



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

U-02664
SL-066116
3480
(UT-921)

AUG 25 1995

~~CONFIDENTIAL~~

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ACT/015/017 #2
JK*

Mr. James Carter
Utah Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center
Salt Lake City, Utah 84180-1203

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info - why marked
Confidential - Pgl
9/6/95*

Dear Mr. Carter:

The United States Department of the Interior, Bureau of Land Management (BLM) is responding to your "Determination of Administrative Completeness-Permit Renewal, Des-Bee-Dove Mine, PacifiCorp, Act/015/017-95A, Folder #3, Emery County, Utah," dated June 29, 1995. The following are a list of related issues that need to be addressed.

ISSUES:

1. Federal Lease Relinquishment: On May 15, 1995, PacifiCorp has filed with the BLM a letter requesting relinquishment of the entire Federal coal lease SL-066116. This lease along with Federal coal lease U-02664, which has not been relinquished, and some fee coal owned by Pacificorp, comprise the Des-Bee-Dove mine complex. Your determination to extend the Des-Bee-Dove permit for five (5) more years and the relinquishment of Federal coal lease SL-066116 appear to be in conflict. The conflict seems to be the issue of right to entry covered under 30 CFR 778.15 Right of Entry Information.

2. Reserves: On July 11, 1988, UP&L (Mr. David Smaldone) submitted a letter to Utah Division of Oil, Gas, and Mining (UDOGM) (Mr. John Whitehead) and stated that, "over 3 million tons (remaining) of this (Des-Bee-Dove) coal are Federally owned." On September 24, 1990, UP&L submitted a Resource Recovery and Protection Plan showing the mining of the coal in lease SL-066116 and other Federal leases. The reserves in lease SL-066116 have been estimated by BLM to be approximately We understand that you also have a responsibility under 30 CFR 810.2 (b) for "maximum use and conservation of the solid fuel resource being recovered" ←

3. Bond: At the present time UDOGM has a \$1,837,712 bond for the reclamation of the Des-Bee-Dove mine. In the "Evaluation of the Coal Procurement Policies and Coal Management Practices of PacifiCorp," by Energy Ventures Analysis, Inc., January 1991, the maintenance cost for the Des-Bee-Dove mine that is charged to the Hunter Stockpile is \$982,000 per year. The report also states that, "[t]here are no plans to resume production" in the Des-Bee-Dove mine.

With approximately _____, and ←
no other probable access to this coal, this coal will be bypassed. The closing of this mine
and the remaining recoverable reserves needs to be addressed by all parties.

Thank you for the opportunity to comment. Any questions on this matter may be referred
to Stan Perkes, at 539-4036.

Sincerely,



Douglas M. Koza
Deputy State Director
Mineral Resources