C/015/009 Incoming

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov/ut/st/en.html

TAKE PRIDE IN AMERICA

RECEIVED
FEB 01 2012
DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:
3483.4
UTU-73339 LMU
UTU-082996
UTU-49332
UTU-64375
(UT-9223)

JAN 30 2012

CERTIFIED MAIL—7011 1150 0000 6739 8696
Return Receipt Requested

DECISION

PacifiCorp c/o Interwest Mining Company 1407 W. North Temple, Suite 310 Salt Lake City, UT 84116	: : : : :	Logical Mining Unit UTU-73339 Coal Leases UTU-082996, UTU-49332 and UTU-64375

Application for Payment of Advance Royalties in Lieu of Production Approved

On January 9, 2012, Intewest Mining Company in behalf of PacifiCorp, requested approval to pay advance royalties in lieu of the continued operation requirement for the Trail Mountain Logical Mining Unit (LMU) 73339, in accordance with the regulation at 43 CFR 3483.4. Pursuant to this regulation, for advance royalty purposes, the value of the federal coal will be calculated in accordance with 43 CFR 3485.2. The Office of Natural Resources Revenue (ONRR) is responsible for determining the value of the coal. The calculation of the federal commercial quantities requirement for Continued Operation Year (COY) 17 (Oct 1, 2011 through September 2012) is 31,650 tons.

The Bureau of Land Management (BLM) hereby approves this request for the payment of advanced royalties on 31,650 tons of coal for COY year 17.

The BLM would like to make PacifiCorp aware of the following subparts of 43 CFR 3483.4 governing advance royalty requests.

1. Subpart (a) Advance royalty may only be accepted in lieu of continued operation upon application to and approval by the authorized officer.

2. Subpart (b) However, any request by an operator/lessee for suspension of the continued operation requirement and payment of advance royalty in lieu thereof shall be made no later than 30 days after the beginning of the continued operation year. If an operator/lessee requests authorization to pay advance royalty in lieu of continued operation later than 30 days after the beginning of any continued operation year, the authorized officer may condition acceptance of advance royalty on the payment of a late payment charge on the amount of the advance royalty due. The late payment charge will be calculated in accordance with 30 CFR 218.20.1.

3. Subpart (g) If an operator/lessee fails to make an approved advance royalty payment in any continued operation year, the authorized officer shall inform the operator/lessee in writing that the operator/lessee is in violation of the continued operation requirement. If the operator/lessee then fails to comply with 30 CFR 218.200, the Federal lease or LMU shall be subject to cancellation pursuant to §3483.2 of this title.

The BLM will not request a late payment charge be assessed for this COY. The BLM may charge these in the future if the requests are not received on time.

Please be advised that if future requests are submitted, the BLM will require detailed justification as to why payment of advanced royalty in lieu of continued operations will be required before the BLM will consider the approval of payment of advanced royalty.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the instructions found on Form 1842.1 (enclosed). If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (pursuant to regulation 43 CFR 4.21)(58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay **must** also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

(1) The relative harm to the parties if the stay is granted or denied,

(2) The likelihood of the appellant's success on the merits,

(3) The likelihood of immediate and irreparable harm if the stay is not granted, and

(4) Whether the public interest favors granting the stay.

If you have any questions, please contact Stan Perkes of this office at (801) 539-4036.

Roger L. Bankert
Chief, Minerals Branch

Enclosure
Form (1842-1)

cc: ONRR, ACM, Solid Minerals Staff, Attn: LeeAnn Martin, MS62300B, Box 25165, Denver, CO 80225-0165
Mr. John Baza, Director, UDOGM, Box 145801, Salt Lake City, Utah 84114-5801
Price Coal Office