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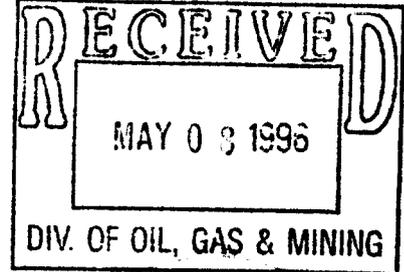
One Utah Center, Suite 2000
Salt Lake City, Utah 84140-0020
(801) 220-4616 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

May 3, 1996

Janette S. Kaiser
Forest Supervisor
Manti - LaSal National Forest
599 Price River Drive
Price, Utah 84501



ACT/01/009 Bill M.

**RE: Amendment to Special-Use Application (Underground Rights-of-Way),
Manti-LaSal National Forest, Trail Mountain Mine, Emery County, Utah**

*Route to Raymond J. [unclear]
New file*

Dear Ms. Kaiser:

As a result of further evaluations with the Trail Mountain Mine plan, it becomes necessary to amend PacifiCorp's Forest Service Special-Use Application for an underground rights-of-way through unleased federal coal dated January 22, 1996. Enclosed is an Amended Application together with an 8½" x 11" map depicting the small additional area (together with the legal description) needed to accommodate the 6th East gateroad two-entry system from the 5th Left Main entries.

This amendment has been discussed between Carter Reed and Jeff Defreest of your office and Val Payne of our Energy West Mining Company. We are very appreciative of the help and understanding of the Forest Service in this important matter. Meanwhile, should you have any further questions regarding this amendment, please feel free to contact myself at 801-220-4612 or Val at 801-687-4722.

Sincerely,

Scott M. Child
Property Management Administrator

Enclosure

SMC12/MLUSFS96.004

- cc: BLM Utah State Office, 324 So. State St., SLC, UT - Alan Rabinoff w/encl.
- BLM Moab District, 82 East Dogwood, Moab, UT -Kate Kitchell w/encl.
- BLM Price River Resource Area, 125 So. 600 W., Price, UT -Mark Bailey w/encl.
- UDOGM, 355 W. No. Temple St., SLC, UT - Pam Grubaugh-Littig w/encl.

**Supplemental Information to PacifiCorp's
Forest Service Special-Use
Underground Rights-of-Way Application
in Support of the
Alternative Trail Mountain Mine Plan Dated December 22, 1995**

Amended Application to Include 6th East Access Modification Dated May 3, 1996

PART 1 - ITEM 7

7. a. Type of use:

To allow underground mine development in small portions of unleased federal coal located outside of the federal coal lease boundaries of U-64375, in support of maximizing resource recovery within U-64375. The underground rights-of-way access will consist of a combination of two (2) and three (3) entry systems (comprising of submain access entries, gateroad entries and longwall bleeder entries) located within the Hiawatha coal seam approximately 1200 to 1500 feet below the surface of Trail Mountain. See Map 1 for proposed entry developments. Each entry will be approximately 20 feet wide by 8 feet high. (Refer to *Analysis of Long Term Entry Stability and the Potential for Surface Influence of Entry Development Outside the Current Lease Boundary of Federal Lease U-64375* prepared by Energy West Mining Company dated January 1996.) Activities associated with the development of the underground rights-of-way include cutting, removing, loading and transporting of coal from the rights-of-way areas in conjunction with other coal production from the Trail Mountain Mine.

b. Related structures and facilities:

There are no surface structures or facilities associated with the proposed underground rights-of-way.

c. Physical specifications:

The proposed underground rights-of-way will consist of two areas (1) the 6th East gateroad access and bleeder entries, and (2) the 8th through 13th Right southwest bleeder system. The two areas are situated within sections 1, 2 and 3, T. 18 S., R. 6 E. S.L.B. & M. Depending on geologic and engineering conditions, the proposed two (2) and three (3) entry systems will be developed and situated within the legal subdivisions as described in PART 1 - ITEM 8 of this application. See Map 1 for the proposed underground development entries, location, size and dimensions. Refer to the 8½" x 11" map (drawing # TMU1591A) which depicts the proposed rights-of-way access modification area for the 6th East gateroad entries and longwall panel.

d. Term of years needed: 5 years.

e. Time of year of use or operation: Year-round use.

f. Duration and timing of construction:

The underground rights-of-way will require approximately 3 years from the commencement of mining to fully develop and complete. Mining in the rights-of-way areas will commence shortly after the approval of this application.

g. Temporary work areas needed for construction:

No temporary work areas are needed for the construction of this underground rights-of-way. Access is provided from existing permitted mine operations.

h. Anticipated need for future expansion:

Barring any unknown adverse geologic conditions, it is not expected that there will be any need for future expansion. The area of the proposed underground rights-of-way as described above and as shown on Map 1, takes into consideration the areas needed for the underground entries.

PART 1 - ITEM 8

8. Attach map covering area and show location of proposed use and/or furnish legal description of the land:

The underground rights-of-way areas as described below include approximately 409.4 129.1 acres as defined by the legal subdivisions. However, it is anticipated that the underground rights-of-way entries (as proposed) will include approximately 14 acres of actual mine developed areas situated within the following:

T. 18 S., R. 6 E., S.L.B.& M.

Section 1 E $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ (R.O.W. Modification Area)

Section 2 NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ (R.O.W. Modification Area)
(6th East gateroad access and bleeder entries area)

Section 3 E $\frac{1}{2}$ of Lot 3, NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Lot 6, NW $\frac{1}{4}$ of Lot 7, E $\frac{1}{2}$ of Lot 7, N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$
(8th through 13th Right southwest bleeder system area)

See Map 1 and 8 $\frac{1}{2}$ " x 11" map (drawing # TMU1591A) for location and details.

PART 1 - ITEM 9

9. Statement of technical and financial capability to construct, operate and terminate the use for which authorization is requested, including the protection and restoration of federal lands:

PacifiCorp, an Oregon corporation, is a diversified electric utility company serving 1.3 million retail customers in seven western states and is the third largest electric utility in the West. Other PacifiCorp nonelectric businesses include Pacific Telecom, a subsidiary which serves the telecommunication needs of rural and suburban customers in 11 western and midwestern states. PacifiCorp is an investor owned entity with assets of approximately \$11,845.6 million with annual revenues of \$3,506.5 million (source 1994 Annual Report).

Interwest Mining Company and Energy West Mining Company are both wholly owned subsidiaries of PacifiCorp. Interwest Mining Company serves as PacifiCorp's managing agent for its captive mine operations. Energy West Mining Company serves as the mine operator of the Trail Mountain, Deer Creek, Cottonwood and Des-Bee-Dove Mines. Together, both subsidiaries work in concert to represent the coal mining needs of their parent corporation. PacifiCorp, through its predecessor, Utah Power & Light Company, has owned and/or operated the Cottonwood, Deer Creek and Des-Bee-Dove Mines in the local vicinity for the past twenty (20) years. Coal produced from these mines is utilized at PacifiCorp's nearby power plants in Emery County, Utah.

All equipment, personnel and technical expertise are currently in place at the Trail Mountain Mine to develop these underground entries in the rights-of-way areas. The underground rights-of-way will be constructed, maintained, operated and terminated in accordance with all applicable state, federal and local regulations.

PART 1 - ITEM 10

a. Describe other reasonable alternative proposals considered:

In a concerted effort with the regulatory agencies to resolve pending litigation regarding the approval of the Trail Mountain Mine Resource Recovery and Protection Plan modification, the alternative mine plan dated 12-22-95 was submitted for approval. As previously mentioned, this alternative mine plan includes maximizing the coal recovery from within federal lease U-64375, by simply relocating the necessary bleeder and access entries outside of the lease boundaries of U-64375. PacifiCorp has considered (1) a lease modification, (2) emergency leasing, and (3) underground rights-of-way. In discussions with the USFS and BLM, the underground rights-of-way appear to be the most simplistic and correct mechanism to achieve the desired results for all parties.

b. Give explanation of why it is necessary to utilize federal lands and why the alternatives in item 10a were not selected:

In addition to the comments in Part 1 Item 10 a. (above) it is necessary to utilize federal lands because of the dominance of federal lands in the area. It is imperative to use adjacent lands to federal coal lease U-64375, as there is no other choice. This is crucial to the development and maximum economic recovery of coal reserves in U-64375.

A lease modification would essentially serve the same purpose, but the intent with this application is to minimize mine development in these areas to eventually maximize the recovery in U-64375. A lease modification would be time prohibitive to process. Emergency leasing is a viable option, however, the timing process would also hinder overall production planning and coal delivery requirements.

The underground rights-of-way provides the better of the alternatives simply because it (1) does not create any new surface disturbance, (2) it allows use of the Trail Mountain Mine existing infrastructure for coal haulage, processing, loading and unloading of coal, (3) visual impacts remain unchanged, and (4) the timing to permit and acquire said rights-of-way appears to be more conducive to development and production criteria.

PART 1 - ITEM 11

Provide statement of need for proposed use, including the economic feasibility and items such as:

PacifiCorp has a significant investment in the acquisition of the Trail Mountain Mine and its reserves. This acquisition was predicated by the need to acquire additional reserves to provide a continual and reliable long term fuel supply for the Hunter Power Plant. Therefore, PacifiCorp recommends that this application for the requested underground rights-of-way be granted to accomplish the intent of the alternative mine plan dated 12-22-95. This alternative mine plan further compliments the purpose of extending the coal reserve base.

a. Cost of proposal (construction, operation and maintenance):

In the spirit of what this application is intended for, the costs of developing the entries in the rights-of-way areas will hopefully be offset by the long range benefits of increased longwall coal recovery. This of course, is a risk to the applicant with none to the public. In return, this would provide additional royalties to the public which would not otherwise be realized. These portions of the existing reserves would not otherwise be mined since the reserves fall outside of the existing federal coal lease boundaries and would definitely be by-passed, together with other federal reserves should the applicant be forced to use the previous mine plan.

b. Estimated cost of next best alternative:

No other alternatives were considered due to timeliness and potential lost production.

c. Expected public benefits:

PacifiCorp as owner of the mine and power plant employs approximately 915 people in the local area which is a significant factor in providing some stability to the socioeconomics in the area. In addition, the granting of the underground rights-of-way will encourage (1) resolution of pending litigation, (2) greatest ultimate use of a public resource, (3) maximization of coal recovery with no anticipated impacts, and (4) additional royalty revenue to the public.

PART 1 - ITEM 12

Describe probable effects on the area population, including social and economic aspects and rural lifestyle:

It is not anticipated that there would be any effects to the area population nor would it have any effect on the social and economic aspects. Depending upon the disposition of this application, it will either increase or decrease the mine life.

PART 1 - ITEM 13

Describe likely environmental effects that the proposed use will have on:

- a. **Air quality:** None
- b. **Visual impact:** None
- c. **Surface and ground water quality and quantity:** None
- d. **Control or structural change on any stream or other body of water:**

There will be no control or structural change to any stream or body of water as a result of this underground mine access.

- e. **Existing noise levels:**

No additional noise will be created by the rights-of-way.

- f. **Land surface, including vegetation, permafrost, soil and soil stability:**

None anticipated - refer to attached reports.

- g. **Populations of fish, plant, wildlife and marine life, including threatened and endangered species:** None.

PART 1 - ITEM 14

Describe what actions will be taken to protect the environment from the effects of the proposed use:

The rights-of-way will have no effect on the surface. The underground mine entries and pillars will be designed and constructed in accordance with the best available technology, engineering practices and historical experience to eliminate surface subsidence. No pillar extraction or second mining will occur in the rights-of-way areas.

PART 1 - ITEM 15

Name all Federal, State, County or other department(s) / agency(ies) where an application for this is being filed. Attach appropriate license, building permit, certificate or other approval document:

**United States Forest Service
Manti-LaSal National Forest
599 West Price River Drive
Price, Utah 84501**

PART 1 - ITEM 15 (continued)

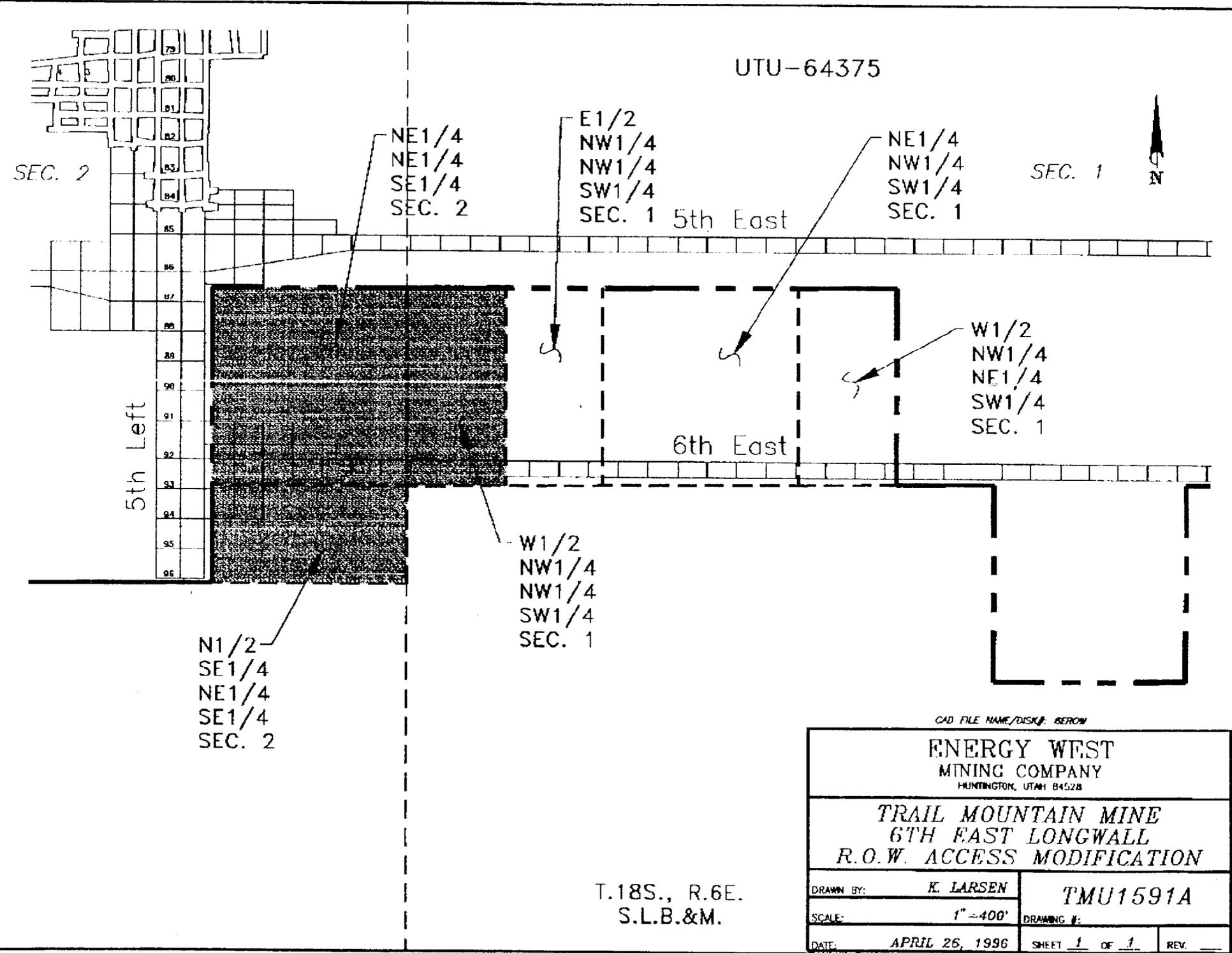
**U.S. Department of the Interior
Bureau of Land Management
Utah State Office**
324 South State Street, Suite 301
Salt Lake City, Utah 84111-2303

**U.S. Department of the Interior
Bureau of Land Management
Moab District**
82 East Dogwood
Moab, Utah 84532

**U.S. Department of the Interior
Bureau of Land Management
Price River Resource Area**
125 South 600 West
Price, Utah 84501

**State of Utah
Division of Oil, Gas & Mining**
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

SENT BY: Xerox Telecopier 7021 ; 5-1-96 ; 3:42PM ; 8016672695- INTEREST MINING: # 2



UTU-64375

SEC. 1

NE1/4
NE1/4
SE1/4
SEC. 2

E1/2
NW1/4
NW1/4
SW1/4
SEC. 1

5th East

NE1/4
NW1/4
SW1/4
SEC. 1

W1/2
NW1/4
NE1/4
SW1/4
SEC. 1

6th East

W1/2
NW1/4
NW1/4
SW1/4
SEC. 1

N1/2
SE1/4
NE1/4
SE1/4
SEC. 2

CAD FILE NAME/DISK# BEROW

ENERGY WEST
MINING COMPANY
HUNTINGTON, UTAH 84528

TRAIL MOUNTAIN MINE
6TH EAST LONGWALL
R.O.W. ACCESS MODIFICATION

T.18S., R.6E.
S.L.B.&M.

DRAWN BY:	K. LARSEN	TMU1591A
SCALE:	1" = 400'	DRAWING #:
DATE:	APRIL 26, 1996	SHEET 1 OF 1
		REV. _____