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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 28, 1996

Val Payne
Senior Environmental Engineer
Energy West
P.O. Box 310
Huntington, Utah 84528

Re: Permit Renewal - Special Condition #2, Deer Creek Mine, PacifiCorp,
ACT/015/018, Folder #2, Emery County, Utah

Dear Mr. Payne:

Special condition #2 of the permit renewal for the Deer Creek Mine states:
"This permit [renewal] is effective February 6, 1996. If any public comments are
received between the time of expiration and the extended public comment period
(March 7, 1996), those comments will be given appropriate programmatic
consideration."

This letter is to notify you that comments were received on February 21, 1996,
(enclosed) and a request for an informal conference. This informal conference has
been scheduled for March 20, 1996 at 1:30 p.m. in the Board Room on the Fifth Floor
in 3 Triad Center. If you have any questions, please call me.

Very truly yours,

A handwritten signature in black ink, appearing to read "James W. Carter".

James W. Carter
Director

Enclosure

cc: J. Blake Webster, Interwest Mining Company
Lowell Braxton
Pamela Grubaugh-Littig



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cc Judge
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Of Counsel
Harold A. Ranquist*

February 20, 1996

FEB 21 1996

James W. Carter, Esq., Director
Division of Oil, Gas & Mining
Department of Natural Resources
State of Utah
355 West North Temple
III Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Application for Renewal of Coal Mining Permit
for Deer Creek Mine Act/015/018

Dear Jim:

This letter will convey the written comments of Huntington-Cleveland Irrigation Company ("Huntington-Cleveland") to the above-referenced Application for Renewal. As you are aware, Huntington-Cleveland holds the majority of water rights in the Huntington Creek drainage. Huntington Cleveland along with other water users has grown increasingly concerned over impacts of coal mining on water quality and water quantity.

We believe that mine permit renewal should be an opportunity for the Division of Oil, Gas & Mining ("DOGGM") to review actual water data gathered by the Permittee during mining operation, to determine if projected hydrological impact in the "Probable Hydrologic Consequences" ("PHC") and the "Cumulative Hydrologic Impact Analysis" ("CHIA") are accurate.

As you know, prior to mining the PHC and CHIA are used to predict if there will be any hydrologic impact outside of the permit area. However, these are projections only, and may or may not be correct. After actual mining has occurred, actual data can then be used to determine if the PHC and CHIA were accurate. Permit renewal is an excellent opportunity for such a review. We are particularly concerned because we believe transbasin water diversions are occurring within the Deer Creek Mine.

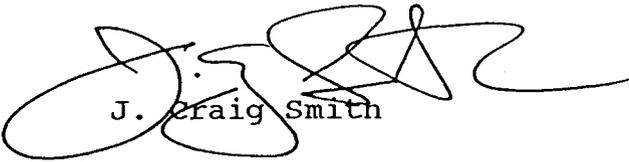
Jaames W. Carter, Esq.
February 20, 1996
Page 2

We would note that R645-303-232.250 allows DOGM to require "Additional, revised, or updated information" as part of the permit renewal. Thus, regulatory authority to require actual water data and if necessary analysis of such data exists.

We would respectfully request that actual water quantity and quality data sufficient to determine whether transbasin diversions are occurring and the accuracy of the PHC and CHIA be required for this and all subsequent mine permit renewals. We also request the opportunity to meet with you in an informal conference setting to further discuss this issue.

Thank you for your attention to this matter and continued interest in water issues related to mining.

Yours truly,



J. Craig Smith

cc: Huntington-Cleveland Irrigation Company