

0022

United States
Department of
Agriculture

Forest
Service

Manti-La Sal
National Forest

599 West Price River Dr.
Price, Utah 84501
Phone # (801) 637-2817
Fax # (801) 637-4940

File Code: 2720/2820-4

Date: 01/08/97

Scott M. Child
Interwest Mining Company
One Utah Center, Suite 2000
Salt Lake City, Utah 84140-0020

Act 10.5/009 #3

Dear Mr. Child:

Enclosed is the special-use permit for the off-lease underground accessways at the Trail Mountain Mine. Construction of the underground accessways west and south of the existing lease boundary is hereby authorized, pending approval of the associated mine plan amendment by the Utah Division of Oil, Gas and Mining.

As described in the terms and conditions of the special-use permit, you will work directly with the Bureau of Land Management regarding bonding and payment for the value of the coal mined during construction of the accessways.

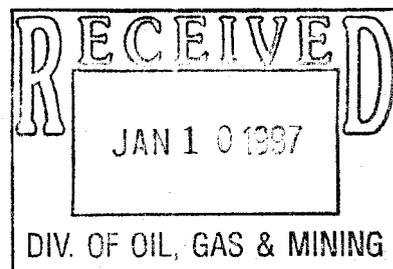
Sincerely,

/s/ AARON HOWE
for
JANETTE S. KAISER
Forest Supervisor

Enclosure

cc: D-2/3
George Tetrault, BLM, Price
Lowell Braxton, UDOGM

CRreed:nb



U. S. DEPARTMENT OF AGRICULTURE Forest Service UNDERGROUND ACCESSWAY SPECIAL-USE PERMIT Act of October 21, 1976 (PL 94-579); 36 CFR 251.50, et seq	Holder No.	Issue Date	Expir. Date
	4 0 0 1-3 0	-- / -- / --	-- / -- / --
	Type Site	Authority	Auth. Type
	7 5 3	6 7 6	-- 2 0 --
	Region/Forest/District	State/County	
	0 4 / 1 0 / 0 3	4 9 / 0 1 5	
	Cong. Dist.	Latitude	Longitude
	--	-- -- -- --	-- -- -- --

PacifiCorp - c/o Scott M. Childs - Interwest Mining Company, One Utah Center, Suite 2000, 201 South Main Street, Salt Lake City, Utah 84140-0020,

(hereafter called the Permittee) is hereby authorized to use National Forest lands for the construction, reconstruction, maintenance, and use of underground accessways within the Manti-La Sal National Forest for the following purposes:

Underground accessways to provide transportation access for development of Federal Coal Lease activities. Access includes coal transport systems (i.e., conveyor belts); transport of equipment and personnel; and associated utilities such as water, electrical, power, telephone, air, etc.

This permit is not authorized to sever the coal resources within the authorized accessways. As per 43 CFR 3431.2(b). The severance of coal shall be approved by the Bureau of Land Management. Removal of coal shall be subject to the Surface Mining Control and Reclamation Act of 1977 and authorized by the Utah Division of Oil, Gas, and Mining and be included in the Mining and Reclamation Plan for the Trail Mountain Mine.

The lands covered by this permit are located in the County of Emery, State of Utah and are described as follows:

<u>Section 3</u>	<u>Acres</u>
Lot 3	33.2
E 1/2 of Lot 6	20.0
Lot 7	40.0
NE 1/4 SW 1/4 NE 1/4	10.0
NW 1/4 SE 1/4 NE 1/4	10.00
S 1/2 SE 1/4 NE 1/4	20.00
	<u>133.20 Total Acreage</u>

See map for location and details.

This permit covers a right-of-way 11,500 feet long, and 70 feet wide, containing approximately 18.6 acres, and is located under the ground according to the survey line, figures, measurements, widths, and other references shown on the map or plat attached hereto and made a part hereof.

This permit is made subject to the following terms, provisions, and conditions:

1. This permit is subject to all existing easements and valid rights existing on this date.
2. The Permittee in exercising the privileges granted by this permit shall comply with all applicable State and Federal laws, Executive Orders, and Federal rules and regulations, and shall comply with all State standards for public health and safety, environmental protection, and siting construction, operation, maintenance of or for rights-of-way for similar purposes if those standards are more stringent than applicable Federal standards.
3. The Permittee shall dispose of no coal except as authorized by the Bureau of Land Management and/or the Utah Division of Oil, Gas, and Mining.
4. Permittee shall indemnify the United States for any and all injury, loss, or damage, including fire suppression costs the United States may suffer as a result of claims, demands, losses, or judgments caused by the Permittee's use or occupancy under this permit.

In addition, the holder shall be held liable for all injury, loss, or damage, including, but not limited to fire suppression costs, directly or indirectly resulting from or caused by the holder's use and occupancy of the area covered by the permit, regardless of whether the holder is negligent, provided that the maximum liability without fault shall not exceed \$1,000,000 for any one occurrence and provided further that the holder shall not be liable when such injury, loss, or damage results from a negligent act of the United States, or a third party not involving the facilities of of the holder.

Liability for injury, loss, or damage, including fire suppression costs, in excess of the specified maximum, shall be determined by Federal and State laws governing ordinary negligence. (F-21)

5. Permittee shall pay annually in advance a sum determined by the Forest Service to be the fair market value for the accessways authorized as described on the face of this permit. Payment does not include the fair market value of coal removed in connection with this permit. Any such payment for the coal resource must be made directly to the Bureau of Land Management (BLM), and in accordance with BLM's regulations and policy.

The initial payment to the Forest Service for the accessways authorized by this permit is set at \$ - 0 - for the remainder of the calendar year. Payments for each subsequent calendar year shall be the amount of \$ 126.67 adjusted using the Implicit Price Deflator-Gross National Product index (IPD-GNP), or other factor selected by the Forest Service, to reflect more nearly the current fairmarket value of the use. At intervals to be determined by certain changes in the indexes used to establish the linear rights-of-way fee schedule, the fee shall be reviewed and adjusted as necessary to assure that it is commensurate with the value of the rights and privileges authorized. Failure of the Permittee to pay the annual payment, late charges, or other fees or charges shall cause the permit to terminate.

6. The Permittee shall pay an interest charge on any fee amount not paid by the payment due date.

Interest shall be assessed using the most current rate prescribed by the United States Department of Treasury Financial Manual (TFM-6-8020). Interest shall accrue from the date the fee payment was due. In addition, certain processing and handling administrative costs may be assessed in the event the account becomes delinquent and added to the amounts due.

A penalty of 6 percent per year shall be assessed on any fee amount overdue in excess of 90 days from the due date of the first billing.

Payments will be credited on the date received by the designated collection officer or deposit location. If the due date(s) for any of the above payments or fee calculation statements fall on a nonworkday, the charges shall not apply until the close of business of the next workday.

7. All development of the underground accessways shall be in accordance with plans, specifications, and written stipulations **as described in the approved Mining and Reclamation Plan and Mine Permit issued by the Utah Division of Oil, Gas, and Mining.**

8. The Permittee shall repair fully all damage to National Forest roads and trails caused by the exercise of the privileges granted by this permit.

9. The United States may use the underground accessways without cost for all purposes deemed necessary or desirable in connection with the protection and administration of the lands or resources of the United States, .

10. **The Forest Service retains the right to occupy and use the accessways and to issue or grant rights-of-way for land uses, upon, over, under, and through the permitted area provided that the occupancy and use do not interfere unreasonably with the rights granted herein.**

11. Unless sooner terminated in accordance with the provisions of the permit, or revoked by the Regional Forester, this permit shall expire and terminate upon relinquishment of the associated Federal (BLM) Coal Leases(s).

12. This permit may be terminated or suspended upon breach of any of the conditions herein, or revoked at the discretion of the Regional Forester.

13. Upon termination or revocation of this special-use authorization, the Permittee shall remove within a reasonable time **any authorized structures and improvements within the authorized accessways** and shall restore the site to a condition satisfactory to the authorized officer, unless otherwise waived in writing or in the authorization. If the Permittee fails to remove the structures or improvements within a reasonable period, as determined by the authorized officer, they shall become the property of the United States, but this does not relieve the Permittee from liability for the removal and site restoration costs.

14. **The holder has full responsibility to comply with all mitigation measures identified in the Mitigation and Monitoring Plan attached hereto to, and made a part hereof, this permit.**

15. (B-2) - During the performance of this authorization, the holder agrees that:

1. The holder and employees shall not discriminate by segregation or otherwise against any person on the basis of race, color, or national origin by curtailing or refusing to furnish accommodations.

2. Title VI attaches coverage to the holder's employment practices if discrimination in employment impeded the delivery of services and benefits to people on the basis of their race, color, or national origin.

3. The holder shall include and require compliance with this nondiscrimination provision in any subcontract made with respect to the operations under this authorization.

16. (B-26) - Holder shall take all measures necessary to protect the health and safety of all persons affected by its activities performed in connection with the construction, operation, maintenance, or termination of the right-of-way, and shall promptly abate as completely as possible any physical or mechanical procedure, activity, event, or condition, existing or occurring at any time: (1) that is susceptible to abatement by the holder, (2) which arises out of, or could adversely affect the construction, operation, maintenance, or termination of all or any part of the underground access, and (3) that causes or threatens to cause: (a) a hazard to the safety of workers or to public health or safety, or (b) serious and irreparable harm or damage to the environment (including but not limited to areas of vegetation or timber, fish or other wildlife populations, or their habitats, or any other natural resource). Holder shall immediately notify the authorized officer of all serious accidents which occur in connection with such activities.

17. (D-18) - The holder agrees to take all necessary precautions to avoid damage to property and resources of the United States and will, independently and upon request of the Forest Service, prevent and suppress fires on or near lands occupied, or to be occupied, under this permit, and to pay and indemnify the United States for any and all injury, loss, or damage, including but not limited to fire suppression costs, the United States may suffer as a result of claims, demands, losses, or judgments caused by the holder's use or occupancy to the maximum extent possible in accordance with State laws, ordinances, regulations, and rules.

18. (X-17) - If, prior to or during excavation work, items of archaeological, paleontological, or historic value are reported or discovered, or an unknown deposit of such items is disturbed, the holder will immediately cease excavation in the area so affected. Holder will then notify the Forest Service and will not resume excavation until written approval is given by the authorized officer.

If it deems it necessary or desirable, the Forest Service may require the holder to have performed recovery, excavation, and preservation of the site and its artifacts at the holder's expense. At the option of the Forest Service, this authorization may be terminated at no liability by the United States when such termination is deemed necessary or desirable to preserve or protect archaeological, paleontological, or historic sites and artifacts.

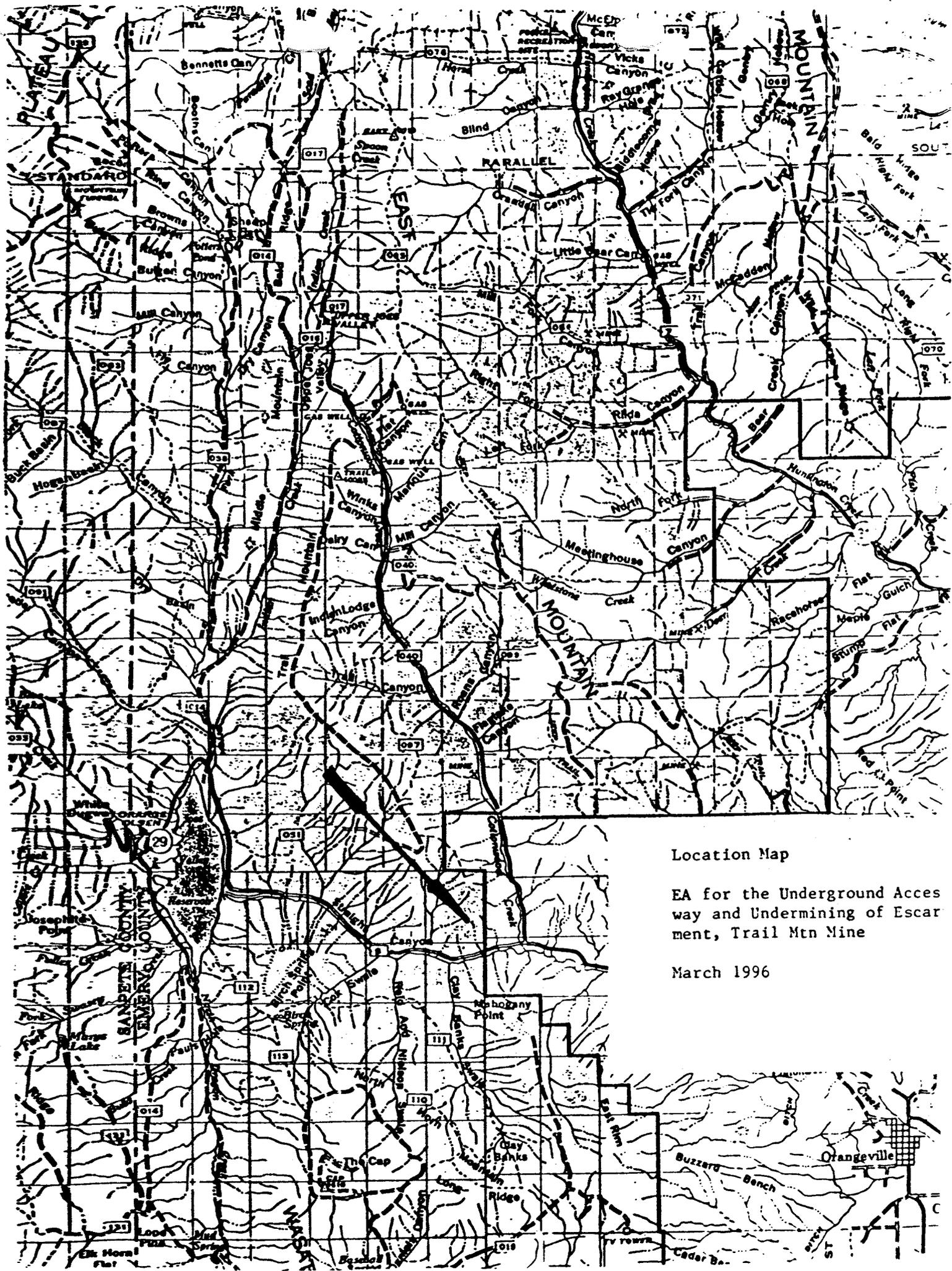
19. (X-74) - This permit confers no right to the use of water by the holder.

20. (X-96) - Appeal of any provisions of this authorization or any requirements thereof shall be subject to the appeal regulations at 36 CFR 251, Subpart C (54 FR 3362, January 23, 1989), or revisions thereto.

In Witness Whereof, the parties hereto have caused this permit to be duly executed on the 26 day of DECEMBER, 1996.

Permittee
By *[Signature]*
name
Title VICE PRESIDENT
PacifiCorp

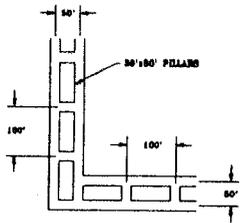
USDA Forest Service
by *[Signature]*
JANETTE S. KAISER
Title Forest Supervisor
Manti La Sal National Forest



Location Map

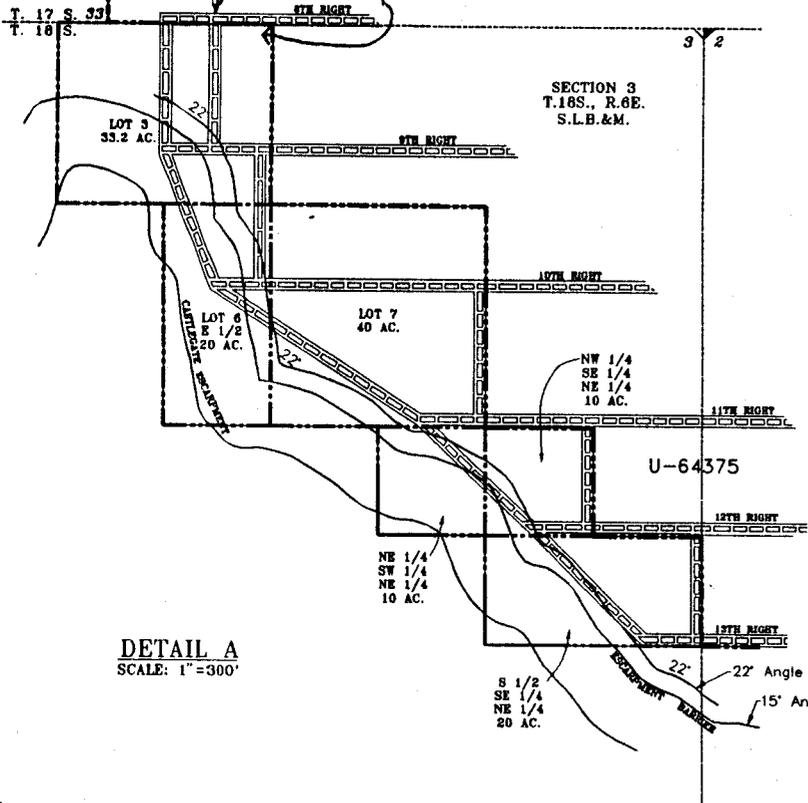
EA for the Underground Access
 way and Undermining of Escarment,
 Trail Mtn Mine

March 1996

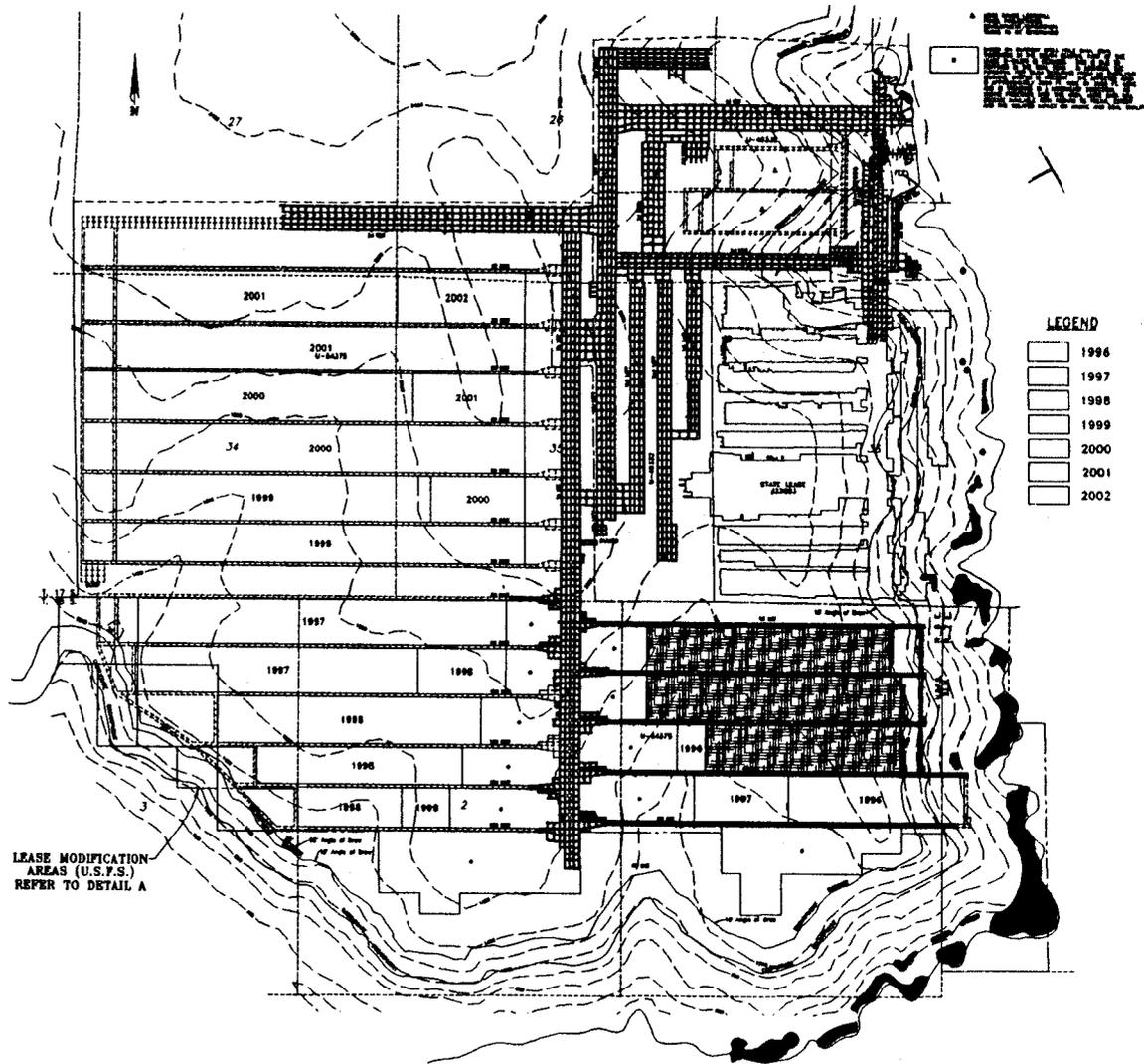


TYPICAL PILLAR DETAIL
SCALE: 1"=100'

Startup room could be located in either of these two locations
CR



DETAIL A
SCALE: 1"=300'



GENERAL LOCATION MAP
SCALE: 1"=800'

LEASE MODIFICATION AREAS (U.S.F.S.) REFER TO DETAIL A

OWNERSHIP INTEREST OF PROPOSED LEASE MODIFICATION

SURFACE: DEPARTMENT OF AGRICULTURE
UNITED STATES FOREST SERVICE
MANTI-LASAL NATIONAL FOREST

SUBSURFACE: DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTE:
PROJECTED RESERVES OF THE 6TH EAST
LONGWALL PANELS ARE PROPOSED FOR DELETION
FROM THE RECOVERABLE RESERVE BASE DUE TO
COAL QUALITY CONCERNS

MINE WORKINGS UPDATED TO 10/1/96

ENERGY WEST MINING COMPANY	
TRAIL MOUNTAIN MINE LEASE MODIFICATION LEASE U-64375	
DATE: 10/1/96	CM-10898-TM
BY: E. LARSEN	SCALE: 1"=800'
DATE: 10/1/96	FIG. 1 OF 1