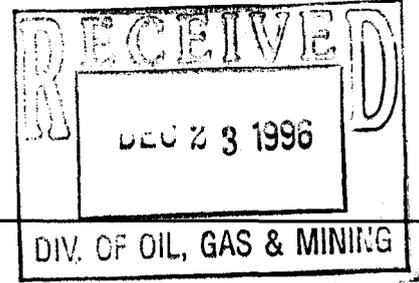


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December 20, 1996

Pamela Grubaugh-Littig
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

965

RE: APPLICATION FOR PERMIT CHANGE - INCIDENTAL BOUNDARY CHANGE, PACIFICORP, TRAIL MOUNTAIN MINE, ACT/015/009, EMERY COUNTY, UTAH

#2

Dear Ms. Grubaugh-Littig:

Pursuant to R645-303-220, PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, respectfully submits this application to amend the Trail Mountain Mine permit. The amendment involves an Incidental Boundary Change (IBC) to add approximately 133.2 acres of U.S. Forest Service land to the Trail Mountain Mine permit area.

The Incidental Boundary Change is being submitted for approval in conjunction with an Application to Modify Federal Coal Lease UTU-64375 submitted to the Bureau of Land Management on December 11, 1996. In addition an underground right-of-way was submitted to the Manti-LaSal National Forest approved on December 17, 1996.

Addition of the property will enable and maximize longwall recovery in the 9th Right through 13th Right panels. Approximately 490,000 tons will be recovered from both entry development and longwall extraction. The area will be bypassed if it is not mined from the Trail Mountain Mine. There is no other viable or potential operation that could logically mine this area.

Underground mining will occur in the IBC as indicated on Drawing CM-10898-TM. This drawing depicts the information included in the application to modify the lease, including reconfigured longwall panels and gateroads, as submitted for approval to the Bureau of Land Management (BLM).

Huntington Office:
(801) 687-9821
Fax (801) 687-2695
Purchasing Fax (801) 687-9092

Deer Creek Mine:
(801) 381-2317
Fax (801) 381-2285

Cottonwood Mine:
(801) 748-2319
Fax (801) 748-2380

The land associated with the Incidental Boundary Change is comprised of the following parcels:

<u>T.18S., R6E, SLB&M</u>		
Section 3	Lot 3	33.2 acres
	E1/2 of lot 6	20.0
	Lot 7	40.0
	NE1/4SW1/4NE1/4	10.0
	NW1/4SE1/4NE1/4	10.0
	<u>S1/2SE1/4NE1/4</u>	<u>20.0</u>
	Total acreage	133.2 acres

The surface owner of record of the subject property is:

United States of America
Department of Agriculture
US Forest Service
Manti-LaSal National Forest
599 Price River Drive
Price, Utah 84501

The parcels will involve the following Federal Coal Lease(as modified) to be held by PacifiCorp.:

Lease UTU-64375

Lot 3 Section 3, T.18S., R6E, SLB&M
E1/2 of Lot 6 Section 3, T.18S., R6E, SLB&M
Lot 7 Section 3, T.18S., R6E, SLB&M
NE1/4SW1/4NE1/4 Section 3, T.18S., R6E, SLB&M
NW1/4SE1/4NE1/4 Section 3, T.18S., R6E, SLB&M
S1/2SE1/4NE1/4 Section 3, T.18S., R6E, SLB&M

Lease UTU-64375 was assigned to PacifiCorp. effective November 13, 1992. Lease modification for parcels to be included in UTU-64375 submitted December 11, 1996.

Surface owners of record of lands adjacent to the proposed Incidental Boundary Change area are:

United States of America
Department of Agriculture
US Forest Service
Manti-LaSal National Forest
599 Price River Drive
Price, Utah 84501

Coal Leases adjacent to the IBC area are.

Federal Lease	U-49332
State Lease	ML-22603

Federal Lease is held by applicant.

State Lease relinquished to State of Utah effective January 31, 1996.

Regulation R645-303-222 through R645-303-224 allows for Incidental Boundary Changes as permit amendments if the area meets the following criteria:

1. The IBC is less than 15% of the surface or subsurface disturbed area under the approved permit (R645-303-224.100);
2. The IBC area is in the cumulative impact area as defined in the Cumulative Hydrologic Impact Assessment (R645-303-224.200);
3. The IBC area is in the same hydrologic basin as operations authorized in the approved permit (R645-303-224.300).

As previously stated, underground mining will occur in the IBC area. The associated subsurface disturbance will be approximately 38.17 acres. The current subsurface disturbed area at the Trail Mountain Mine is estimated to be approximately 2,000 acres. Therefore, the total IBC area of 133.2 acres equates to 6.66 percent of the subsurface disturbed area with the projected subsurface disturbance in the IBC area being only 1.91 percent. Therefore, criteria number 1 is met.

The IBC area is within the area covered by the Cumulative Hydrologic Impact Assessment (CHIA) prepared for the Trail Mountain Mine and mining within the IBC area is within the hydrologic basin for which operations are authorized in the approved permit. Additionally, the IBC area is included in the current PacifiCorp hydrologic monitoring program conducted at the Trail Mountain Mine. Therefore, criteria 2 and 3 are met.

Mining in the IBC area will help to maximize recovery of the coal resource by avoiding the creation of a bypass situation. Copies of lease modification and right-of-way approvals will be forwarded to you upon receipt.

Enclosed are seven (7) copies of the following drawings:

<u>DRAWING NO.</u>	<u>TITLE</u>
CM-10898-TM	Trail Mountain Lease Modification - Lease U-64375
PLATE 3-2	Trail Mountain Mine/Mining Plan
PLATE 3-3	Trail Mountain Mine - Area of Coal Recovery
PLATE 3-4	Trail Mountain Mine - Permit Area Map

Additionally, the following Exhibits are provided to assist in the Division's review of the application:

<u>EXHIBIT NO.</u>	<u>SUBJECT</u>
1.	Application for Modification of Federal Coal Lease UTU-64375 - Trail Mountain Mine
2.	Forest Service Special Use Permit, Underground Right-of-Way, Trail Mountain Mine, Emery County, Utah

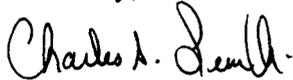
The following attachments are also provided to assist in the Division's review of the application:

<u>ATTACHMENT NO.</u>	<u>SUBJECT</u>
1.	Federal Coal Lease UTU-64375, Issued Effective 10/1/90
2.	Trail Mountain Mine DOGM Permit Renewal, ACT/015/009, Dated 2/21/96
3.	USFS Decision Notice / FONSI / Environmental Assessment for the Underground Accessway and Undermining of Escarpment - Trail Mountain Mine, Dated 3/18/96

4. Trail Mountain Mine R2P2 Minor Modification Request Settlement Agreement Dated 3/4/96
5. DOGM Mine Permit Approval Trail Mountain Mine R2P2 - 3rd, 4th, 5th East Development and 4th and 5th East Longwall Panels, Dated 4/29/96
6. BLM Response to Trail Mountain Mine R2P2 Minor Modification Request Longwall Panel Extension Using a 22 Degree Angle of Draw, Dated 8/23/96
7. DOGM Mine Permit Approval - 2nd Mining Trail Mountain Mine R2P2 ACT/015/009-96A, Dated 10/17/96

The Divisions immediate attention to this application is greatly appreciated. If additional information is required, please call at (801) 687-4720.

Sincerely,



Chuck Semborski

Geology and Environmental Supervisor