

Mining Plan Decision Document

June 1993

MINING PLAN DECISION DOCUMENT

PacifiCorp
Deer Creek Mine
Emery County, Utah



U.S. Department of the Interior
Office of Surface Mining Reclamation and Enforcement

Federal Leases U-47977 and SL-050862

Prepared June 1993

MAIL ITEMS FOR THE DEER CREEK MINE
 With the OSM-RECEIPT DATE from 01/01/93 to 06/10/93
 06/10/93

Mail Nr.	Date Sent	Sender	Mail Description	ST-Mine	Action/Status
***** ACTIVE MAIL ITEMS *****					
93/04/19-20-1	04/14/93	Utah Division of Oil, Gas & Mining ROUTED TO: RHOLBROOK	INCIDENTAL BOUNDARY CHANGE DEER CREEK MINE	UT-0016	P/P DEER CREEK
93/05/27-04-1	05/24/93	UT Division of Oil, Gas & Mining (DOGM) ROUTED TO: MPLIBRARY	Supp. Inf-Incidental Boundary Change-Deer Creek	UT-0016	P/P DEER CREEK
93/06/03-02-1	05/28/93	Utah Division of Oil, Gas & Mining ROUTED TO: MPLIBRARY	RE: WASTE ROCK SAMPLING AMENDMENT--DEER CREEK MINE	UT-0016	P/P DEER CREEK
				DK	
93/06/09-04-1	06/03/93	UT Division of Oil, Gas & Mining (DOGM) ROUTED TO: RHOLBROOK	STATE FINAL FINDINGS & SUPPT DOC, FOR IBC IN RULDA CANYON	UT-0016	U/U DEER CREEK

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 - c. State Historic Preservation Office.
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6. Mining Plan Approval Document.
7. Utah Division of Oil, Gas and Mining's Findings and supporting documentation.



United States Department of the Interior



OFFICE OF SURFACE MINING

Reclamation and Enforcement

Brooks Towers

1020 15th Street

Denver, Colorado 80202

IN REPLY REFER TO:

JUL 8 1993

MEMORANDUM

TO: Director

THROUGH: Deputy Director
Operations and Technical Services

FROM: Assistant Director
Western Support Center

SUBJECT: Recommendation for Approval of the PacifiCorp's Deer Creek Mine Mining Plan Modification for Federal Leases U-47977 and SL-050862, Emery County, Utah

I. Recommendation

I recommend approval of the Deer Creek Mine mining plan modification for Federal leases U-47977 and SL-050862. This is a mining plan modification for a underground coal mine being permitted under the Federal lands program and the approved Utah State program and cooperative agreement. My recommendation to approve the Deer Creek Mine mining plan modification is based on: (1) PacifiCorp's complete permit application package (PAP), (2) compliance with the National Environmental Policy Act of 1969, (3) documentation assuring compliance with applicable requirements of other Federal laws, regulations, and executive orders, (4) comments and recommendations or concurrence of other Federal agencies, and the public, (5) the findings and recommendations of the Bureau of Land Management with respect to the resource recovery and protection plan and other requirements of the Federal leases and the Mineral Leasing Act, and (6) the findings and recommendations by the Utah Division of Oil, Gas and Mining with respect to the PAP and the Utah State program.

Approval of this modification will authorize mining of about 250,000 additional tons of Federal coal and will add about 160 acres in Federal leases U-47977 and SL-050862 to the approved mining plan approval area, as shown on the maps included with this decision document. Approval of this modification will increase the number of acres in the

approved mining plan to 13,826 acres. The review of the PAP indicated that PacifiCorp's proposal would not require special conditions to be included in the mining plan approval document to comply with Federal law.

Utah Division of Oil, Gas and Mining (DOG M) reviewed the permit amendment application under the Utah State program, the Federal lands program (30 CFR Chapter VII, Subchapter D), and the Utah cooperative agreement (30 CFR § 944.30). Pursuant to the Utah State program and the cooperative agreement, Utah DOGM approved the permit amendment application on June 9, 1993.

OSM has consulted with other Federal agencies for compliance with the requirements of applicable Federal laws, and their comments and concurrences are included in the decision document. The resource recovery and protection plan was reviewed by the Bureau of Land Management (BLM) for compliance with the Mineral Leasing Act of 1920, as amended, and 43 CFR Part 3480, and BLM recommended partial approval of the resource recovery and protection plan in a memorandum dated February 28, 1991. BLM confirmed on July 3, 1993 that the February 1991 recommendation remained valid.

The U.S. Fish and Wildlife Service provided its final consultation comments under Section 7 of the Endangered Species Act in a memorandum dated May 20, 1993. The State Historic Preservation Officer concurred with Utah DOGM's assessment and recommendations for protection of cultural resources in a letter dated April 26, 1993. The U.S.D.A. Manti-La Sal National Forest, as Federal land management agency, concurred with the proposed mining plan action in a letter dated June 3, 1993.

I have determined that the proposed area of mining plan approval is not unsuitable for mining in accordance with section 522(b) of SMCRA.

The permit amendment area is located on Federal lands within the boundaries of the Manti-La Sal National Forest National Forest. However, based on OSM's analysis and on the concurrence of the USDA Forest Service, the surface operations and impacts of the Deer Creek Mine are incident to an underground coal mine and will not be incompatible with significant recreational, timber, economic, or other values of the Manti-La Sal National Forest National Forest.

OSM has determined that approval of this mining plan modification will not have a significant impact on the quality of the human environment. The impacts of approval of this mining plan modification and alternatives are described in the environmental assessment included with the decision document.

The mining plan approval document included in the decision document is in conformance with the Mineral Leasing Act of 1920, as amended, and applicable Federal regulations. I recommend that you advise the Assistant Secretary, Land and Minerals Management, under 30 CFR Part 746, that the PacifiCorp's Deer Creek Mine mining plan modification for Federal leases U-47977 and SL-050862 is ready for approval.

II. Background

The Deer Creek underground coal mine is located in Emery County, Utah, 8 miles west of Huntington. The mine has been in operation since 1969. About 56 acres have been affected by surface disturbance to date. The total permitted area of the Deer Creek Mine contains about 14,900 acres. Mining is expected to continue for 30 years under Utah Permit No. ACT/015/018 and the approved mining plan modification.

The original mining plan for the Deer Creek Mine was approved under the Federal lands program on October 11, 1985, for Federal leases SL-064607-064621, SL-064900, SL-070645, U-1358, U-02292, U-084923, U-084924, U-083066, U-040151, U-044025, U-014275, U-024319, and U-47979. On January 6, 1993, the mining plan for Federal leases U-47977 and SL-050862 was approved. That mining plan approval allowed the extension of the Third North Mains into 120 acres for the purpose of determining the faulting conditions in that area of the mine.

The underground mining operations utilize longwall mining methods. The Blind Canyon and Hiawatha coal seams are mined at an average production rate of about 2.7 million tons per year. No additional surface disturbance in the mining plan area will result from this action.

A chronology of events related to the processing of the PAP is included with the decision document. The information in the PAP, as well as other information identified in the decision document, has been reviewed by Utah DOGM staff in coordination with the OSM Project Leader.

During the review of the PAP, no major issues were identified.

Utah DOGM determined that a bond in the amount of \$2,000,000 is adequate for the Utah Permit No. ACT/015/018 associated with this mining plan action. The bond is payable to the State and the United States.

The PAP submitted by PacifiCorp and updated through May 27, 1993, Utah DOGM's Findings and supporting documentation provided to OSM under the cooperative agreement, the environmental assessment of the proposed action and alternatives prepared by OSM, other documents prepared by Utah DOGM, and correspondence developed during the review of the PAP are part of OSM's administrative record.

Raymond L. Lowrie

Raymond L. Lowrie

7/8/93
Date

Attachments



United States Department of the Interior



OFFICE OF SURFACE MINING

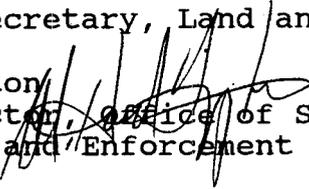
RECLAMATION AND ENFORCEMENT

WASHINGTON, D.C. 20240

JUL 15 1993

MEMORANDUM

To: Assistant Secretary, Land and Minerals Management

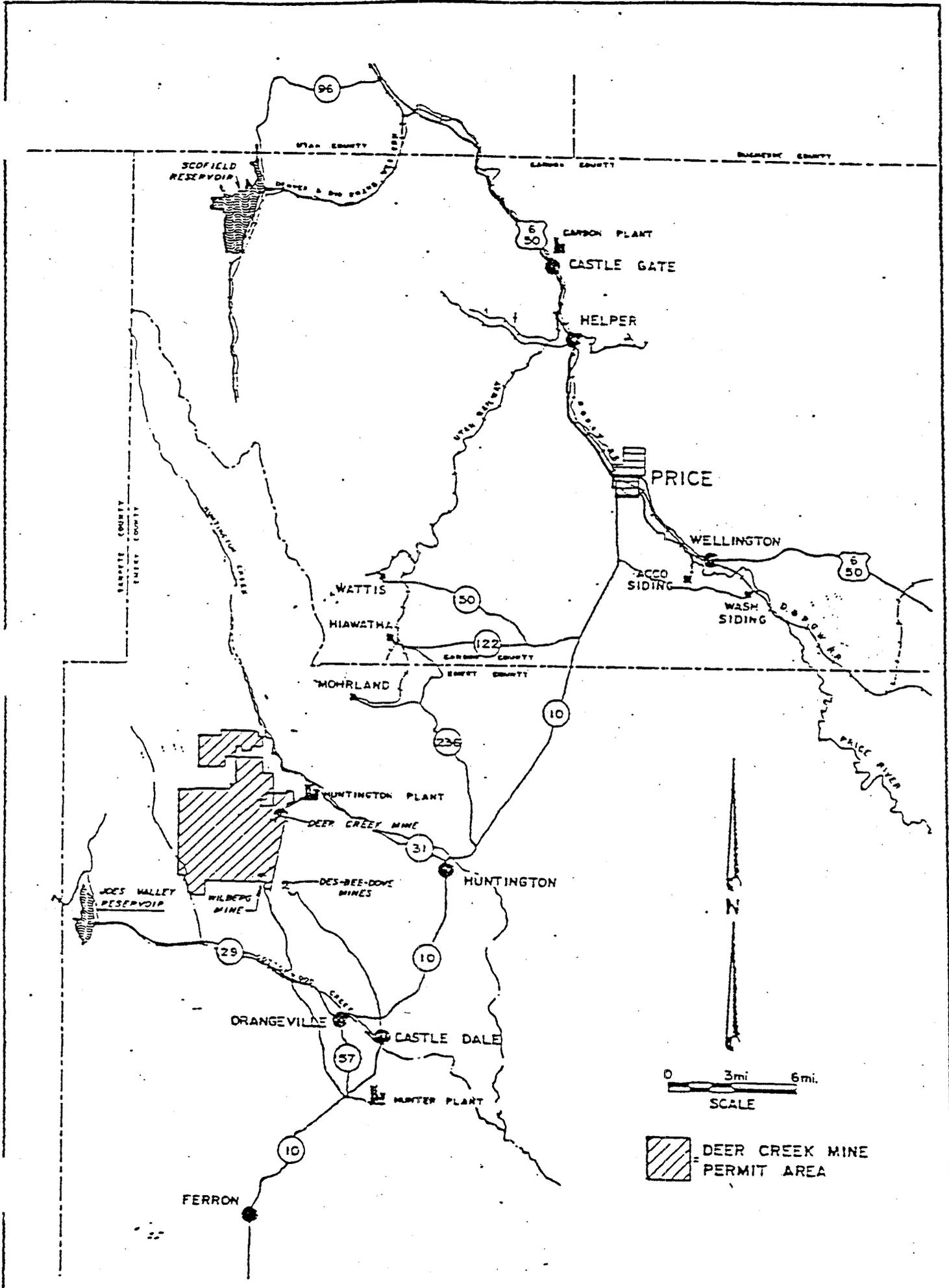
From: W. Hord Tipton, 
Acting Director, Office of Surface Mining
Reclamation and Enforcement

Subject: Recommendation for Approval of the PacifiCorp's Deer Creek Mine Mining Plan Modification for Federal Leases U-47977 and SL-050862, Emery County, Utah

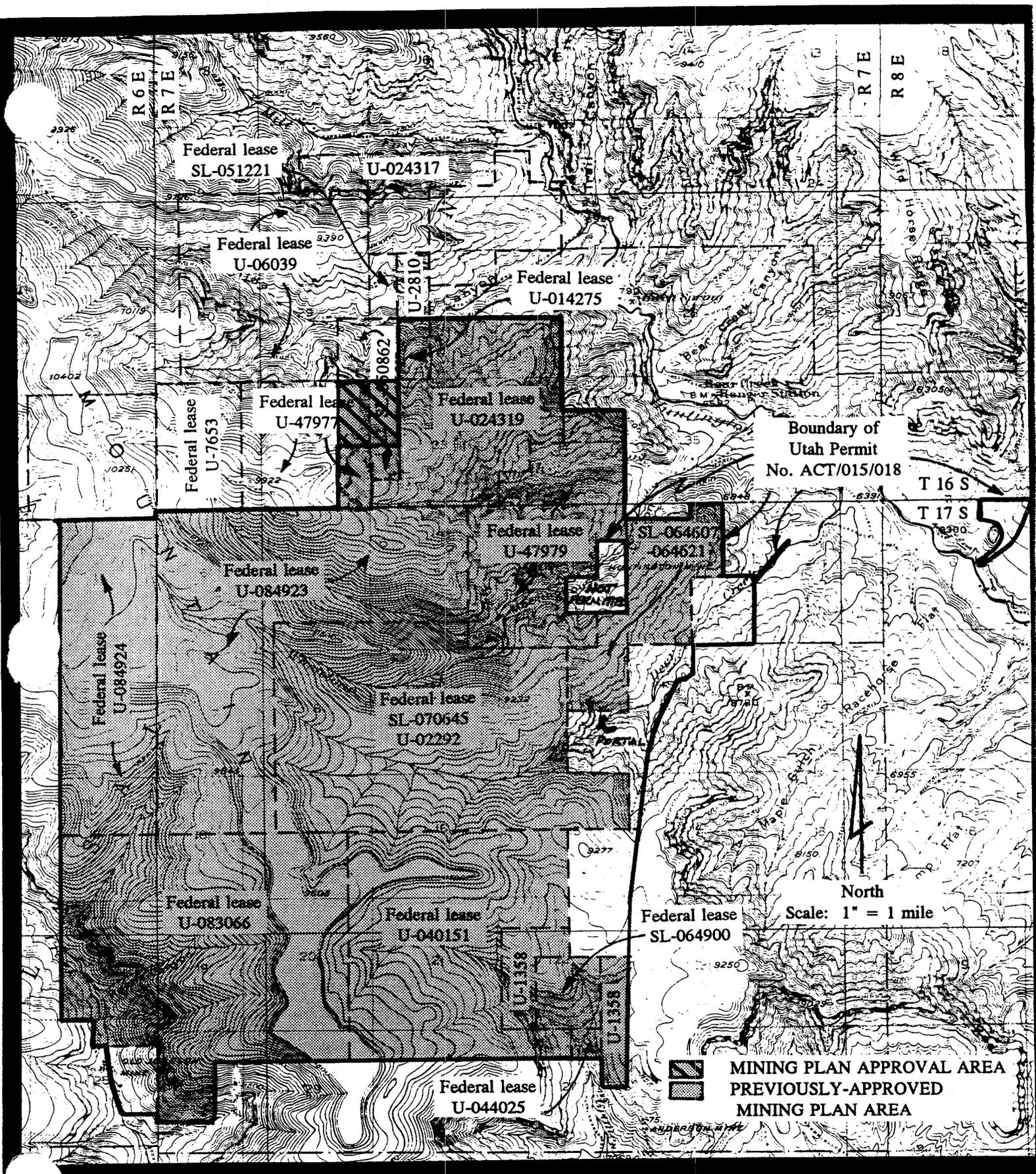
I recommend approval of the PacifiCorp's Deer Creek Mine mining plan modification for Federal leases U-47977 and SL-050862 pursuant to the Mineral Leasing Act of 1920, as amended. This mining plan modification supplements the Deer Creek mining plan for Federal leases U-47977 and SL-050862, approved on January 6, 1993. My recommendation to approve the Deer Creek Mine mining plan modification is based on: (1) PacifiCorp's complete permit application package (PAP), (2) compliance with the National Environmental Policy Act of 1969, (3) documentation assuring compliance with applicable requirements of other Federal laws, regulations, and executive orders, (4) comments and recommendations or concurrence of other Federal agencies, and the public, (5) the findings and recommendations of the Bureau of Land Management with respect to the resource recovery and protection plan and other requirements of the Federal leases and the Mineral Leasing Act, and (6) the findings and recommendations by the Utah Division of Oil, Gas and Mining with respect to the PAP and the Utah State program.

The Secretary may approve a mining plan modification for Federal leases under 30 U.S.C. §§ 207(c) and 1273(c). Pursuant to 30 CFR Chapter VII, Subchapter D, I find that the proposed mining plan will be in compliance with all applicable laws and regulations. The decision document for the proposed mining plan action is attached.

Attachment



 DEER CREEK MINE PERMIT AREA



Mining Plan Approval Area
 Deer Creek Mine
 Emery County, Utah

CHRONOLOGY

Deer Creek Mine
Federal Leases U-47977 and SL-050862
Mining Plan Decision Document

<u>DATE</u>	<u>EVENT</u>
April 13, 1993	PacifiCorp (PacifiCorp) submitted the permit application package (PAP) under the approved Utah State Program to the Utah Division of Oil, Gas and Mining (DOGM) for a (new) permit (revision) for the Deer Creek Mine.
April 19, 1993	The Office of Surface Mining Reclamation and Enforcement (OSM) received the PAP.
April 26, 1993	The State Historic Preservation Office provided its comments on the mining plan.
May 20, 1993	The U.S. Fish and Wildlife Service provided its final consultation comments on the mining plan.
May 27, 1993	OSM received PacifiCorp's submittals amending the PAP.
May 28, 1993	The Bureau of Land Management provided its findings and recommendations on the approval of the mining plan.
May 28, 1993	Utah DOGM determined that the PAP was administratively complete for public review and comment.
June 3, 1993	The Federal land management agency provided its final concurrence with the approval of the mining plan.
June 9, 1993	OSM received Utah DOGM's draft Findings and supporting documentation for review and comment. Utah DOGM approved the PAP.
June 11, 1993	OSM submitted its comments regarding the draft Findings and supporting documentation to Utah DOGM.
June 14, 1993	OSM received Utah DOGM's final Findings and supporting documentation.
June 1993	OSM's Western Support Center recommended that the mining plan modification be approved.

U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
FINDING OF NO SIGNIFICANT IMPACT
FOR
Deer Creek Mine
Federal Leases U-47977 and SL-050862
Mining Plan Decision Document

A. Introduction

PacifiCorp submitted a permit application package (PAP) for a permit amendment for the Deer Creek Mine to the Utah Division of Oil, Gas and Mining (DOGM) under the Utah State program (30 CFR Part 944). The PAP proposes extending underground mining operations into about 160 acres of Federal leases U-47977 and SL-050862.

Exploratory drilling in the development sections of the mine revealed changes in the projections of geologic faulting. The new fault projections require shortened longwall panels and development of the Third North Mains further north at an earlier time than previously planned. This proposed mining plan modification would allow such northerly development of the Third North Mains. It would cause no new surface disturbance in the mining plan area.

Under the Mineral Leasing Act of 1920, the Assistant Secretary, Land and Minerals Management, must approve, approve with conditions, or disapprove the mining plan modification for Federal leases U-47977 and SL-050862. Pursuant to 30 CFR Part 746, the Office of Surface Mining Reclamation and Enforcement (OSM) is recommending approval of this mining plan modification.

B. Statement of Environmental Significance of the Proposed Action

The undersigned person has determined that the approval of the mining plan modification would not have a significant impact on the quality of the human environment under section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4332(2)(C), and therefore, an environmental impact statement is not required.

This finding of no significant impact is based on the attached environmental assessment prepared by OSM in March 1985 for the original mining plan approval. OSM has reviewed the environmental assessment and has determined that it assesses the environmental impacts of the proposed action adequately and accurately and to provides sufficient evidence and analysis for this finding of no significant impact. The 1985 environmental assessment adequately identifies and discusses the environmental impacts of the proposed action in the context of mining operations for the

13,546-acre mining plan area approved in 1985. The proposed 160-acre mining plan modification is a minor extension of those approved operations and would cause no new surface disturbance. The effects of mining on the hydrologic system would not change from those described in the 1985 environmental assessment. The State has required monitoring of continued inflows in the development entries to ensure that hydrologic effects are minimized.

Richard E. Dawes

Chief, Federal Programs Division
Western Support Center

7/8/93

Date

ENVIRONMENTAL ASSESSMENT
FOR THE
DEER CREEK MINE

PREPARED BY:

U.S. OFFICE OF SURFACE MINING
WESTERN TECHNICAL CENTER

MARCH 18, 1985

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ENVIRONMENTAL ASSESSMENT
FOR THE DEER CREEK MINE,
EMERY COUNTY, UTAH

March 18, 1985

INTRODUCTION

The Deer Creek Mine is an underground coal mine owned by the Utah Power and Light Company (UP&L) and operated by the Emery Mining Company. The mine is located in central Utah approximately eight miles west of Huntington, Utah. The proposed permit area covers 14,620 acres, approximately 7,200 acres of which will be undermined. Approximately 91 percent of the permit area is underlain by thirteen Federal coal leases. The remaining coal is either owned by UP&L or leased to UP&L. Coal reserves total approximately 186,000,000 tons with 95,000,000 tons recoverable. Federal surface on the proposed permit area totals 8,225 acres with 7,985 acres managed by the Manti-LaSal National Forest, and the remaining 240 acres managed by the Bureau of Land Management. The proposed mining rate will average 2.5 million tons per year. The estimated life of the mine is 47 years.

The Bureau of Land Management, Branch of Solid Minerals, granted approval of the Deer Creek Resource Recovery and Protection Plan (RRPP) on October 31, 1984. The Office of Surface Mining (OSM) has determined that the northern leases proposed for permitting by the applicant (U-06039, SL-051221, and U-024317) cannot be permitted at this time because the applicant has not obtained the right-of-entry to access privately owned lands adjacent to these coal lease areas. Therefore, the permit area and mining plan area are 2,280 acres smaller than the RRPP approval area. The proposed area of mining plan approval and permit approval are identical.

Adjacent to the Deer Creek operation is the Wilberg Mine, the Des-Bee-Dove Mine, and the Trail Mountain Mine. Deer Creek, Wilberg, and Des-Bee-Dove are owned by UP&L. While the Deer Creek Mine is primarily devoted to mining the Blind Canyon coal seam (with the exception of the northern part of the permit area where both the Blind Canyon and Hiawatha seams are mined), the Wilberg Mine is primarily devoted to mining the Hiawatha coal seam which is situated below the Blind Canyon seam. Therefore, most of the Deer Creek and Wilberg Mines overlap (Figure 1). The Des-Bee-Dove Mine is situated adjacent to Deer Creek and Wilberg on the east. The Trail Mountain Mine (Trail Mountain Coal Company) is adjacent to Deer Creek and Wilberg on the southwest.

Other active mines in the vicinity of the Deer Creek Mine are the Hiawatha Mine (King Mines), the Star Point Mine, Crandall Canyon Mine, Huntington Canyon Mine, and the non-Federal Bear Canyon Mine.

PURPOSE AND NEED FOR ACTION

The Deer Creek Mine has been operating under a permit issued by the State of Utah, Division of Oil, Gas and Mining (UDOGM) (ACT/015/018) since May 11, 1978, with approval under 30 CFR 211 issued by the U.S. Geological Survey on January 23, 1978. To continue mining, the applicant has submitted an underground mining and reclamation permit application in compliance with the Coal Mining and Reclamation Permanent Program (Chapter 1) of the State of Utah. The necessary federal action is to approve, disapprove, or conditionally approve the permit and mining plan in accordance with the requirement of SMCRA and the Mineral Leasing Act. This environmental assessment will address the environmental consequences of the proposed mining operations and reclamation plans in the permit application package. The consequences of no permit approval will also be addressed. The purpose of this document is to assist the decision makers in making a decision with respect to NEPA compliance.

DESCRIPTION OF ALTERNATIVES

Proposed Action: Approval of the Permit Application Package, With Conditions

OSM may approve the operator's permit application package for the 14,620 acres of coal subject to certain conditions.

Alternative I: No Action

SMCRA and the Mineral Leasing Act requires that the Secretary of the Interior approve, disapprove, or conditionally approve mining operations on Federal leases. Therefore, the alternative to take no action is not viable and will not be discussed further.

Alternative II: Disapproval of the Permit Application Package

Disapproval of the permit application package would result in permanent closure of the existing mining operation. All facilities are in place at the Deer Creek Mine, so this alternative would not result in long-term impacts greatly different from the proposed action. Under this alternative, the mine operator would begin reclamation at the disturbed area.

DESCRIPTION OF THE AFFECTED ENVIRONMENT

Soils

Soils in the proposed permit area are composed of three map units. These units are Typic Cryochrepts-Lithic Cryorthents-Rock Outcrop, loamy skeletal, shallow association (40-60 percent slopes); Pachic Cryoborolls, loamy and loamy-skeletal (10-25 percent slopes), and Typic Cryoborolls, loamy and loamy-skeletal (25-40 percent slopes). The Typic Cryochrepts association is composed of soils which are primarily loamy skeletal and lithic with areas of sandstone outcrops. Cryochrepts have a gravelly loam or sandy loam surface layer 35 cm thick with 25 percent sandstone fragments underlain by a gravelly or stoney loam 100 cm thick with 35-50 percent sandstone fragments. Cryorthents are primarily shallow and are underlain by rock within 50 cm of the surface. The Pachic Cryoboroll soil has a loamy surface layer about 60 cm thick overlying a loamy subsoil 30 cm thick. The substratum is a gravelly sandy loam containing 50 percent sandstone fragments. The Typic Cryoboroll soil is characterized by a loamy surface layer about 40 cm thick over a calcareous substratum with up to 50 percent sandstone fragments.

Hydrologic Resources

The Deer Creek permit area comprises approximately 14,620 acres of land located within Cottonwood and Huntington drainages. The disturbed area (surface disturbance, 25 acres) is drained by Deer Creek, a tributary of Huntington Creek. Most tributaries located on the permit area are ephemeral or intermittent except for Deer Creek, the left fork of Grimes Wash, and sections of Meetinghouse and Rilda Canyon Creeks. Meetinghouse is considered to be perennial below Elk Spring, and Rilda Canyon Creek is considered a perennial stream below the confluence of its right and left forks. Elevations in the general area range from around 7,000 feet in the canyon bottoms to 10,000 feet along the ridges and plateaus. Sediment-treated water from the Deer Creek Mine facilities area drains into Huntington Creek, approximately three miles north of the main tipple. The Huntington Creek drainage basin encompasses 181 square miles above its confluence with Deer Creek. Huntington Creek, a perennial tributary to the San Rafael River, annually yields approximately 67,000 acre-feet of water. The discharge averages approximately 96 cfs.

The major drainages within the permit area are relatively small perennial to intermittent streams. This base flow is sustained by spring discharges and groundwater seeps. Most of the annual flow (approximately 65 percent) comes in April through June in response to snowmelt. The water quality of the surface drainage is generally good and can be characterized as a calcium-magnesium bicarbonate water with total dissolved solids ranging from 300 to 600 milligrams per liter.

The majority of springs on East Mountain occur in the North Horn Formation, which consists of variegated shales, sandstones, conglomerates and freshwater limestone. The overlying Flagstaff Limestone is highly fractured, which allows for good vertical transport of water with little lateral movement, and hence few springs. The Flagstaff serves as a local source of recharge to the North Horn Formation. The existing water quality of the springs on East Mountain is good and is of similar chemical character to the surface water. The applicant has identified numerous springs and seeps within three miles of the permit area.

Vegetative Resources

The permit area includes five vegetation types: mixed conifer, pinyon-juniper, sagebrush, grass, and riparian. Mixed conifer primarily occurs at higher elevations and on north-facing slopes, and is the most extensive floral community. The next most extensive community is pinyon-juniper which occurs on steep rocky slopes with a southern exposure and on more gentle terrain at lower elevations. The sagebrush and grass communities occur at higher elevations on more moisture deficient sites. The riparian community occurs along Cottonwood Creek on the western side of the permit area, with some along Deer Creek.

Fish and Wildlife Resources

Wildlife species inhabiting the mine permit area and vicinity are typical for this region of the Wasatch Plateau. Several game and high-interest species inhabit the general vicinity of the mine permit area. None are potentially exposed to any significant impact. Riparian habitat along Deer Creek is considered of high value to the area's wildlife resources; however, none of the habitats present are unique or restricted to the mine permit area. No fish species occur in Deer Creek or Grimes Wash in the vicinity of the mine facilities, although the drainages are tributary to Huntington Creek, which does support trout and is classified as a Class 3 fishery.

Cliffs in the vicinity of the mine portal and facilities area represent potentially valuable cliff-nesting habitat for several species of raptors (e.g. golden eagle, red-tailed hawk, and prairie falcon). Wooded habitats within the permit area also provide nest sites for tree-nesting species such as northern goshawk, Coopers's hawk, sharp-shinned hawk, red-tailed hawk, American kestrel, and screech owl. The bald eagle is a winter visitor to the area. A 1981 U.S. Fish and Wildlife Service raptor survey for cliff-nesting species identified two golden eagle nests (No. 57 & 59) and one raven nest (No. 58) within one kilometer of the Wilberg Mine portal area. All were inactive in 1982. Four buteo nests were located near the Deer Creek Mine facilities area. One of these nests was an active red-tailed hawk nest in 1981. All were inactive in 1982. In addition, an inactive raven nest (No. 46) occurs within one kilometer of the Meetinghouse Canyon breakout (Map 2-18, PAP Vol. 6).

Mule deer occur within the permit area year round. During the summer they are found predominantly in habitats at the mid to upper elevations in the permit area (e.g., mixed conifer, sagebrush, and grassland). In the winter, habitats at the lower elevations (especially pinyon-juniper) along the benches and slopes of the southern and eastern portions of East Mountain are designated by the Utah Division of Wildlife Resources (UDWR) as high-priority and critical mule deer winter range. The pre-law waste rock storage site and portions of the access/haulroad and sewer absorption field occur within high-priority mule deer winter range.

Land Use

Surface ownership of the Deer Creek portal and facilities area is private (UP&L Co.). The majority of the remaining land within the mine permit area is either privately owned or is part of the Manti-LaSal National Forest. The Bureau of Land Management manages 240 acres.

Premining land uses in the disturbed areas associated with the Deer Creek Mine were livestock grazing and wildlife habitat. Land use on and adjacent to the permit area consists of recreation, mining, wildlife habitat, and limited livestock grazing.

Topography

The Deer Creek Mine is located at the junction of Deer Creek Canyon and Elk Canyon. The facilities area is for the most part located on a flat area created by pre-law fill material along the stream, but is adjacent to a steep hillside. The hillside has been excavated to form additional work area for the operations. The cliff above the mine is formed by interbedded shales and sandstones and massive sandstone layers. The sandstone layers form vertical cliffs over much of the hillside.

Cultural Resources

See Addendum A

Socioeconomics

See Addendum B

ENVIRONMENTAL IMPACTS OF THE PROPOSED ALTERNATIVE

Soils

The soils existing at the Deer Creek Mine were buried during previous mining operations. No new disturbances are planned at this site.

Because soil for reclamation is lacking, the applicant proposes to attempt to develop a substitute soil by temporarily reclaiming various existing fill slopes which will not be disturbed during mining (see Chapter X, Technical Analysis, Revegetation). It is assumed that the surface material of the slopes, through temporary reclamation, will increase in organic matter content and microbial populations, thereby providing a planting medium superior to existing fill materials. At the onset of final reclamation grading, this "topsoil" would be stripped from the temporarily reclaimed slopes and temporarily stockpiled during backfilling and grading operations. As grading is completed, these cut-and-fill seedbed materials ("topsoil") will be distributed on newly graded surfaces to a depth of 6 to 12 inches at random locations throughout the site to enhance reclamation potential.

The seedbed at the Deer Creek Mine will consist primarily of fill composed of sandstone and shale parent material. During previous mining coal wastes became mixed with this material at and adjacent to coal handling facilities. Mixing will continue through the life of the mine (potentially 47 years). The applicant has committed to burying all toxic materials, which will result in the use of uncontaminated fill as seedbed material after final grading. Therefore, the impact of coal mixing is considered slight.

Erosion of fill, and therefore future seedbed materials, will occur during operations as a result of wind and water forces. The potential for erosion is greatest on the slopes of the major construction fills. To decrease erosion potential, the applicant will fertilize, plant, and mulch these slopes during the first year of operations. Irrigation will be used on subsequent plantings if the first seeding attempt fails. Though slope reclamation will reduce erosion to some degree, the success of revegetation cannot be quantified at this time. Erosion will be significantly reduced for at least one year after planting due to mulch application. As mulch decomposes, erosion will increase until vegetation becomes established.

Soil in stockpiles will be subject to compaction, a reduction in nutrient levels, and a reduction in the microbial populations. Soil structure will also be lost during salvage. Compaction will be relieved during soil reapplication. Nutrient levels will be re-established through fertilization. Microbial populations should readily re-establish in the soil matrix through inoculation from surrounding areas. Soil in stockpiles will be lost through erosion. This loss, however, should be minimal with respect to the total amount salvaged. The applicant's commitment to temporarily revegetate berm stockpiles will reduce soil loss resulting from erosion.

Reapplied soil will be subjected to erosion from the time of final grading until revegetation is established. As in the case of temporary revegetation of Wilberg Mine fill slopes, erosion should be significantly reduced from the time of mulch application until applied mulch decomposes and no longer provides surface protection. Erosion will likely increase at this time until vegetative cover is established because of the quality of seedbed material involved, the steep postmining slope gradients, and the average annual precipitation. Because of the commitment to irrigate if the initial planting fails, the significance of this impact is reduced both in terms of magnitude and duration. With respect to these factors, the erosion impact is considered less serious for both the Cottonwood fan portal and the waste rock disposal site. It is believed that establishment of vegetative cover to presumed premining levels can be accomplished more rapidly at these sites. Therefore, the duration of the erosion impact, compared to that of the main mine site, is reduced.

Surface Water Hydrology

All surface drainage facilities are designed to safely control water and sediment runoff from all disturbed areas. In addition, all surface water originating from undisturbed lands upstream of the facilities area will be controlled and diverted around the operation. Storm runoff from within the mine facilities area is collected in a system of open ditches, bermed roadways and culverts, and is discharged to the sediment pond at the base of facilities area. All undisturbed runoff is discharged to Deer Creek below the facilities area.

The sediment pond is designed to detain the 10-year, 24-hour storm. It should be noted that when the design event is exceeded (i.e. storms larger than the 10-year, 24-hour storm), sediment detention times will be reduced, leading to a slightly higher sediment load in Deer Creek.

Runoff from 25 acres of disturbed land will be temporarily detained in the Deer Creek Mine sediment pond. This water will be released to Deer Creek following the required 24-hour detention. The surface-water impact associated with the Deer Creek Mine operations will be minimal.

At the end of mining and reclamation, impact to the surface-water system will be minimal. It is not anticipated that significant dewatering of the springs by mining and associated subsidence will take place. Fourteen springs located on the permit area are closely monitored by the applicant. Should mining at the Deer Creek Mine affect the recession behavior of these springs, the applicant has committed to replace the lost water supply.

Reclamation of the drainage at the Deer Creek Mine will consist of removing the temporary drainage system, diversion and sedimentation pond. Permanent channels will be constructed over the fill and into a splash basin. The Utah program regulations currently require all diversions to be routed away from fill. However, the applicant's proposal has been determined to be sound engineering design and acceptable as a state-of-the-art experimental practice under UMC 785.13. All channels are designed to pass the 100-year, 24-hour runoff peak flow. The proposed surface-water reclamation plan will have negligible impact on water quantity or quality of Deer Creek and its tributaries.

Ground-Water Hydrology

The Deer Creek Mine discharges an average of 0.7 cfs. The majority of this intercepted groundwater is utilized by the Huntington Power Plant as cooling water. Numerous springs and seeps exist on and near the permit area. The majority of these springs (39 of 59) discharge from the North Horn Formation.

The ground-water system is generally described as consisting of numerous perched aquifers in the North Horn and Blackhawk Formations. These aquifers receive recharge from snowmelt and influent stream through a system of fractures and faults in the overlying and occasionally underlying formations. Confining layers of lenticular siltstones and shales direct the lateral movement of ground water. The data collected by the mine generally support this hypothesis. Ground water is intercepted but rapidly diminishes in flow.

With the approval of the mine plan, a detailed ground-water monitoring program will be approved. The applicant will collect data from 59 springs and extensively monitor the discharge recession of 14 springs.

Discharge quantity and quality data will continue to be collected from seeps within the mine, and two wells located off site will continue to provide baseline data.

Based on the available data, it appears that the Deer Creek Mine will not significantly impact the ground-water resources of the area. Because of the uncertainties associated with the hydrologic consequences of the proposed and continued operations, the applicant has committed to a detailed ground-water monitoring program. In the event that monitoring data should indicate a significant impact occurring, the applicant has committed to mitigation of the impact.

Vegetation Resources

Only pinyon-juniper vegetation has or will be disturbed in the Deer Creek Mine permit area. Twenty-five acres of pinion-juniper vegetation has been disturbed by the Deer Creek Mine at the main facility area. No further disturbance will occur. Since revegetation will restore the native species to these areas, the long-term impacts should be minimal.

Fish and Wildlife

Surface disturbances associated with the Deer Creek Mine total approximately 25 acres, all within pinyon-juniper habitat. The disturbed area will remain devoid of wildlife habitat for the life of the mine and until reclamation is successful. None of the areas affected represent any unique habitats for the region or critical habitats for threatened or endangered species. Because of this and the limited extent of surface disturbance, the overall potential for impact on wildlife species resulting from loss of habitat will remain relatively minor.

Other mine-associated wildlife impacts that may be more important than direct loss of habitat include (1) human harassment of wildlife, (2) mule deer road kills, and (3) the potential effects of subsidence on springs and raptor cliff-nesting habitat. The effects of human harassment on wildlife, either inadvertent or purposeful, should be considered from a cumulative standpoint since at least three other mines are currently operating along the southern end of East Mountain. However, since premining baseline data for wildlife

populations in the area are lacking, these effects are extremely difficult to quantify. Company-sponsored wildlife educational programs should help to reduce harassment of wildlife as much as possible.

Mine-related subsidence is not expected to impact springs within the Deer Creek permit area. The total spring flow within the permit area is small in comparison to the total spring flow on East Mountain. Spring monitoring will allow early detection of subsidence effects on the springs system so that any necessary mitigation measures can be initiated to protect the hydrologic balance from the cumulative effects of the Wilberg and Deer Creek Mines Complex.

At a minimum, mine activities will likely preclude raptor nesting use of cliff nest sites within one kilometer of the Deer Creek Mine facilities area. The effect of subsidence on raptor cliff nesting habitat is considered to be minor. Subsidence at a cliff face will simply create new cliff face that will provide equivalent nesting habitat. The only nest potentially affected by subsidence is one inactive raven nest (No. 46) located in Meetinghouse Canyon (Map 2-18, PAP Vol. 6). If subsidence affects this nest or any nests constructed in the future, the permit requires the mine operator to work closely with State and Federal agencies to mitigate damage to the nest sites.

Land Use

Surface disturbance associated with the Deer Creek Mine will remain until reclamation is completed following mine closure. Land-use impacts resulting from surface disturbance will be relatively minor, since these areas have already been disturbed and will not be expanded. In addition, premining grazing use of these areas was limited because of steep slopes and generally low levels of available wildlife forage.

Backfilling and Grading

The applicant is planning to return the surface disturbances associated with the Deer Creek Mine to a suitable postmining topography capable of supporting the intended postmining land use. The fill, a pre-law structure supporting the surface facilities, will remain. The location of this fill in the canyon will not be inconsistent with the surrounding topography. The stability of the fills as they exist and after reclamation has been evaluated and meets the requirements of the regulations. This conclusion is based upon analyses presented by the

applicant, and the duration of the fills over which there have been no major slope failures. The environmental and economic factors associated with the alternative of removing the fill are considered detrimental when compared to the applicant's proposal and designs for leaving the fill. The post-mining drainage system has been evaluated in Chapter II of the technical analysis (TA) document and has been found to be adequate. The applicant is granted a variance from the requirements of UMC 817.72(d).

Coal waste and pyritic materials will be diluted with low sulfur rock and fill material, and will be buried under four feet of non-toxic fill as will road-base material and sediment from the sediment pond. The applicant has proposed plans for backfilling that will ensure the mass stability of the slopes.

Subsidence

Approval of mining in the Deer Creek Mine will result in lowering of the ground surface possibly over 10 feet in many areas of the mine where multiple seam mining will occur. In areas of deep cover (greater than 1,400 feet), monitoring has shown that up to 6 feet of subsidence has not resulted in any significant impacts to the ground surface, seeps, or springs. Some uncertainty exists as to what extent of surface cracking might occur. Possible impacts include (1) fracturing of the surface, which would be a hazard to cattle and wildlife, (2) fracturing along cliffs, which could cause slope failures and possibly disrupt raptor nests, and (3) fracturing of overburden through the North Horn Formation which could result in disruption of some seeps and springs. Information to be submitted by the applicant in annual monitoring reports will identify the probable extent of these impacts. At this time, there is no positive evidence of detrimental subsidence effects to streams or springs. The applicant has proposed adequate measures to mitigate subsidence cracking, and has committed to mitigation of other subsidence drainage that may occur.

Cultural Resources

See Addendum A

Socioeconomics

See Addendum B

IMPACTS OF THE DISAPPROVAL ALTERNATIVE

Disapproval of the permit application would shut down the existing Deer Creek mining operation and reclamation of the present disturbance would commence. Given the 47-year life of the mine and the prospects of no additional surface disturbance, this alternative would provide few additional environmental benefits and would result in the loss of the recoverable coal reserves. The final extent of subsidence related impacts would be reduced as no further mining would take place. The most noticeable impact would be socioeconomic in nature, resulting in the permanent loss of jobs in the area. It is possible that some of the existing staff at Deer Creek would be used for reclamation operations. Coal would have to be obtained elsewhere, impacts would be transferred to other sites.

The impact unique to this alternative would be the loss of 95,000,000 tons of recoverable coal reserves.

Environmental Assessment
Addendum A

Wilberg, Deer Creek and Des-Bee-Dove

Cultural Resources

A. Description of Existing Environment

A single all-inclusive inventory of the three Utah Light and Power (UP&L) mines was conducted in 1980 by Archaeological-Environmental Research Corporation which included intensive inventories of proposed surface disturbance areas and a sample inventory of areas potentially impacted by subsidence. The resulting report summarized previous work in the lease area, including survey of areas around drill hole locations and 160-acre sample units in conjunction with the Central Utah Coal project. Areas surveyed include the Wilberg, Des-Bee-Dove and Deer Creek Mines in Emery County, Utah. Eight sites and 12 isolated finds have been recorded, including one historic site and seven prehistoric sites. Four of the sites (42 EM 1308, 1309, 1310, 1633) are considered eligible for nomination to the National Register of Historic Places. None of the eligible sites were in an area of proposed surface disturbance, although potential impacts from subsidence may occur in the future. The Utah State Historic Preservation Officer has made a finding of "no effect" if the permit is approved.

B. Description of Applicant's Proposal

OSM's administrative review of the cultural resources documentation submitted with the UP&L permit applications identified several inadequacies that required the submission of additional information. The applicant has submitted the required information.

C. Evaluation of Compliance

Applicant's Compliance: Acceptance and implementation of the proposed Special Stipulations (Section F) will indicate that the applicant is in compliance with all applicable regulations and legislation.

OSM Compliance: OSM has received concurrence from the Utah State Historic Preservation Officer concerning eligibilities of sites (recommended as eligible: 42EM 1308, 1309, 1310, 1663 - recommended as not eligible: 42EM 853, 854, 855, 1307), and in a finding of "No Effect" if the permit is approved.

D. Revision to Applicant's Proposal

If the plan is approved, the applicant will satisfy the permit conditions identified in Section F.

F. Proposed Permit Conditions

Standard Permit Condition: If, during the course of mining operations, previously unidentified cultural resources are discovered, the applicant shall ensure that the site(s) is not disturbed and shall notify OSM. The operator shall ensure that the resource(s) is properly evaluated in terms of the National Register Eligibility Criteria (36 CFR 60.6). Should a resource be found eligible for listing (in consultation with OSM), the land managing agency (if the site is located on Federal lands) and the State Historic Preservation Officer require the operator to confer with and obtain the approval of these agencies concerning the development and implementation of mitigation measures.

Special Permit Condition: At such time that OSM, in consultation with the Division of Oil, Gas and Mining and the SHPO, determines that subsidence within the permit area may adversely affect known or unrecorded cultural sites, additional cultural resources studies may be required. This determination will be based on new subsidence or cultural resource information and clear justification will be presented to the applicant.

G. Summary of Compliance

The applicant will be in compliance if all conditions in Section F are adhered to and by ensuring that the proposed permit conditions are followed. OSM is in compliance, and SHPO concurrence has been received.

H. Proposed Departmental Action

The Secretary can approve the application with the proposed Special Stipulations following receipt of SHPO concurrence with recommendations concerning site eligibility and project effect.

I. Residual Impacts of Proposed Departmental Action

Sites which are currently considered ineligible for nomination to the NRHP will be directly impacted and an unknown number of sites will be indirectly affected.

Cultural resources that are considered insignificant today may contain information that would be recognized as significant in the future. These sites could be adversely affected, making future data recovery impossible. Unknown cultural resources may also be adversely affected through operator activities, vandalism and unauthorized collection.

J. Alternatives to the Proposed Action

One alternative would be disapproval of the permit. Another would be to require complete inventory of the permit area and avoidance of all cultural resources during construction of surface facilities. Neither of these alternatives is appropriate.

The preferred alternative is to approve and implement the requirements stipulated in Section F. This allows the applicant to proceed and allows OSM to comply with all applicable Federal legislation and regulations.

Environmental Assessment
Addendum B

DEER CREEK MINE COMPLEX
SOCIOECONOMIC ASSESSMENT

Existing Environment

Utah Power and Light Company currently employs 372 people at the Deer Creek Mine Complex. This includes 75 supervisory and 40 office personnel. This employment level is projected to remain stable in order to produce 2.5 million tons a year of coal throughout the life of the mine.

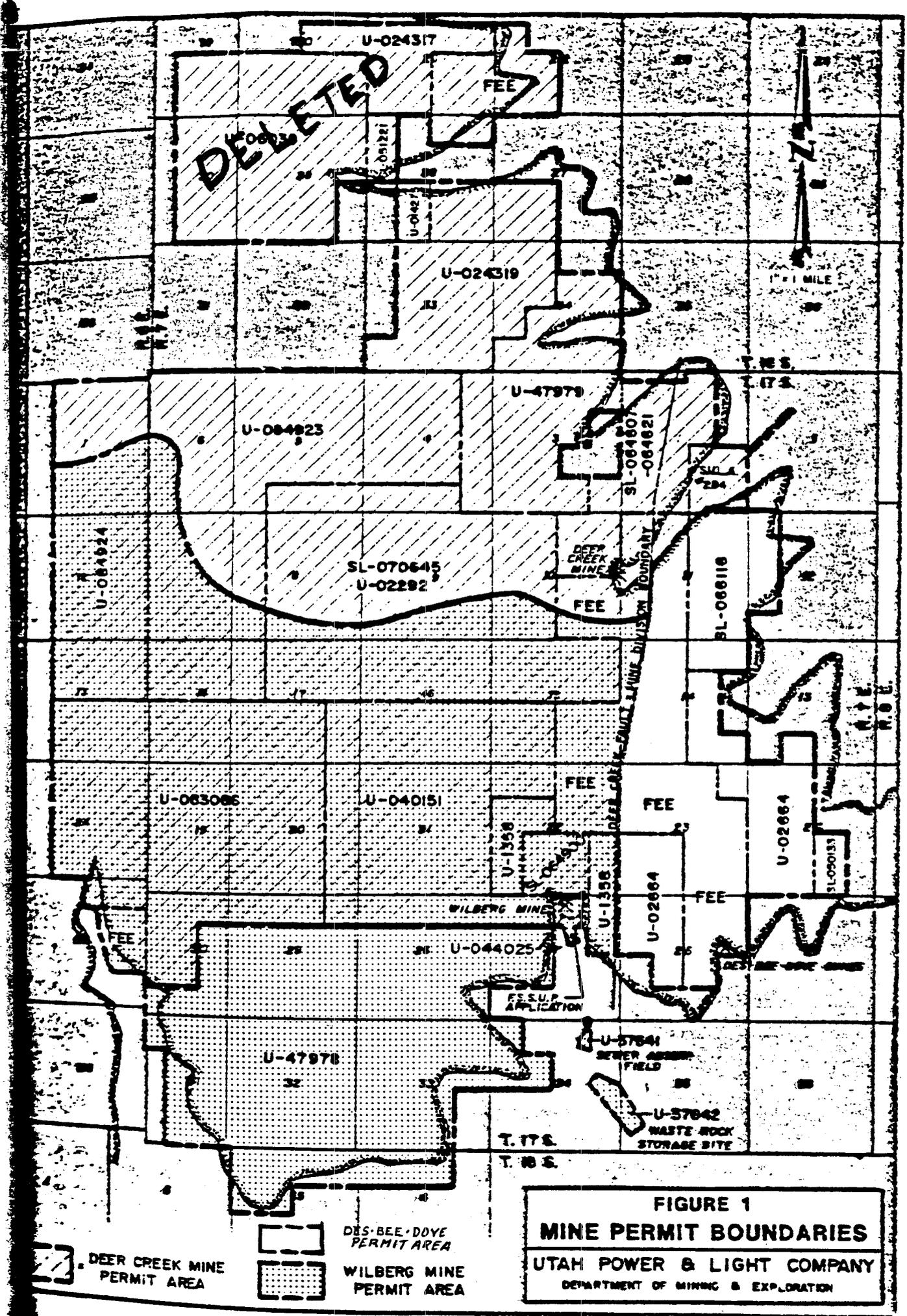
The primary jurisdictions affected by the mining operation and their current and projected population are as follows:

	<u>1980</u>	<u>1985</u>	<u>2000</u>
Emery County	11,450	15,750	20,900
Castle Dale	2,052	2,835	3,362
Orangeville	1,140	1,890	2,508
Huntington	2,622	3,150	3,762
Carbon County	23,500	29,100	32,250

. Source: Southeastern Utah Association of Governments, May 14, 1984

Projected Impacts

The employment level at the Deer Creek Mine Complex will remain constant throughout the life of the mine; therefore, there will be no primary or secondary socioeconomic impacts associated with the continued operation of the facility. The mine currently supports approximately 600 secondary jobs in the region. The company contributes approximately \$650,000 a year in property taxes and \$400,000 a year in state unemployment benefits. The unemployment rate in the region has remained high throughout the early 1980's (nearly 15 percent); therefore, the mine provides a stable employment base for area miners.



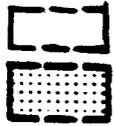
 DEER CREEK MINE PERMIT AREA
 WILBERG MINE PERMIT AREA

FIGURE 1
MINE PERMIT BOUNDARIES
 UTAH POWER & LIGHT COMPANY
 DEPARTMENT OF MINING & EXPLORATION

United States

Department of
Agriculture

Forest
Service

Manti-La Sal
National Forest

599 West Price River Dr.
Price, Utah 84501

Reply to: 2820

Date: June 3, 1993

Lowell Braxton
State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: Supplemental Information, Incidental Boundary Change, Federal Coal Leases
U-47977 and SL-050862, PacifiCorp, Deer Creek Mine, ACT/015/018-93E, Folder
#2, Emery County, Utah

Dear Mr. Braxton:

We have reviewed the supplemental information submitted by PacifiCorp for their proposed second incidental boundary change on Federal Coal Leases U-47977 and SL-050862. We hereby consent to the proposed incidental boundary change subject to the changes made in the supplemental submittal as follows:

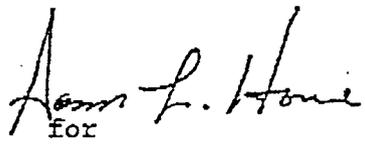
Only development mining will occur in the proposed incidental boundary change area. The applicant has committed to resolving the escarpment concern before longwall extraction will begin to the east of the development workings.

The applicant has demonstrated that the longwall panels shown to the east of the development workings will be situated to prevent subsidence of the Castlegate Sandstone outcrop in the North Fork of Meetinghouse Canyon.

We are still concerned that the life-of-mine maps (Maps 3-6 and 3-7) show panels that are located beneath the escarpment in Rilda Canyon and Meetinghouse Canyon (shown on the maps as the South Fork of Meetinghouse Canyon). Lease stipulations require that mining be conducted in such a manner as to prevent subsidence that could cause escarpment failures, unless specifically approved. Because of the potential for subsidence of the escarpment to cause failures, surface disturbance, and associated impacts to surface resources, an environmental analysis would be required to disclose potential impacts and serve as the basis for a decision by the Forest Supervisor. As a separate but related matter, we feel that the maps need to be revised to remove the panels and workings beneath the escarpments or to identify them as workings that have not been approved under the current permit.

If you have any questions contact Carter Reed or Walt Nowak at the Forest Supervisor's Office in Price, Utah.

Sincerely,



for
GEORGE A. MORRIS
Forest Supervisor

cc:
D-3
C.Reed
Val Payne, PacifiCorp Power Supply



United States Department of the Interior
FISH AND WILDLIFE SERVICE

UTAH STATE OFFICE
2060 ADMINISTRATION BUILDING
1745 WEST 1700 SOUTH
SALT LAKE CITY, UTAH 84104-5110

ACT/015/018th 2



In Reply Refer To

May 20, 1993

Copy PAM
FAX to VAL
RECEIVED

MAY 21 1993

DIVISION OF
OIL, GAS & MINING

Pamela Grubaugh-Littig, Permit Supervisor
Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Ms. Grubaugh-Littig:

We have reviewed your letter of April 14, 1992 concerning the proposed Incidental Boundary Change to extend underground mining at PacifiCorp's Deer Creek Mine.

The U.S. Fish and Wildlife Service (Service) advises that no listed or proposed threatened or endangered species are known to occur in the area of this project. Since this proposal is for underground entry development only, there should be no surface impacts. If PacifiCorp decides at a later date to proceed with full extraction mining, then a raptor survey of the surface should be performed to determine if there are nests which could be impacted.

If you have any questions please contact Susan Linner, Fish and Wildlife Biologist, at (801) 975-3630.

Sincerely,

for Robert D. Williams
State Supervisor

Post-It™ brand fax transmittal memo 7671				# of pages ▶ 1
To	Val Payne	From	Pam	
Co.	PacifiCorp	Co.	DOG M	
Dept.		Phone #	538-5340	
Fax #	653-2479	Fax #	359-3940	



State of Utah

Department of Community & Economic Development
Division of State History
Utah State Historical Society

#2
Copy ~~AM~~
RECEIVED

Michael O. Leavitt
Governor
Max J. Evans
Director

300 Rio Grande
Salt Lake City, Utah 84101-1182
(801) 533-3500
FAX: (801) 533-3503

April 26, 1993

APR 26 1993

DIVISION OF
OIL, GAS & MINING

Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

RE: Incidental Boundary Change, Federal Leases U-47977 and SL-050862,
PacifiCorp, Deer Creek Mine, ACT/015/018-98E, Folder #2, Emery County,
Utah

In Reply Please Refer to Case No. 90-1579

Dear Ms. Grubaugh-Littig:

The Utah State Historic Preservation Office has received further information on the above referenced project. After review of the material provided, it appears that the boundary change does not effect our determinations concerning cultural resources.

The above is provided on request as outlined by 36CFR800. If you have questions, please contact me at (801) 533-3555.

Sincerely,

James L. Dykman
Compliance Coordinator

JLD:90-1579 OSM



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Moab District
P. O. Box 970
Moab, Utah 84532

FAXED REPLY REFER TO:

3482

(SL-070645)

(UT-065)

JUL - 3 1993

93-07-08-01

Memorandum

To: Project Manager, Office of Surface Mining Reclamation and Enforcement,
Western Support Center, Federal Programs Division, 1020 15th Street, Denver,
Colorado 80202

From: *Acting* District Manager

Subject: Incidental Boundary Change for the Deer Creek Mine Permit

This memorandum is in response to your telephone request on July 1, 1993 for our recommendation on the mining plan for PacifiCorp's proposed incidental boundary change for the Deer Creek Mine Permit.

As explained by Barry Grosely in the Price Coal Office, the BLM recommended approval of the mining plan for the proposed Rilda Canyon Lease tract addition of the Deer Creek Mine Permit in a letter to the State of Utah Division of Oil, Gas and Mining (UDOGM) on February 28, 1991. This tract addition includes the subject incidental boundary change. Therefore, our recommendations provided in the letter of February 28, 1991 still apply to the subject incidental boundary change. A copy of the letter to UDOGM is attached.

We hope this response will help expedite the permitting process. If you need further assistance, contact Barry Grosely at (801) 637-4584.

Attachment
Letter to UDOGM dated 2-28-91 (3pp)

cc: UT-065c, Price Coal Office (w/Attachment)

WESTERN SUPPORT CENTER
50 JUL - 3 1993
OSMRE--WSC

3482
SL-070645
U-C2292
(U-065)

Moab District
P.O. Box 970
Moab, Utah 84532

FEB 28 1991

Pamela Grubaugh-Littig, Permit Supervisor
State of Utah
Division of Oil, Gas and Mining
355 West North Temple Street
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Ms. Grubaugh-Littig:

On February 21, 1990, the Bureau of Land Management (BLM) received PacifiCorp's proposed Rilda Canyon Lease Tract addition for the Deer Creek Mine Permit Application Package (PAP). The BLM was asked to review the resource recovery and protection plan (R2P2) and submit our findings which are discussed below.

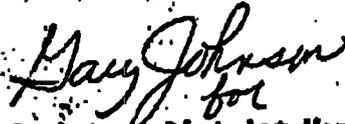
PacifiCorp plans to enlarge the Deer Creek Mine Permit Area (Act/015/018) by adding an adjacent tract to the north. The tract includes one State of Utah coal lease (ML-22509), three Federal coal leases (U-7653, U-47977, and SL-050862) and the southern portion of Federal coal lease U-06039.

The R2P2 calls for the development of main entries in a north-northwest direction beyond the Roan's Canyon Fault. Longwall panels are projected on both sides of these main entries. A number of longwall panels located along the south side of Rilda Canyon will undermine portions of the canyon escarpments (see enclosed highlighted map). This has prompted an in-depth review of potential escarpment failure.

The Manti-LaSal National Forest (FS) has asked BLM to evaluate the R2P2 and determine if the mining plan provides adequate protection of surface resources in accordance with the Federal lease terms and conditions. The BLM is currently working on a response to the FS regarding our analysis of the escarpment issue. Final approval of mining zones that may affect sensitive escarpment areas is contingent on the completion of the technical studies currently underway. Because the mine plan provides adequate flexibility for any necessary future adjustments in these areas, development as proposed for the remainder of the R2P2 is recommended for approval.

We have determined that the R2P2 as submitted is complete and technically adequate. The R2P2 is also in compliance with the Mineral Leasing Act, as amended, the regulatory provisions of 43 CFR 3480, Federal lease terms and conditions, and will achieve maximum economic recovery (MER) of the Federal coal. Therefore, we recommend partial approval of the R2P2 for this permit action.

Sincerely yours,

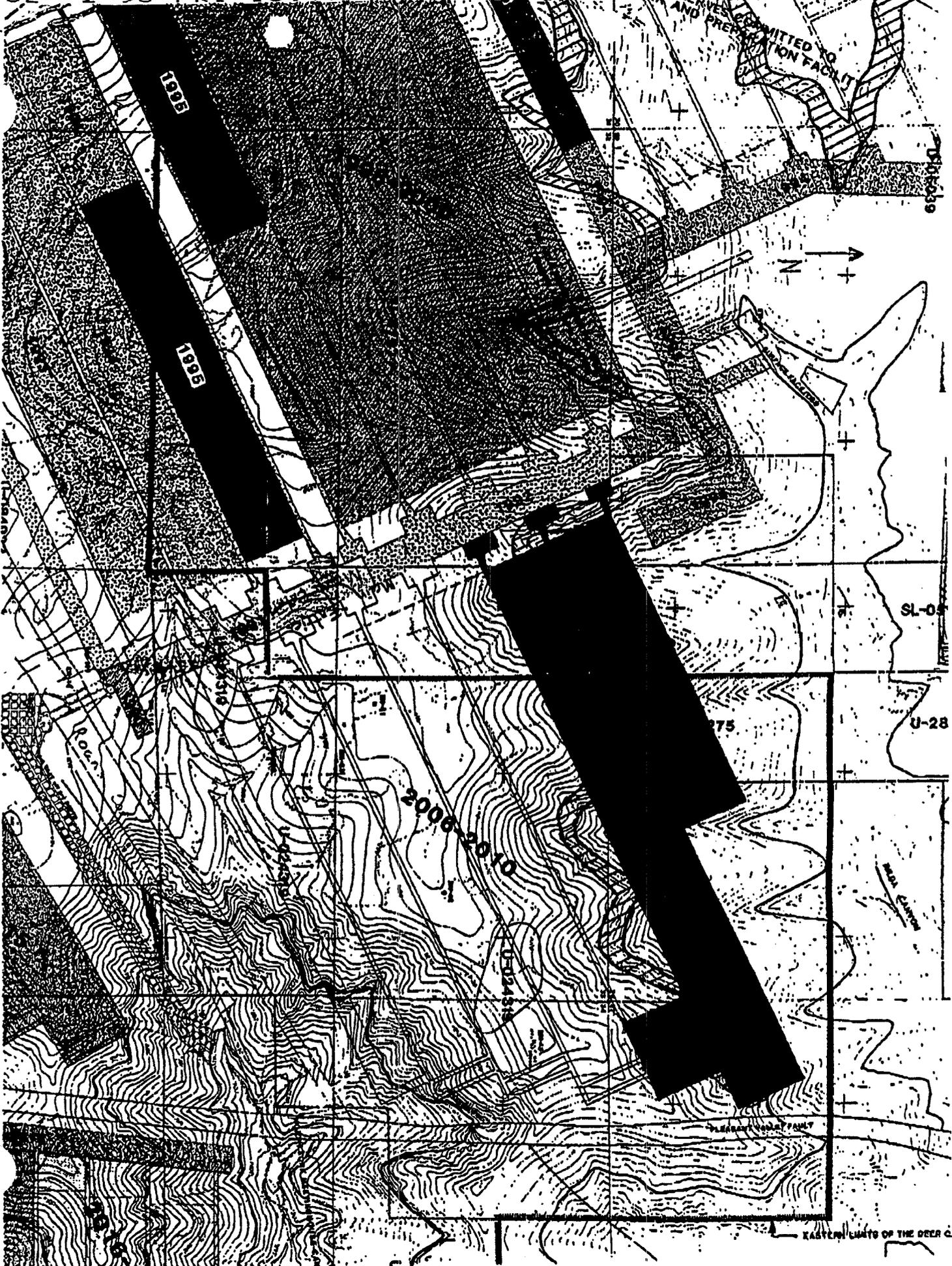


Assistant District Manager
Mineral Resources

Enclosure:
Mine Projection Map

cc: SD, Utah (U-921), w/enclosure
DM, Moab (U-065), w/enclosure
Office of Surface Mining, Denver, w/enclosure
PacifiCorp, SLC, Utah, w/enclosure
Manti-LaSai NF, Price, Utah, w/enclosure

SFalk:ks:2/15/91
Wang 2015D



04-03-93

SL-09

U-28

EASTERN PARTS OF THE DEER C.



United States Department of the Interior

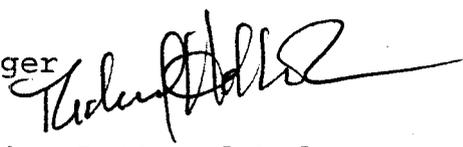


OFFICE OF SURFACE MINING
Reclamation and Enforcement
Brooks Towers
1020 15th Street
Denver, Colorado 80202

June 28, 1993

MEMORANDUM

TO: Deer Creek Mine File, UT-0016

FROM: Richard Holbrook, Senior Project Manager
Federal Lands Branch 

SUBJECT: Clarification of U.S.D.A. Forest Service Letter dated June 3, 1993, concurring with approval of the Deer Creek Mine Incidental Boundary Change

I discussed the subject letter with Carter Reed, Forest Geologist, Manti-La Sal National Forest, to determine if the Forest Service had unresolved concerns about the proposed Incidental Boundary Change (IBC). Carter stated that the Forest Service unconditionally concurred with approval of the IBC as it was proposed in the Supplemental Information submitted by PacifiCorp (i.e., only development mining in the IBC area and longwall mining east of the IBC area near the North Fork of Meetinghouse Canyon).

Carter advised that the concerns expressed in the second paragraph (i.e., the life-of-mine maps showing longwall panels under escarpment areas, the potential for subsidence-related escarpment failures, and the need for an environmental analysis before Forest Service consent to subside specific escarpment areas) were separate issues to be resolved by PacifiCorp before the Forest Service would consent to future longwall mining in the vicinity of the escarpments in Rilda Canyon and the South Fork of Meetinghouse Canyon.

UNITED STATES

DEPARTMENT OF THE INTERIOR

This mining plan approval document is issued by the United States of America to:

PacifiCorp
One Utah Center, 201 South Main, Suite 2100
Salt Lake City, Utah 84140-0021

for the Deer Creek Mine mining plan modification for Federal leases U-47977 and SL-050862 subject to the following conditions. PacifiCorp is hereinafter referred to as the operator.

1. Statutes and Regulations.--This mining plan modification approval is issued pursuant to Federal leases U-47977 and SL-050862; the Mineral Leasing Act of 1920, as amended (30 U.S.C. 181 et seq.); and in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351 et seq.). This mining plan modification approval is subject to all applicable regulations of the Secretary of the Interior which are now or hereafter in force; and all such regulations are made a part hereof. The operator shall comply with the provisions of the Water Pollution Control Act (33 U.S.C. 1151 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and other applicable Federal laws.
2. This document approves the Deer Creek Mine mining plan modification for Federal leases U-47977 and SL-050862, and authorizes coal development or mining operations on the Federal leases within the area of mining plan modification approval. This authorization is not valid beyond

T. 16 S., R. 7 E., Salt Lake Meridian & Baseline

Sec. 32: E1/2NE1/4

Sec. 33: W1/2NW1/4

as shown on the map appended hereto as Attachment A.

3. The operator shall conduct coal development and mining operations only as described in the complete permit application package, and approved by the Utah Division of Oil, Gas and Mining, except as otherwise directed in the conditions of this mining plan modification approval.

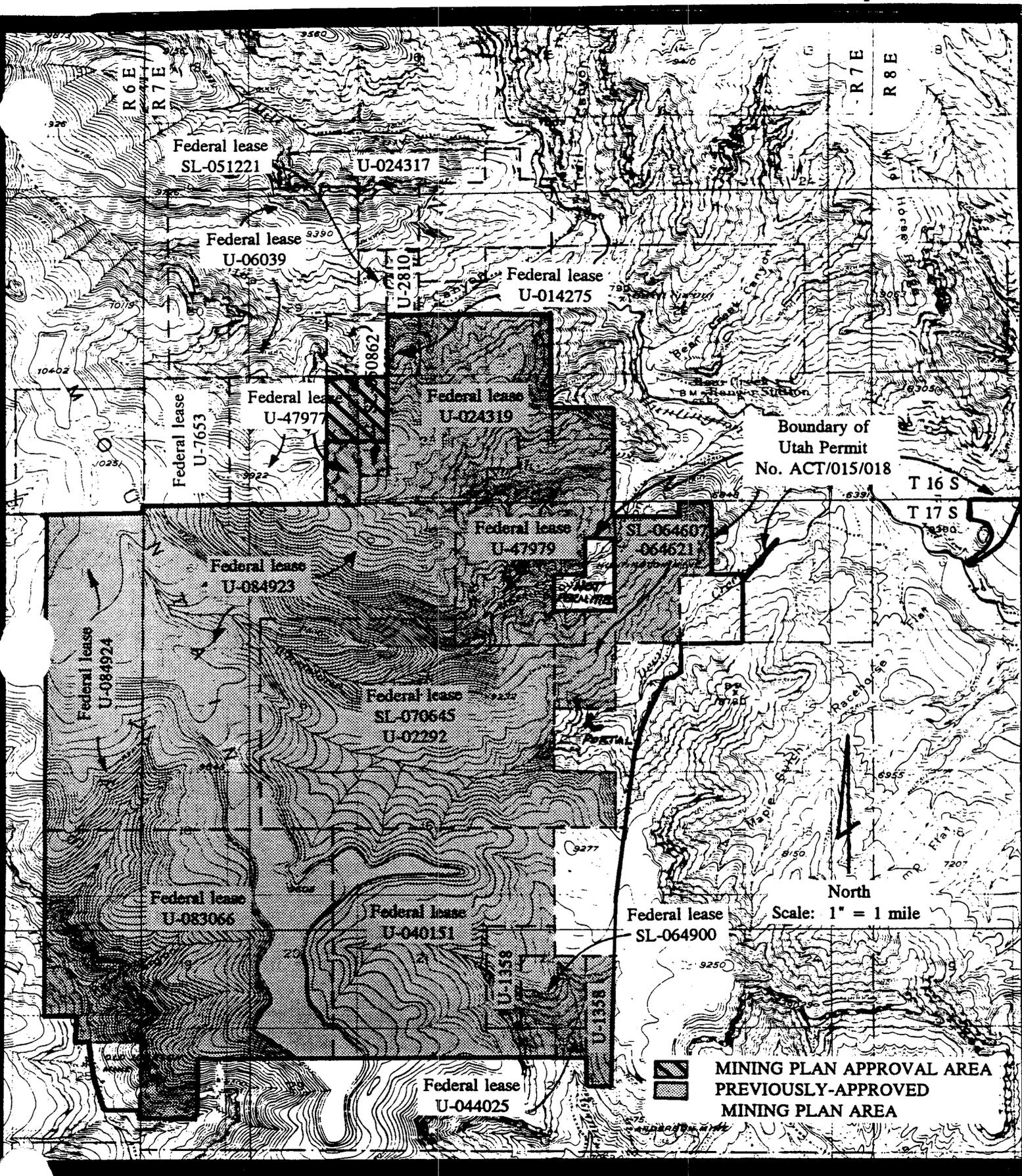
4. The operator shall comply with the terms and conditions of the leases, this mining plan modification approval, and the requirements of the Utah Permit No. ACT/015/018 issued under the Utah State program, approved pursuant to the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.).
5. This mining plan modification approval shall be binding on any person conducting coal development or mining operations under the approved mining plan and shall remain in effect until superseded, cancelled, or withdrawn.
6. If during mining operations unidentified prehistoric or historic resources are discovered, the operator shall ensure that the resources are not disturbed and shall notify Utah Division of Oil, Gas and Mining and OSM. The operator shall take such actions as are required by Utah Division of Oil, Gas and Mining in coordination with OSM.



Acting Deputy Assistant Secretary, Land and Minerals Management

JUL 16 1993

Date



Attachment A
Mining Plan Approval Area
Deer Creek Mine
Emery County, Utah

UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT

PacifiCorp
Deer Creek Mine
Incidental Boundary Change
ACT/015/018
Emery County, Utah

June 3, 1993

CONTENTS

- * Administrative Overview
- * Location Map
- * Permitting Chronology
- * Findings
- * Permit
- * Environmental Assessments
- * Letters of Concurrence and Other Attachments
 - Bureau of Land Management, February 28, 1991 (R2P2), Memo
 - U.S. Fish and Wildlife Service, May 20, 1993
 - Division of State History, April 26, 1993
 - Section 510(c) Finding, June 3, 1993
 - Forest Service, Manti-LaSal, June 3, 1993
 - Bureau of Land Management, Approved Assignments of Leases U-47977 and
SL-050862
- * Surety

ADMINISTRATIVE OVERVIEW

PacifiCorp
Deer Creek Mine
Incidental Boundary Change
ACT/015/018
Emery County, Utah

June 3, 1993

PROPOSAL

PacifiCorp has proposed an Incidental Boundary Change in the Rilda Canyon area which would add approximately 160 acres (80 acres in a portion of Lease U-47977 and 80 acres in a portion of Lease SL-050862) to the current permit area. Mining will be developed and undertaken in the Blind Canyon seam and Hiawatha seam. Longwall panels will be developed off the east side rather than the west side of the Third North Mains. This additional acreage is considered an amendment to the currently approved permit.

BACKGROUND

The original permit for the Deer Creek Mine was issued February 7, 1986 for approximately 14,620 acres. A Waste Rock Storage Facility was added September, 1988. The permit was successively renewed on February 7, 1991. A reclamation surety bond in the amount of \$2,000,000 is currently posted for reclamation at the Deer Creek Mine.

PacifiCorp submitted an application for the "Rilda Canyon Extension Area" which included Leases U-7563, U-47977, U-06039, SL-050862, and U-014275 on February 12, 1990 for a revision to the Deer Creek Mine permit. PacifiCorp must submit more information to the Division before this application can be determined complete.

RECOMMENDATION

The proposed incidental boundary change by PacifiCorp to add 160 acres to the current permit area has been reviewed by the Division and other appropriate state and federal agencies. It is recommended that this permitting action be approved.

PERMITTING CHRONOLOGY

PacifiCorp
Rilda Canyon
Incidental Boundary Change
ACT/015/018
Emery County, Utah

April 13, 1993

PacifiCorp submits plans for a 160 acre Incidental Boundary Change (IBC) into the permit.

The Division transmits copies of the IBC amendment to other reviewing agencies.

May 28, 1993

The Division completes technical review of plan.

June 3, 1993

The Division forwards State Decision Document to Office of Surface Mining Reclamation and Enforcement for concurrence and secretarial signature.

FINDINGS

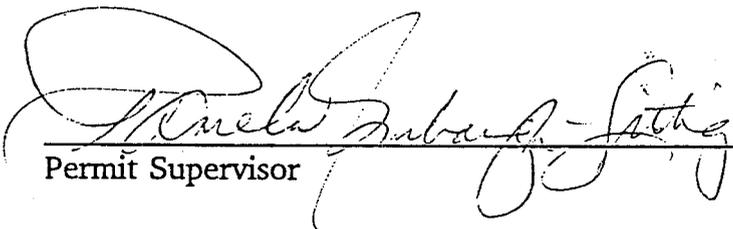
PacifiCorp
Deer Creek Mine
Incidental Boundary Change
Rilda Canyon
ACT/015/018
Emery County, Utah

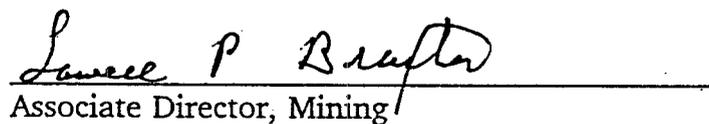
June 3, 1993

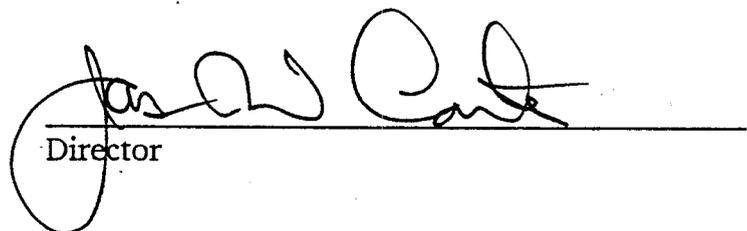
1. The revised plan and the permit application are accurate and complete and all requirements of the Surface Mining Control and Reclamation Act, and the approved Utah State Program (the "Act") have been complied with (R645-300-133.100).
2. No additional surface reclamation is required since the additional permit area will be mined as an underground extension of the existing mine. There will be no new surface facilities (R645-300-133.710).
3. An assessment of the probable cumulative impacts of all anticipated coal mining and reclamation activities in the general area on the hydrologic balance has been conducted by the Division and no significant impacts were identified. The Mining and Reclamation Plan (MRP) proposed under the application has been designed to prevent damage to the hydrologic balance in the permit area and in associated off-site areas (R645-300-133.400 and UCA 40-10-11 {2}{c}). (The PHC is being modified per Division Order DO-90A.)
4. The proposed lands to be included within the permit area are:
 - a. Not included within an area designated unsuitable for underground coal mining operations (R645-300-133.220);
 - b. not within an area under study for designated lands unsuitable for underground coal mining operations (R645-300-133.210);
 - c. not on any lands subject to the prohibitions or limitations of 30 CFR 761.11 {a} (national parks, etc.), 761.11 {f} (public buildings, etc.) and 761.11 {g} (cemeteries);
 - d. not within 100 feet of the outside right-of-way of a public road (R645-300-133.220); and
 - e. not within 300 feet of any occupied dwelling (R645-300-133-220).

5. The Division's issuance of a permit is in compliance with the National Historic Preservation Act and implementing regulations (36 CFR 800 and R645-300-133.600). See attached letter from State Historic Preservation Officer (SHPO) dated April 26, 1993.
6. The applicant has the legal right to enter and complete mining activities in the IBC through a federal coal lease issued by the Bureau of Land Management (See attached Lease UTU-47977, assignment effective July 1, 1986 and Lease SL-050862, assignment effective July 1, 1986) (R645-300-133.300).
7. A 510(c) report has been run on the Applicant Violator System (AVS), which shows that: prior violations of applicable laws and regulations have been corrected; neither PacifiCorp or any affiliated company, are delinquent in payment of fees for the Abandoned Mine Reclamation Fund; and the applicant does not control and has not controlled mining operations with demonstrated pattern of willful violations of the Act of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of the Act (see memo from Joe C. Helfrich dated June 2, 1993) (R645-300-133.730).
8. Underground mining operations to be performed under the permit will not be inconsistent with other operations anticipated to be performed in areas adjacent to the proposed permit area.
9. The applicant has posted a surety bond for the Deer Creek Mine in the amount of \$2,000,000. No additional surety will be required, since there is no additional surface disturbance proposed (R645-300-134).
10. No lands designated as prime farmlands or alluvial valley floors occur on the permit area (R645-302-313.100 and R645-302-321.100).
11. The proposed postmining land-use of the permit area is the same as the pre-mining land use and has been approved by the Division and the surface land management agency, the United States Forest Service.
12. The Division has made all specific approvals required by the Act, the Cooperative Agreement, and the Federal Lands Program.

13. The proposed operation will not affect the continued existence of any threatened or endangered species or result in the destruction or adverse modification of their critical habitats (R645-300-133.500). (See May 20, 1993 letter from U. S. Fish and Wildlife Service.)
14. All procedures for public participation required by the Act, and the approved Utah State Program have been complied with (R645-300-120).
15. No existing structures will be used in conjunction with mining of the underground right-of-way, other than those constructed in compliance with the performance standards of R645-301 and R645-302 (R645-300-133.720).


Permit Supervisor


Associate Director, Mining


Director

FEDERAL

PERMIT
Permit Number ACT/015/018

June 3, 1993

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

This permit, ACT/015/018, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

PacifiCorp
324 South State Street
P.O. Box 26128
Salt Lake City, Utah 84126-0128

for the Deer Creek Mine. A Surety Bond is filed with the Division in the amount of \$2,000,000, payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSM). The Division must receive a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The permittee is authorized to conduct underground coal mining activities on the following described lands within the permit area at the Deer Creek Mine, situated in the state of Utah, Emery County:

The area to be mined is contained on the USGS 7.5-minute "Red Point", "Rilda" and "Mahogany Point" quadrangle maps. The approximately 14,900 acres contained in the permit area involve all or part of the following federal and fee coal leases:

Lease No. SL-064607-064621
Issued to Clara Howard Miller 10/4/46
Township 17 South, Range 7 East, SLM, Utah
Containing 613.92 acres
Section 2: Lots 2, 5, 6, 7, 10, 11 and 12 and SW1/4
Section 3: SE1/4 SE1/4
Section 10: NE1/4

Lease No. SL-064900

Issued to Cyrus Wilberg 2/3/45

Township 17 South, Range 7 East, SLM, Utah

Containing 160 acres

Section 22: SE1/4 SW1/4, SW1/4 SE1/4, NE1/4 SW1/4, NW1/4 SE1/4

Lease No. U-1358

Issued to Castle Valley Mining Co. 8/1/67

Township 17 South, Range 7 East, SLM, Utah

Containing 320 acres

Section 22: S1/2 NW1/4, W1/2 SW1/4, E1/2 SE1/4

Section 27: E1/2 NE1/4

Lease No. SL-070645, U-02292

Issued to Clara Howard Miller 4/1/52

Township 17 South, Range 7 East, SLM, Utah

Containing 2560 acres

Section 4: SW1/4 SE1/4, S1/2 SW1/4

Section 5: SE1/4 SW1/4, S1/2 SE1/4

Section 8: E1/2, E1/2 W1/2

Section 9: All

Section 10: W1/2

Section 15: N1/2

Section 16: N1/2

Section 17: NE1/4, E1/2 NW1/4

Lease No. U-084923

Issued to Malcolm N. McKinnon 8/1/64

Township 17 South, Range 7 East, SLM, Utah

Containing 2252.42 acres

Section 4: Lots 2, 3, 4, 5, 6, 7, 10, 11, 12, NW1/4 SE1/4, N1/2 SW1/4

Section 5: Lots 1 thru 12, N1/2 S1/2, SW1/4 SW1/4

Section 6: Lots 1 thru 11, SE1/4

Section 7: Lots 1 thru 4, E1/2

Section 8: W1/2 W1/2

Section 18: Lots 1 and 2, N1/2

Section 17: W1/2 NW1/4

Lease No. U-084924

Issued to Malcolm N. McKinnon 8/1/64

Township 17 South, Range 6 East, SLM, Utah

Containing 1211.48 acres

Section 1: Lots 1, 2, 3, S1/2 NE1/4, SE1/4 NW1/4, E1/2 SW1/4, SE1/4

Section 12: E1/2, E1/2 W1/2

Section 13: NE1/4, E1/2 NW1/4

Lease No. U-083066

Issued to Cooperative Security Corp. 3/1/62

Township 17 South, Range 6 East, SLM, Utah

Containing 2485 acres

Section 13: E1/2 SW1/4, SE1/4

Section 24: E1/2 W1/2, E1/2

Section 25: N1/2 NE1/4

Township 17 South, Range 7 East, SLM, Utah

Section 17: SW1/4, W1/2 SE1/4

Section 18: Lots 3 and 4, SE1/4

Section 19: Lots 1, 2, 3, 4, E1/2

Section 20: W1/2, W1/2 E1/2

Section 29: NW1/4 NE1/4, N1/2 NW1/4

Section 30: Lots 1, 2, 3, N1/2 NE1/4, SW1/4 NE1/4, NW1/4 SE1/4

Lease No. U-040151

Issued to Cooperative Security Corp. 3/1/62

Township 17 South, Range 7 East, SLM, Utah

Containing 1720 acres

Section 15: SW1/4

Section 16: S1/2

Section 17: E1/2 SE1/4

Section 20: E1/2 E1/2

Section 21: All

Section 22: N1/2 NW1/4

Section 27: N1/2 NW1/4

Section 28: N1/2 N1/2

Section 29: NE1/4 NE1/4

Lease No. U-044025

Issued to Cooperative Security Corp. 8/1/60

Township 17 South, Range 7 East, SLM, Utah

Containing 40 acres

Section 27: NW1/4 NE1/4

Lease No. U-024319

Issued to Huntington Corp. 5/1/60

Township 16 South, Range 7 East, SLM, Utah

Containing 1040 acres

Section 27: SW1/4

Section 28: SE1/4

Section 33: E1/2, E1/2 NW1/4, NE1/4 SW1/4, S1/2 SW1/4

Section 34: NW1/4, NW1/4 SW1/4

Lease No. U-014275

Issued to John Helco 10/1/55

Township 16 South, Range 7 East, SLM, Utah

Containing 80 acres

Section 28: E1/2 SW1/4

Lease No. U-47979

Issued to Utah Power & Light Co. 10/1/81

Township 16 South, Range 7 East, SLM, Utah

Containing 1,063.38 acres, more or less

Section 34: S1/2 NE1/4, NE1/4 SW1/4, S1/2 SW1/4, SE1/4

Township 17 South, Range 7 East, SLM, Utah

Section 3: Lots 1 thru 8, 10 thru 12, SW1/4, SW1/4 SE1/4

Section 4: Lots 1, 8, 9, E1/2 SE1/4

Portion of Lease No. U-47977

Township 16 South, Range 7 East, SLBM

Containing 160 acres

Section 32: E1/2 SE1/4, E1/2 NE1/4

Portion of Lease No. SL-050862

Township 16 South, Range 7 East, SLBM

Containing ~~120 acres~~ 137.5

Section 33: NW1/4 SW1/4, W1/2 NW1/4

OWNERS OF COAL TO BE MINED OTHER THAN THE UNITED STATES

The Estate of Malcolm McKinnon

Zions First National Bank, Trustee, Salt Lake City, Utah 84111

Township 17 South, Range 7 East, SLM, Utah

Section 10: SE1/4

Section 11: W1/2 W1/2, NE1/4 NW1/4

Section 14: W1/2 NW1/4

Cooperative Security Corp.

115 East South Temple, Salt Lake City, Utah 84111

Township 17 South, Range 7 East, SLM, Utah

Section 15: SE1/4

Section 22: NE1/4

Also:

Beginning at the SE corner of NE1/4 SE1/4 Section 25, T17S, R6E, SLM, thence North 160 rods, West 116 rods to center line of Cottonwood Creek; thence southerly along center line of said creek to a point 84 rods West of the beginning; thence East 84 rods to the beginning.

The above listed surface rights and coal owned or leased by PacifiCorp, successor in interest to Utah Power & Light Company.

PacifiCorp

324 South State, PO Box 26128, Salt Lake City, Utah 84126-0128

Township 17 South, Range 7 East, SLM, Utah

Section 14: SW1/4 (West of the Deer Creek Fault)

ADDITIONAL LANDS TO BE AFFECTED BY MINING

Township 17 South, Range 7 East, SLM, Utah

State of Utah Special Use Lease Agreement No. 284 utilized for conveyor and power line right-of-ways located in the southeast quarter of Section 2

Township 17 South, Range 8 East, SLM, Utah

PacifiCorp fee land (successor to Utah Power & Light Company) utilized for a Waste Rock Disposal Site located within Lots 4 and 5 of Section 5 and Lot 1 and the Southeast quarter of the Northeast quarter of Section 6

This legal description is for the permit area of the Deer Creek Mine. The permittee is authorized to conduct underground coal mining activities and related surface activities on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

Sec. 3 COMPLIANCE - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.

Sec. 4 PERMIT TERM - This permit expires on February 15, 1996.

- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the approval of the Director, Division. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
 - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
 - (b) immediate implementation of measures necessary to comply; and
 - (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

Sec. 9 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:

- (a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
- (b) utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 10 EXISTING STRUCTURES - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

Sec. 11 RECLAMATION FEE PAYMENTS - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.

Sec. 12 AUTHORIZED AGENT - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.

Sec. 13 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

Sec. 14 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

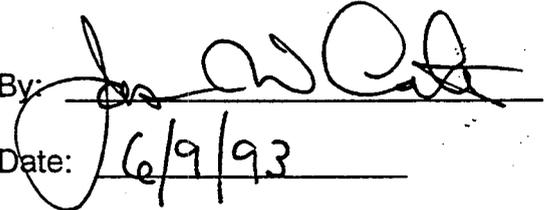
Sec. 15 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by Division within the time frame specified by Division.

Sec. 16 APPEALS - The permittee shall have the right to appeal as provided for under R645-300-200.

Sec. 17 SPECIAL CONDITIONS - There are special conditions associated with this permitting action as described in attachment A.

The above conditions (Secs. 1-17) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

THE STATE OF UTAH

By: 
Date: 6/9/93

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

**Authorized Representative of
the Permittee**

Date: _____

Attachment A

SPECIAL CONDITIONS

1. If during entry development, in the incidental boundary change for Leases No. U-47977 and SL-050862, sustained quantities of groundwater, greater than 5 gpm from a single source in an individual entry, continue after operational activities have progressed beyond the area of groundwater production; thus facilitating installation of collection and monitoring devices, PacifiCorp will monitor these flows for quality and quantity under the approved baseline parameters.

PacifiCorp will notify the Division within 24 hours prior to initiation of said monitoring.

2. This permit becomes effective when the mining plan approval for Leases U-47977 and SL-050862 is authorized by the Secretary of the Interior.

Bond No. 9272158
Permit Number: ACT/015/018
Deer Creek Mine

EXHIBIT "B"

SURETY BOND (FEDERAL COAL)

THIS SURETY BOND entered into and by and between the undersigned PERMITTEE, and SURETY company, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (DIVISION), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSM) in the penal sum of \$2,000,000.00 \$ Two Million and No/100 Dollars----- for the timely performance of reclamation responsibilities of the permit area described in Exhibit "A" of this Reclamation Agreement.

This SURETY BOND will remain in effect until all of the PERMITTEE's reclamation obligation have been met and released by the DIVISION and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, SMCRA, the approved permit and the DIVISION.

The SURETY will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability.

The SURETY and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the DIVISION and OSM from any and all expenses which the DIVISION and OSM may sustain as a result of the PERMITTEE's failure to comply with the condition(s) of the reclamation obligation.

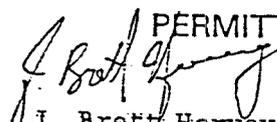
The SURETY will give prompt notice to the PERMITTEE and to the DIVISION and OSM of any notice or action involving insolvency or bankruptcy of the SURETY, or alleging any violations of regulatory requirements which could result in suspension or revocation of the SURETY's license in this state. In the event the Cooperative Agreement between the DIVISION and OSM is terminated, then the portion of the bond covering the Federal Lands will be payable only to the United States, Department of Interior, Office of Surface Mining.

Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the PERMITTEE in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B". The obligee, in accepting this bond, acknowledges that this bond replaces and

IN WITNESS WHEREOF, the PERMITTEE has hereunto set its signature and seal
this 11th day of September, 19 92.

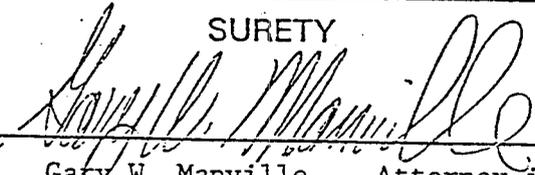
PacifiCorp

Corporate Seal

PERMITTEE

By: J. Brett Harvey
Title: Vice President

IN WITNESS WHEREOF, the SURETY has hereto set its signature and seal
this 11th day of September, 19 92.

American Casualty Company

SURETY

By: Gary W. Manville
Title: Gary W. Manville Attorney-in-Fact

ACCEPTED BY THE STATE OF UTAH
this 11th day of September, 19 92.

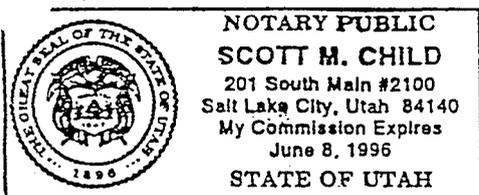

Dianne Nielson, Director
Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the PERMITTEE is a corporation, the Agreement shall be executed by its duly authorized officer.

ACKNOWLEDGEMENT OF CORPORATION - PERMITTEE

On this 11 day of September, 19 92, before me, a Notary Public in and for the County of Salt Lake, in the state of Utah, appeared J. Brett Harvey to me personally known who, being by me duly sworn, did say that he/she is Vice President of PacifiCorp, the corporation (PERMITTEE) named in and which executed the within instrument, and that the seal affixed to said instrument is the corporation seal of said corporation, and that said instrument was signed, sealed and delivered in behalf of said corporation by authority of its Board of Directors, and he/she as such officer, acknowledged said instrument to be the free act and deed of said corporation for the uses and purposes of said instrument as therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day, month, and year aforesaid.



[Signature]
Notary Public in and for said
County and State

My Commission Expires:

6-8-96

AFFIDAVIT OF QUALIFICATION
FOR SURETY COMPANIES

STATE OF UTAH }
COUNTY OF SALT LAKE } SS

..... Gary W. Manville BEING FIRST DULY SWORN, ON OATH DE-
POSES AND SAYS THAT HE IS THE ATTORNEY-IN-FACT OF SAID COMPANY,
(OFFICER OR AGENT)
AND THAT HE IS DULY AUTHORIZED TO EXECUTE AND DELIVER THE
FOREGOING OBLIGATIONS: THAT SAID COMPANY IS AUTHORIZED TO EXE-
CUTE THE SAME AND HAS COMPLIED IN ALL RESPECTS WITH THE LAWS OF
UTAH IN REFERENCE TO BECOMING SOLE SURETY UPON BONDS, UNDER-
TAKINGS AND OBLIGATIONS.

SUBSCRIBED AND SWORN TO BE-
FORE ME, THIS ..11th..... DAY OF
.....September....., A.D., 1992.....

Gary W. Manville
.....
(SIGNATURE OF OFFICER OR AGENT)

649 East South Temple
Salt Lake City, Utah 84102
.....
(RESIDENCE)

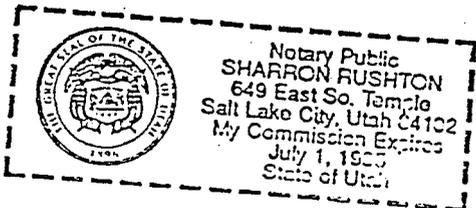
Sharon Rushton
.....
(SIGNATURE OF NOTARY PUBLIC)

(SEAL) Sharron Rushton
MY COMMISSION EXPIRES:

(SURETY SEAL)

(THIS FORM REQUIRED TO BE FILLED
OUT BY SECTION 31-24-3, UCA 1953)

..... July 1, 1995
649 East South Temple
Salt Lake City, Utah 84102





POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Now All Men by these Presents, That AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint Edward B. Moreton, Edward F. Folland,

L. Kent Bills, Jean M. Lambourne, Gary W. Manville, Joyce R. Hartley,
William R. Moreton, Individually

of Salt Lake City, Utah

its true and lawful Attorney-in-Fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company:

"Article VI—Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The President or Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President or the Board of Directors may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 11th day of November, 1966:

"Resolved, that the signature of the President or a Vice President and the seal of the Company may be affixed by facsimile on any power attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any power or certificate bearing such facsimile signatures and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

In Witness Whereof, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed this 2nd day of March, 19 89.

State of Illinois }
County of Cook } ss



AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

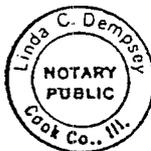
J. E. Purtell

J. E. Purtell

Vice President.

On this 2nd day of March, 19 89, before me personally came

J. E. Purtell, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Glenview, State of Illinois; that he is a Vice-President of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, the corporation described in the which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Linda C. Dempsey
Linda C. Dempsey Notary Public.

CERTIFICATE My Commission Expires November 12, 1990

I, Robert E. Ayo, Assistant Secretary of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, do certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 2 of Article VI of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 11th day of September, 19 92



Robert E. Ayo
Robert E. Ayo Assistant Secretary.