

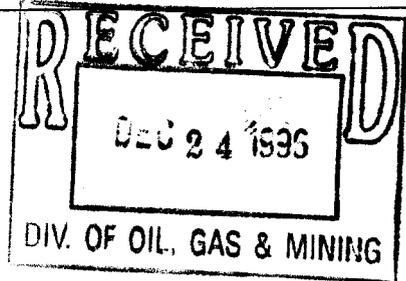
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PO Box 310
Huntington, Utah 84528

December 17, 1996

David Terry, Director
State and Institutional trust Lands
675 East 500 South, Suite 500
Salt Lake City, Utah 84102



RE: DES-BEE-DOVE - TEXACO HAUL ROAD

*Copy Mary Ann, Damon, Jc,
12/15/17 #2*

Dear Mr. Terry:

I am writing you about recent ground activities by Texaco Exploration and Production, Inc. on state lands that conflict with a prior grant to PacifiCorp.

Here are the facts, as I understand them:

(1) Lands Description of the Problem/Conflict area

State Trust Lands, Sec. 2, TWP 18SR7E, SLBM

(2) Authorization Sec. 2, TWP 18SR7E, SLBM

(a) About 13 years ago and continuing to present time, PacifiCorp was authorized by the State of Utah to construct, use, and maintain the Des-Bee-Dove haul road. The road was designed by the Utah Department of Transportation to ASTM standards.

(b) Shortly after 2(a) above, the State of Utah, Division of Oil, Gas, and Mining issued a coal mine and reclamation permit for the Des-Bee-Dove haul road. The road at both ends carries the I.D. sign, permittee name, phone number, and other information. Further, the disturbed area associated with the road disturbance is clearly marked with disturbed markers.

(3) We have here say information that Texaco has also been granted rights on Section 2 by Trust Lands on some of the same lands covered by the prior grant to PacifiCorp.

- (4) PacifiCorp has not been contacted by either Trust Lands nor Texaco on the Texaco project. We are not aware of what action was taken to ensure the recent Texaco grant would not conflict and usurp the purpose of the prior PacifiCorp grant.

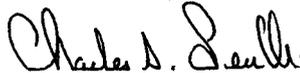
Please provide PacifiCorp the following information together with the authorizing documents:

- (1) State of Utah grant to Texaco.
- (2) What steps were taken to coordinate to avoid conflicts on overlapping authorization.
- (3) Pipeline and other construction standards, bonding, etc.
- (4) Conditions so the Texaco authorization would not interfere with existing facilities and valid existing rights.
- (5) Final reclamation standards and who is responsible for final reclamation.

Texaco's current activities that conflict with the Des-Bee-Dove road concerns the construction, installation, and maintenance of a gas pipeline in the Des-Bee-Dove road ditch. The current Texaco construction adversely affects the function of the Des-Bee-Dove road ditch. This puts PacifiCorp in a position where there could be difficulty meeting Utah Coal Rules road performance standards and permit obligations.

In conclusion, I regret that you or a representative from your office couldn't attend last Friday's (12/6/96) meeting, and I hope we can, with the assistance of your office, Texaco, and others, work things out so the prior rights can be protected and yet accommodate Texaco's needs.

Sincerely,



Chuck Semborski

Geology and Environmental Supervisor

cc: DOGM, SLC ✓
DOGM, Price
Larry Slotterback, Texaco