

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 17, 2006

Chuck Semborski, Environmental Supervisor
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528

Re: Other Activities Within the Permit Area Boundary, PacifiCorp, Des Bee
Dove Mine, C0150017

Dear Mr. Semborski:

This letter is to notify you that the Coal Regulatory Program has no authority over any oil and gas activities. However, in order to avoid any potential conflicts or violations concerning oil and gas activities conducted within coal mine permit boundary, the Division requests that the procedures outlined below are followed.

PacifiCorp should submit an amendment to the Des-Bee-Dove Mine Mining and Reclamation Plan to include this activity. The amendment would include:

- A description of the activities in the text of the MRP;
- Identification of the location and extent of the activities on appropriate maps, including all access routes; and
- A plot or diagram of the site showing any ponds or stockpiles so as not to be confused with structures belong to the mine operator.
- It is recommended that a fence be built around the site to prevent unnecessary disturbance and access to the rest of the permit area.

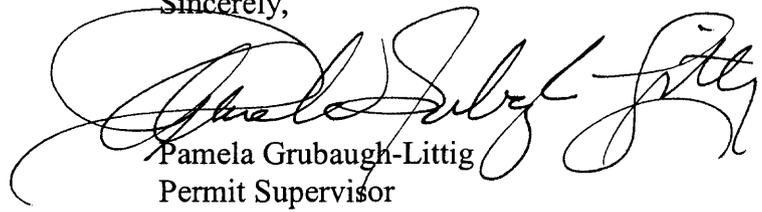
It should be noted that PacifiCorp is responsible for conducting coal mining and reclamation operations within the confines of the permit area boundary in compliance with the Act, the Coal Rules, and permit. Disturbances within the permit boundary found to be in violation (i.e. activities not identified within the mining and reclamation plan) may necessitate a compliance action. If the disturbance is caused by oil and gas activity, the permittee will not be held responsible, BUT must demonstrate to the Division's Coal Regulatory Program that such disturbances were caused by oil and gas activities and not by the mine. The permittee is responsible for identifying such activities in the approved mining and reclamation plan.

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The bond cannot be released for this area until there is an alternative postmining land use approved or the ten-year liability period met beginning after the last seeding and all other requirements have been met for the Phase III bond release.

If you have any question, please call me at (801) 538-5286.

Sincerely,



Pamela Grubaugh-Littig
Permit Supervisor

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cc: Kyla Vaughn, XTO
Eileen Richmond, USFS
Tom Lloyd, USFS
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