

UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
For
PERMIT RENEWAL

PacifiCorp
Trail Mountain Mine
C/015/0009
Emery County, Utah

February 21, 2005

CONTENTS

- * Administrative Overview
- * Permitting Chronology
- * Findings
- * Permit
- * Publication Notice
- * AVS Recommendation, memo dated February 18, 2005
- * Comment Letters:
 - Emery Water Conservancy District – December 17, 2004
 - Huntington Cleveland Irrigation Company – January 2, 2005

File in:

- Confidential
- Shelf
- Expandable

In C: 015/0009 Incoming
Date: 02/21/2005 For additional information

ADMINISTRATIVE OVERVIEW

PacifiCorp
Trail Mountain Mine
Permit Renewal
C/015/0009
Emery County, Utah

February 21, 2005

BACKGROUND

The Trail Mountain Mine is located approximately 12 miles west of Orangeville, Utah in the Wasatch Plateau Coal Field. The permit area currently encompasses 3539 acres comprised of federal coal leases and privately-owned holdings. The surface disturbance is about 10.39 acres.

A permanent program permit was issued to Trail Mountain Coal Company for the Trail Mountain Mine on February 19, 1985. An enlargement of the mine (known as Tract II) was approved on April 30, 1987. A permit transfer from Arch Minerals (Trail Mountain Coal Company) to Beaver Creek Coal Company was approved on November 23, 1987. The permit was renewed on February 20, 1990. A permit transfer from Beaver Creek Coal Company to PacifiCorp was approved on November 13, 1992.

The permit was subsequently renewed on February 21, 1995 and February 21, 2000. The mine has been in temporary cessation since May 2, 2001.

PERMIT RENEWAL

PacifiCorp made application to the Division of Oil Gas and Mining for a five-year permit renewal for the Trail Mountain Mine on October 21, 2004. This renewal encompasses the same permit area and disturbance as currently approved in the permit.

The application for permit renewal was submitted 120 days prior to permit renewal. The renewal application was determined administratively complete on November 15, 2004. Public notice for this permit renewal was published in the Emery County Progress on December 7, 14, 21, and 28, 2004.

One comment from the Emery Water Conservancy District (EWCD) was received on December 17, 2004. EWCD was concerned about the mine in temporary cessation and unfair advantage of a closed mine potential to acquire the proposed Cottonwood Lease Tract. They were also concerned about springs in Straight Canyon that have increased in flow. The Division will do further field studies during 2005 about this concern.

Another comment from the Huntington-Cleveland Irrigation Company (“HCIC”) was received on January 2, 2005. Their comments were of a general nature about the hydrologic balance and the operation of the Trail Mountain Mine.

Neither EWCD not HCIC requested an informal conference in regard to this permit renewal.

ANALYSIS

The permit renewal application was received at least 120 days prior to permit renewal. All notices were published as required. The public comment period ended on January 28, 2004 and two comments were received but no informal conference was requested. The comment letters were concerned about potential future mining and the general water situation with mining in the area.

RECOMMENDATION

Approval for this permit renewal is recommended.

PERMITTING CHRONOLOGY

PacifiCorp
Trail Mountain Mine
Permit Renewal
C/015/0009
Emery County, Utah

February 21, 2005

- October 21, 2004 PacifiCorp submitted a permit renewal application.
- November 15, 2004 Determination of Administrative Completeness of permit renewal application.
- November 16, 2004 Permit renewal completeness determination sent to applicable state, federal, and county agencies.
- December 7, 14,
21 and 28, 2004 Public notice for permit renewal for the Trail Mountain Mine published in the Emery County Progress.
- December 17, 2004 Emery County Water Conservancy District comments. No informal conference requested.
- January 2, 2005 Huntington Cleveland Irrigation Company comments. No informal conference requested.
- January 28, 2005 Two public comments received. No informal conference requested.
- February 18, 2005 AVS recommendation with no violations in the system.
- February 21, 2005 Trail Mountain Mine permit is renewed.

PERMIT RENEWAL FINDINGS

PacifiCorp
Trail Mountain Mine
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1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being met. (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The operator has provided evidence of maintaining liability insurance in full effect (Associated Electric and Gas Insurances Services Limited, Policy U0614A1A04)(R645-303-233.140).
6. The operator has a reclamation surety on file with the Division and has provided evidence that the surety will remain in full effect. (Travelers Casualty and Surety Company of America, Bond Number 1039089971 in the amount of \$1,254,000) (R645-303-233.150).
7. To date, the operator has submitted updated information as required by the Division through this permit term. (R645-233.160).

Permit Supervisor

Permit Supervisor

Associate Director of Mining

Director