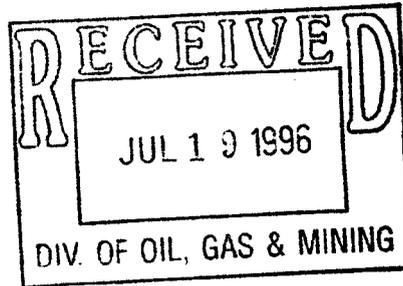




July 8, 1996

Ms. Janette S. Kaiser
Forest Supervisor
U.S. Department of Agriculture
Forest Service
Manti-LaSal National Forest
599 West Price River Drive
Price, Utah 84501



ACT/015/009
#2

Dear Ms. Kaiser:

PacifiCorp, by and through its wholly-owned subsidiaries, Interwest Mining Company ("Interwest") as managing agent and Energy West Mining Company ("Energy West") as mine operator, hereby submits an Operating Plan for Resistivity Surveys proposed to be conducted on Trail Mountain.

PacifiCorp desires to implement the plan as soon as possible; therefore, your immediate attention to this proposal is requested.

Energy West personnel are available to provide assistance to expedite this request. If you require additional information, please call me at (801) 687-4722 or Chuck Semborski at (801) 687-4720.

Thank you for your assistance in this matter.

Sincerely,

Val Payne
Sr. Environmental Engineer

cc: Pamela Grubaugh-Littig w/encl.
Bill Malencik w/encl.
George Tetreault w/encl.
File

PACIFICORP

1996 RESISTIVITY SURVEYS

OPERATING PLAN

PacifiCorp plans to conduct resistivity surveys on Trail Mountain. A total of four (4) lines, each approximately 6,000 feet in length (see Table 1), will be located as shown on the attached map.

The purpose of the resistivity surveys is to conduct geologic reconnaissance and identify possible geologic anomalies in the Trail Mountain Lease-by-Application.

PERMITTEE:

PacifiCorp/Energy West Mining Co.
Attention Chuck Semborski
P.O. Box 310
Huntington, UT 84528

OPERATOR:

Geo-Western
8156 South 535 East
Salt Lake City, UT 84070
(801) 566-8479
Gary Hewitt

ANTICIPATED STARTING DATE:

August 1, 1996

ANTICIPATED COMPLETION DATE:

September 15, 1996

BOND:

See attached bond information.

MAPS:

The attached drawing shows the proposed locations of the resistivity lines.

PROJECT DESCRIPTION:

PacifiCorp/Energy West proposes to conduct a resistivity/I.P. survey on Trail Mountain. The survey will use the Pole-Dipole resistivity method. The following will be done in conjunction with this survey:

1. Four (4) survey lines will be located as indicated on the attached map. Stations will be established along each line on 25-foot intervals. The stations will consist of a pin flag at every 25 feet and a wooden stake at every 200 feet.
2. Potentiometer and electrodes will be placed on the ground at each of the stations but at no time will there be more than 10 stations occupied at one time.
3. Single conductor insulated wires will be pulled across the ground to connect the potentiometer and electrodes to the survey instrument. Where the wires cross roads, they will be placed in such a way as not to obstruct traffic along the road.
4. All stakes, pin flags, and ribbon will be removed immediately after the resistivity survey is completed and the locations of the lines are surveyed.
5. Data will be transmitted to appropriate land management agencies.

No camping, staging, or storage areas will be established and no explosives will be used in connection with this project.

The survey will be conducted in such a way that it will not cause impact to the surface other than that associated with pedestrian traffic. There are no threatened and endangered plants in the area, and no brush, trees, or vegetation will be removed.

Several archeological surveys have been conducted in the vicinity of the proposed resistivity surveys. The following reports addressing this are on file at:

State of Utah
Division of State History
Utah State Historic Preservation Office
300 Rio Grande
Salt Lake City, UT 84101-1182

and

U.S. Department of Agriculture
U.S. Forest Service
Manti-LaSal National Forest
Price District Office
599 West Price River Drive
Price, UT 84501

Hauck, F.R.

1994 "Cultural Resource Evaluation of a Potential Subsidence Zone in the Rilda Canyon Locality of Emery County, Utah (UPL-94-4)." Report prepared for Energy West / Utah Power / PacifiCorp by Archeological-Environmental Research Corporation, Bountiful, Utah.

1993 "Cultural Resource Evaluation of Seven Proposed Exploratory Drilling Locations & Access Routes in the Trail Mountain Locality of Emery County, Utah." Prepared for Energy West (UPL-93-7). Archeological-Environmental Research Corporation, Bountiful.

1992 "A Class II Cultural Resource Evaluation of Sample Units in the East Mountain Locality of Emery County, Utah." AERC Paper No. 53, Archeological-Environmental Research Corporation, Bountiful.

1992 "Archaeological Excavations in the Rilda Canyon Locality of Huntington Canyon in Emery County, Utah." AERC Paper No. 51, Archeological-Environmental Research Corporation, Bountiful.

1991 "Prehistoric Occupations in the Trail Mountain Locality of Emery County, Utah (UPL-91-2)." Report prepared for PacifiCorp - Utah Power & Light Company by Archeological-Environmental Research Corporation, Bountiful, Utah.

1990 "An Archeological Evaluation of Six Proposed Coal Exploratory Locations and Associated Access Routes in the Trail Mountain Locality of Emery County, Utah." Report Prepared for the Utah Power & Light Company (UPL-90-1). Archeological-Environmental Research Corporation, Bountiful.

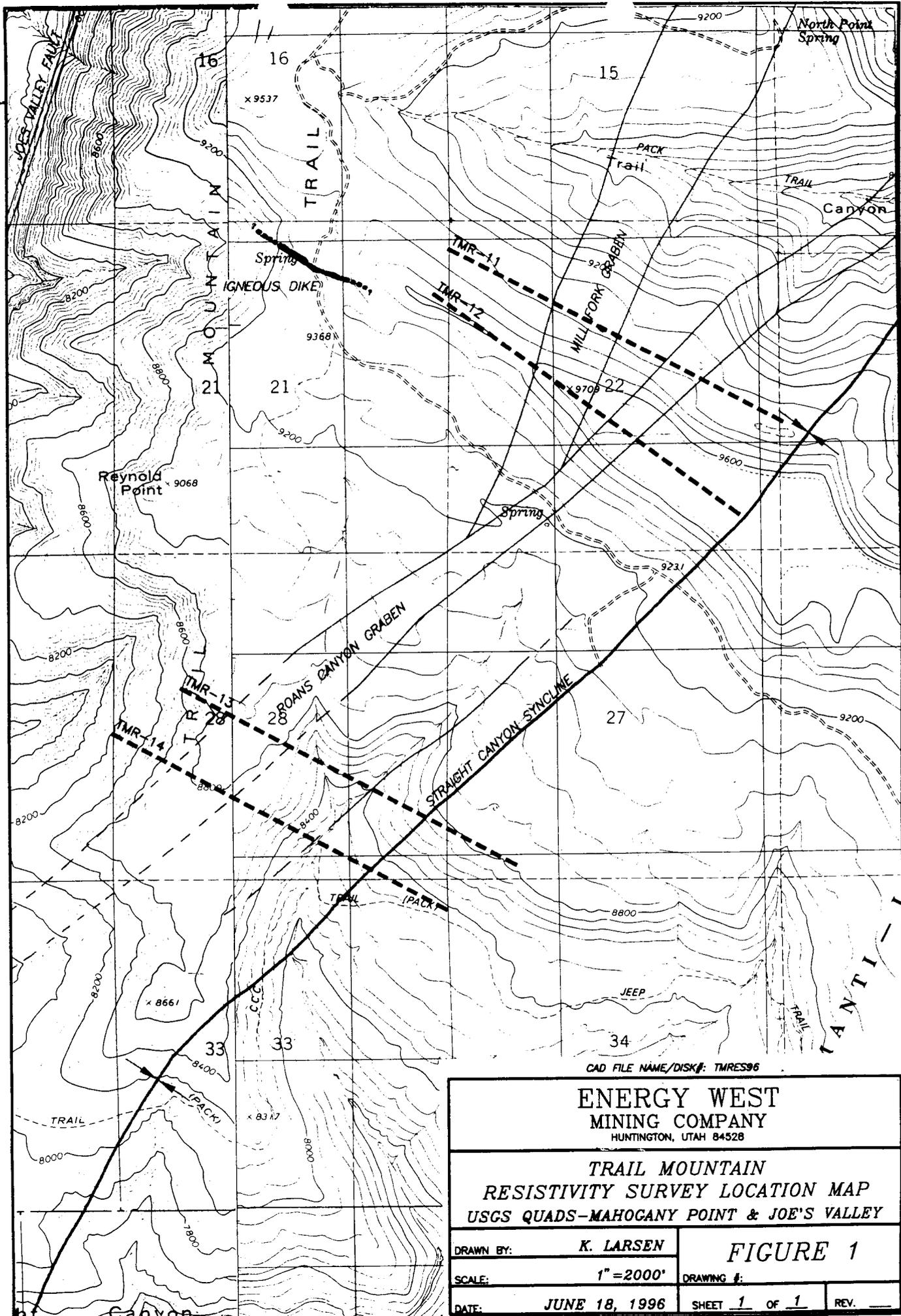
1990 "Cultural Resource Evaluation of Two Proposed Coal Exploratory Locations on Trail Mountain in Emery County, Utah." Report Prepared for the Utah Power & Light Company (UPL-90-4). Archeological-Environmental Research Corporation, Bountiful.

The resistivity lines will be located such that disturbance of known archeological sites is avoided. If surface artifacts are observed, the surface management agency will be notified. Absolutely no collecting of surface artifacts will be allowed.

Vehicles used to transport the equipment and crew members to the site will remain on established roads. Two suburbans will be used in this operation and the crew will consist of three (3) members. Both vehicles will be equipped with fire extinguishers and hand tools.

TABLE 1**1996 RESISTIVITY SURVEY LINES**

<u>LINE #</u>	<u>DESCRIPTION</u>	<u>LAND OWNERSHIP</u>	<u>LAND STATUS</u>	<u>LENGTH</u>
TMR -11	Located in Sections 21 and 22, Township 17 South, Range 6 East	USFS	Off Lease TM LBA	6,000'
TMR-12	Located in Sections 21 and 22, Township 17 South, Range 6 East	USFS	Off Lease TM LBA	6,000'
TMR- 13	Located in Sections 27 and 28, Township 17 South, Range 6 East	USFS	Off Lease TM LBA	6,000'
TMR-14	Located in Sections 28, 29, and 33, Township 17 South, Range 6 East	USFS	Off Lease TM LBA	6,000'
TOTAL ESTIMATED LENGTH				24,000'



CAD FILE NAME/DISK#: TMRES96

**ENERGY WEST
MINING COMPANY**
HUNTINGTON, UTAH 84528

**TRAIL MOUNTAIN
RESISTIVITY SURVEY LOCATION MAP
USGS QUADS-MAHOGANY POINT & JOE'S VALLEY**

DRAWN BY:	K. LARSEN	FIGURE 1	
SCALE:	1" = 2000'		
DATE:	JUNE 18, 1996	SHEET 1 OF 1	REV. ___



For All the Commitments You Make
Chicago/Chicago, Illinois

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men by these Presents, That AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint Edward B. Moreton, Edward F. Folland,

L. Kent Bills, Jean M. Lambourne, Gary W. Manville, Joyce R. Hartley,
William R. Moreton, Individually

of Salt Lake City, Utah
its true and lawful Attorney-in-Fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature
- In Unlimited Amounts -

and to bind AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company:

"Article VI - Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The President or Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President or the Board of Directors may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 11th day of November, 1968:

"Resolved, that the signature of the President or a Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any power or certificate bearing such facsimile signatures and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

In Witness Whereof, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed this 2nd day of March, 1989

State of Illinois)
County of Cook) ss



AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

J. E. Partell
J. E. Partell Vice President

On this 2nd day of March, 1989 before me personally came J. E. Partell, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Glenview, State of Illinois; that he is a Vice-President of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, the corporation described in the which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to the authority, and acknowledges same to be the act and deed of said corporation.



Linda C. Dempsey
Linda C. Dempsey Notary Public

CERTIFICATE My Commission Expires November 12, 1994

I, Robert E. Ayo, Assistant Secretary of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, do certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 2 of Article VI of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 16th day of September, 1992.



Robert E. Ayo
Robert E. Ayo Assistant Secretary

RECLAMATION PERFORMANCE BOND

Minerals Operating Plan and/or Exploration Permit, including Geothermal

(Reference FPM 0908) Bond No. 700819513

INSTRUCTIONS: (1) This form is authorized for use whenever a Performance Bond is required in connection with National Forest Reclamation Activity. (2) The full legal name and business address of the Principal shall be inserted in the space designated "Principal" on the face of this form. The bond shall be signed by an authorized person. Where such person is signing in a representative capacity (e.g., an attorney-in-fact), but is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved, evidence of his authority must be furnished. (3) Corporations executing the bond as sureties must be among those appearing on the Treasury Department's list of approved sureties and must be acting within the limitations set forth therein. (4) Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Seal", and, if executed in Maine or New Hampshire, shall also affix an adhesive seal. (5) The name of each person signing this bond should be typed in the space provided.

Principal (Legal name and business address)

PacifiCorp
One Utah Center
Salt Lake City, Utah 84140-0008

Surety(ies) (Name(s) and business address(es))

American Casualty Company
649 East South Temple
Salt Lake City, Utah 84102

Date Bond Executed

September 16, 1992

Type of Organization (X Appropriate Box)

- Individual
- Partnership
- Joint Venture
- Corporation

State of Incorporation

Oregon

PENAL SUM OF BOND

Millions \$	Thousands \$	Hundreds \$
—	—Five—	—

KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety(ies) herein, are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum for the payment of which we bind ourselves, and each of our heirs, executors, administrators, and successors, jointly and severally: Provided, That, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in each sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

SCHEDULE OF OPERATING PLANS - REGION _____

Name of National Forest	Operating Plan Number	Date	Amount Allocated to Operating Plan (\$)	Amount of Allocated Restored (\$)	Date Restored	Unfinished Balance (\$)
Manti La-Sal						
(Road Use—Engineering Studies Special Use Permits & Prospecting Work done by Fuel Resources)						

One Utah Center, Suite 2000
Salt Lake City, Utah 84140-0020
(801) 220-4616 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

July 1, 1996

Mr. Brent B. Barney
Civil Engineer
Manti - LaSal National Forest
599 Price River Drive
Price, Utah 84501

RE: Executed 1996 Forest Service Road Use Permit - 1996 Exploration and Reclamation Activities on Trail Mountain and East Mountain, Emery County, Utah

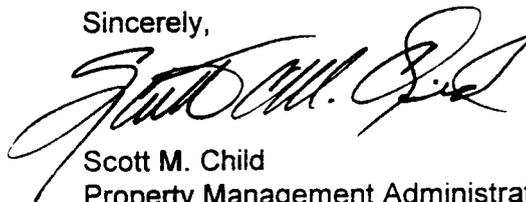
Dear Brent:

Enclosed for final Forest Service approval are the duplicate originals of the referenced Road Use Permit completely endorsed by Interwest Mining Company. It is our understanding that in lieu of deferred maintenance payments, Interwest Mining Company (by and through Energy West Mining Company, both wholly-owned subsidiaries of PacifiCorp) will be responsible for complete road maintenance as we've discussed. In addition, the existing performance bond in the amount of \$25,000 (American Casualty Company Bond No. 700820015) will remain in-place to cover these activities.

Upon final Forest Service approval, please forward the signed original to my attention at the above address. Again, we're very appreciative of your help in this matter.

Meanwhile should you have any questions or need to contact anyone regarding our road usage, please feel free to contact me at 801-220-4612 or Val Payne of Energy West Mining Company at 801-687-4722.

Sincerely,



Scott M. Child
Property Management Administrator

Enclosure

SMC12\MLUSF596 007

cc: IMC w/o encl. - D.W. Jense
EWMC w/encl. - Val Payne, Chuck Semborski, Dale Wilson

U.S. Department of Agriculture - Forest Service
ROAD USE PERMIT
 (Re: FSM 7770)

Authority: Acts of 6/30/14, 4/24/50, 6/12/60 and 10/14/64;
 (16 U.S.C. 498, 572, 530 and 532-38 AND
 43 U.S.C. 1702, 1761, 1764, AND 1765)

INTERWEST MINING COMPANY

Attention: Scott M. Child
 C/O - Interwest Mining Company
 of One Utah Center, Suite 2000, Salt Lake City, Utah 84140-0020

(Name)

(Address & Zip Code)

(hereafter called the permittee) is hereby granted use of the following road(s) or road segments:

Forest Development Roads (FDR):

FDR #50040 (Cottonwood Road) from the interior Forest Boundary (T.17S., R.6E., Section 25) 3.1 miles from the junction with State Route 29 north-westerly to its junction with FDR #50034 (Trail Mountain Road) (T.16S., R.6E., Section 27) for a distance of 6.70 miles (excluding 0.5 miles of fee land within the Forest);
 and

FDR #50034 (Trail Mountain Road) from its junction with FDR #50040 (Cottonwood Road) (T.16S., R.6E., Section 27) southerly to its terminus in Section 34 (T.17S., R.6E., Section 34) for a distance of 12.0 miles (excluding 1.2 miles of fee land within the Forest);
 and

FDR #52175 (un-named road) from its junction with FDR #50034 (Trail Mountain Road) (T.17S., R.6E., Section 34) southerly to its terminus in Section 34 (T.17S., R.6E., Section 34) for a distance of 0.40 miles;
 and

FDR #52182 (un-named road) from its junction with FDR #50034 (Trail Mountain Road) (T.17S., R.6E., Section 27) southerly to its terminus in Section 27 (T.17S., R.6E., Section 27) for a distance of 0.40 miles;

FDR #50060 (East Mountain Road) from its junction with FDR #50040 (Cottonwood Road) (T.17S., R.6E., Section 2) southerly to its terminus in Section 26 (T.17S., R.7E., Section 26) for a distance of 10.2 miles (excluding 3.3 miles of fee land within the Forest);
 and

FDR #50145 (Flat Canyon Road) from its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 7) northerly to its junction with FDR #50040 (T.16S., R.6E., Section 25) for a distance of 2.6 miles (excluding 1.3 miles of fee land within the Forest);
 and

FDR #53189 (un-named road) from its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 17) easterly to its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 16) for a distance of 2.60 miles (excluding 2.6 miles of fee land within the Forest);

FDR #52176 (un-named road) from its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 17) looping back to its junction with FDR #50113 (South East Mountain Road) (T.17S., R.7E., Section 20) for a distance of 5.9 miles (excluding 2.95 miles of fee land within the Forest);
 and

FDR #50113 (South East Mountain Road) from its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 20) southerly to its junction with FDR 5X177 (Un-named Road) (T.17S., R.7E., Section 29) for a distance of 1.65 miles (excluding 1.05 miles of fee land within the Forest);

FDR #50245 (Millfork Canyon Road) from its junction with Forest Highway (FH) #7 (Fairview-Huntington Highway) (T.16S., R.7E., Section 22) westerly to its terminus at Forest Development Trail (FDT) #5390 in Section 17 (T.16S., R.7E., Section 17) for a distance of 2.2 miles;

FDR #53019 (Un-named road) from its junction with FDR #50060 (East Mountain Road) (T.17S., R.7E., Section 7) northerly to its junction with FDR #50145 (Flat Canyon Road) (T.17S., R.7E., Section 6) for a distance of 2.1 miles (excluding 0.6 miles of fee land within the Forest);

on the Manti- La Sal National Forest, subject to the provisions of this permit including clauses 1 through 17, on page(s) 1 through 4 for the purpose of hauling, transporting personnel, equipment, supplies and materials for road maintenance, water-well drilling, resistivity surveys, drill pad reclamation, and coal exploration drilling.

The exercise of any of the privileges granted in this permit constitutes acceptance of all the conditions of the permit.

1. **WORK REQUIRED TO ACCOMMODATE PERMITTED USE.** In accordance with this use, the permittee shall perform the work described below and in accordance with plans and specifications attached hereto:

Pre-haul maintenance of FDR #50145.

2. **USE PLANS.** Prior to June 1 each year this permit is in effect, permittee shall notify the Ferron District Ranger, P.O. Box 310, 98 South Main, Ferron, Utah, 84523 - (801-384-2371) in writing of the approximate time when such use will commence, the anticipated duration of such use, the names and addresses of permittee's contractors or agents who will use the road on behalf of permittee, the estimated extent of use, and such other information relative to permittee's anticipated use as the Forest Service may from time to time reasonably request. If and when during the year there is any significant change with respect to the information so supplied by permittee, the permittee will notify the Ferron District Ranger promptly in writing of such change. Plans and changes will be approved by the Manti-La Sal National Forest Supervisor before use may commence.

3. **COMPLIANCE WITH LAWS AND REGULATIONS.** The Permittee, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county and municipal laws, ordinances or regulations which are applicable to the area or operations covered by this permit.

4. **USE NONEXCLUSIVE.** The privileges granted in this permit to use this road are not exclusive. The Forest Service may use this road and authorize others to use it at any and all times. The permittee shall use said road in such manner as will not unreasonably or unnecessarily interfere with the use thereof by other authorized persons, including Forest Service.

5. **RULES GOVERNING USE.** The permittee, its agents, employees, contractors or employees of contractors, shall comply with all reasonable rules prescribed by the Forest Service for control and safety in the use of this road and to avoid undue damage to the road. Such rules will include:

- (1) Upon reasonable notice, closing the road or restricting its use when, due to weather conditions or the making of alterations or repairs, unrestricted use would in Forest Service judgement, cause excessive damage, or create hazardous conditions;
- (2) Upon reasonable notice, closing the road during periods when, in Forest Service judgement, there is extraordinary fire danger;
- (3) Traffic controls, which in Forest Service judgement, are required for safe and effective use of the road by authorized users thereof;
- (4) Prohibition on the operation on this road of any vehicles or equipment having cleats or other tracks which will injure the surface thereof;
- (5) Prohibition on the operation of vehicles (of a width in excess of 96 inches and a gross weight of vehicles and load in excess of 80,000 pounds).
- (6) Regulation of the number of vehicles so as to prevent undue congestion of this road.
- (7) The Permittee shall not use an "active ingredient" as defined in Section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (86 Stat. 973), in violation of said act on the Land described in this permit.
- (8) Other - Heavy equipment may not be moved on Forest Development Roads on the following dates:

July 4 - 7, 1996
July 24, 1996
Aug. 1 - Sept 2, 1996
October 3 - 6, 1996
October 19 -21, 1996

6. **INSURANCE.** Permittee or his contractors and assigns shall be required to carry public liability and property damage insurance for the operation of vehicles in the amounts established by applicable state laws, cooperative agreements, or easements issued on the subject road or roads. In any event, the permittee must carry liability insurance and property damage insurance of not less than \$100,000 for injury or death to one person, \$300,000 for injury or death to two or more persons, and \$100,000 for damage to property. The permittee itself shall be responsible for furnishing to the Manti-La Sal National Forest Supervisor proof of satisfactory insurance when said insurance is to be furnished by other than the permittee. Proof of satisfactory insurance may be required by the Manti-La Sal National Forest Supervisor prior to hauling over the road(s) and will be for the duration of the permit and such insurance policy shall bear an endorsement requiring the issuing company to give 10 days prior written notice to the Manti-La Sal National Forest Supervisor, 599 West Price River Drive, Price, Utah 84501, of cancellation or material change.

7. **MAINTENANCE.** The permittee shall bear the expense of maintenance proportionate to his use. This expense will be borne by

Recurring Maintenance:	FDR #50040	- \$492/mile x	6.20 miles x	5%	= \$ 152.52 (Maintenance in lieu of)
Recurring Maintenance:	FDR #50034	- \$208/mile x	10.80 miles x	17%	= \$ 381.89 (Maintenance in lieu of)
Recurring Maintenance:	FDR #52175	- \$125/mile x	0.40 miles x	24%	= \$ 12.00 (Maintenance in lieu of)
Recurring Maintenance:	FDR #52182	- \$125/mile x	0.40 miles x	24%	= \$ 12.00 (Maintenance in lieu of)
Recurring Maintenance:	FDR #50060	- \$208/mile x	6.90 miles x	5%	= \$ 71.76 (Maintenance in lieu of)
Recurring Maintenance:	FDR #50145	- \$208/mile x	1.30 miles x	2%	= \$ 5.41 (Maintenance in lieu of)
Recurring Maintenance:	FDR #53189	- \$125/mile x	0.00 miles x	7%	= \$ 0.00 (Maintenance in lieu of)
Recurring Maintenance:	FDR #52176	- \$125/mile x	2.95 miles x	7%	= \$ 25.81 (Maintenance in lieu of)
Recurring Maintenance:	FDR #50113	- \$125/mile x	0.60 miles x	7%	= \$ 5.25 (Maintenance in lieu of)
Recurring Maintenance:	FDR #50245	- \$492/mile x	2.20 miles x	22%	= \$ 238.13 (Maintenance in lieu of)
Recurring Maintenance:	FDR #53019	- \$125/mile x	1.50 miles x	7%	= \$ 13.12 (Maintenance in lieu of)
					(\$ 917.89)
Deferred Maintenance:	FDR #50040	- 502 ESU's x	\$0.029/ESU/Mi. x	6.20 miles	= \$ 90.26 (Maintenance in lieu of)
Deferred Maintenance:	FDR #50034	- 286 ESU's x	\$0.038/ESU/Mi. x	10.80 miles	= \$ 117.37 (Maintenance in lieu of)
Deferred Maintenance:	FDR #52175	- 78 ESU's x	\$0.038/ESU/Mi. x	0.40 miles	= \$ 1.18 (Maintenance in lieu of)
Deferred Maintenance:	FDR #52182	- 78 ESU's x	\$0.038/ESU/Mi. x	0.40 miles	= \$ 1.19 (Maintenance in lieu of)
Deferred Maintenance:	FDR #50060	- 216 ESU's x	\$0.038/ESU/Mi. x	6.90 miles	= \$ 56.64 (Maintenance in lieu of)
Deferred Maintenance:	FDR #50145	- 22 ESU's x	\$0.038/ESU/Mi. x	1.30 miles	= \$ 1.09 (Maintenance in lieu of)
Deferred Maintenance:	FDR #53189	- 22 ESU's x	\$0.038/ESU/Mi. x	0.00 miles	= \$ 0.00 (Maintenance in lieu of)
Deferred Maintenance:	FDR #52176	- 22 ESU's x	\$0.038/ESU/Mi. x	2.95 miles	= \$ 2.47 (Maintenance in lieu of)
Deferred Maintenance:	FDR #50113	- 22 ESU's x	\$0.038/ESU/Mi. x	0.60 miles	= \$ 0.50 (Maintenance in lieu of)
Deferred Maintenance:	FDR #50245	- 213 ESU's x	\$0.029/ESU/Mi. x	2.20 miles	= \$ 13.59 (Maintenance in lieu of)
Deferred Maintenance:	FDR #53019	- 22 ESU's x	\$0.038/ESU/Mi. x	1.50 miles	= \$ 1.25 (Maintenance in lieu of)
					(\$ 285.54)

Payment required \$1,203.43 (Maintenance in lieu of)

When deposit or payments are required in lieu of performance of maintenance the rate will be N/A which is agreed to be the cost of such works; the deposits or payments to be made at such times and in such amounts as requested by the N/A Provided, however, that the rate shall be revised upward or downward on N/A of each year hereafter, based on estimated costs and uses anticipated; Provided further, that payment shall not relieve the permittee from liability for repair of damages due to carelessness or negligence on its part or on the part of its contracts or agents.

Maintenance shall be performed in accordance with Forest Service specifications or requirements for maintenance as hereinafter listed, or as may be mutually agreed upon from time to time and shall consist of (1) current maintenance as necessary to preserve, repair, and protect the roadbed, surface and all structures and appurtenances, and (2) resurfacing equivalent in extent to the wear and loss of surfacing caused by operations authorized by this permit.

7a. **MAINTENANCE AND RESURFACING REQUIREMENTS AND SPECIFICATIONS.**

Total Maintenance of 2.20 miles of FDR #50245, FDR#52175, and FDR#52182 for 1996. (In lieu of payment)

8. **PERFORMANCE BOND.** In the event the permittee is to perform his proportionate share of road maintenance, road resurfacing, or betterment, as determined and within time periods established by the Forest Supervisor, the Forest Service may require as a further guarantee of the faithful performance of such work that the permittee furnish and maintain a surety bond satisfactory to the Forest Service in the sum of twenty-five thousands dollars (\$25,000), or in lieu of a surety bond, deposit into a Federal depository, as directed by the Forest Service, and maintain therein cash in the sum of twenty-five thousand dollars (\$25,000), or negotiable securities of the United States having market value at time of deposit of not less than twenty-five thousand (\$25,000). As soon as security for the performance of road maintenance (and betterment) requirements or the settlement of claims incident thereto is completed, unencumbered cash guarantees or negotiable securities deposited in lieu of surety bond will be returned to the permittee.

9. **FIRE PREVENTION AND SUPPRESSION.** The permittee shall take all reasonable precautions to prevent and suppress Forest fires. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a permit from the Forest Service.

10. **DAMAGES.** The permittee shall exercise diligence in protecting from damage the land and property of the United States covered by and used in connection with this permit, and promptly upon demand shall pay the United States for any damage resulting from negligence, or from violation of the terms of this permit or of any law or regulation applicable to the National Forests, by the permittee, or by his agents, contractors, or employees of the permittee acting within the scope of their agency, contract, or employment.

11. **OFFICIALS NOT TO BENEFIT.** No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom unless it is made with a corporation for its general benefit.

12. **OUTSTANDING RIGHTS.** This permit is subject to all outstanding rights.

13. **SUSPENSION.** Upon the failure of the permittee, its agents, employees or contractors to comply with any of the requirements of this permit, the officer issuing the permit may suspend operations in pursuance of this permit.

14. **TERMINATION.** This permit shall terminate on October 15, 1996 unless extended in writing by the Forest Service. It may be terminated upon breach of any conditions herein.

15. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provisions thereof, the following clauses will control.

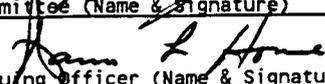
None

16. SAFETY.

Unless otherwise agreed in writing, when Permittee's Operations are in progress adjacent to or on Forest Service controlled roads and trails open to public travel, Permittee shall provide the use with adequate warning of hazardous or potentially hazardous conditions associated with Permittee's Operation. A specific traffic control plan for each individual project shall be agreed to by Permittee and Forest Service prior to commencing operations. Devices shall be appropriate to current conditions and shall be covered or removed when not needed. Except as otherwise agreed, flager and devices shall be as specified in the "Manual on Uniform Traffic Control Devices for Streets and Highways" (MUTCD), and in specifications attached hereto.

17. Drivers of all vehicles hauling shall have a copy of this agreement in their possession. This agreement will be presented, on request, to any Forest Officer.

This permit is accepted subject to all of its terms and conditions.

ACCEPTED	 Permittee (Name & Signature)	D.W. JENSE VICE PRESIDENT, INTERWEST MINING CO.	Date 6-28-96
APPROVED	 Issuing Officer (Name & Signature)	ACTING Title: Forest Supervisor	Date 7/2/96