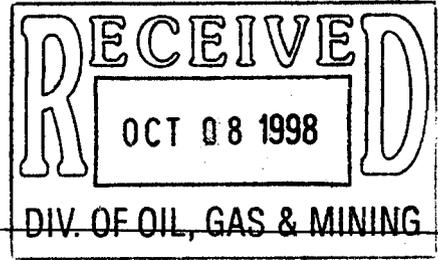


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PO Box 310
Huntington, Utah 84528



September 30, 1998

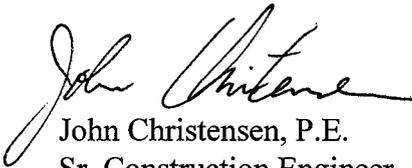
ACT/015/018 #4
 ACT/015/017 #4
 ACT/015/019 #4

Ms. Pamela Grubaugh-Littig
 Permit Supervisor
 Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Dear Ms. Grubaugh-Littig:

I am enclosing for submittal the 3rd Quarter 1998 Engineering Inspection Reports for Deer Creek, Cottonwood/Wilberg/Des Bee Dove Waste Rock Sites. Please find also 3rd Quarter 1998 Report of the Deer Creek Elk Canyon storage Pad submittal.

Sincerely,



John Christensen, P.E.
 Sr. Construction Engineer

Encl.

cc J. Blake Webster

Huntington Office:
 (435) 687-9821
 Fax (435) 687-2695
 Purchasing Fax (435) 687-9092

Deer Creek Mine:
 (435) 687-2317
 Fax (435) 687-2285

Trail Mountain Mine:
 (435) 748-2140
 Fax (435) 748-5125

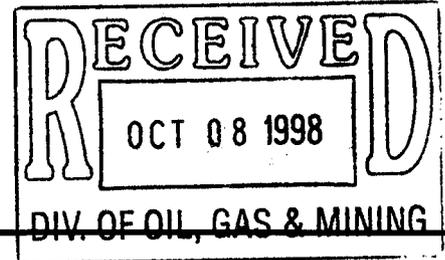
Permit Number	ACT/015/018	Report Date	September 30, 1998
Mine Name	Deer Creek		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile Identification	Pile Name	Waste Rock Disposal Site	
	Pile Number		
	MSHA ID Number	1211-UT-09-00121-02	
Inspection Date	9/28/98		
Inspected By	John Christensen/Rick Cullum		

Reason for Inspection <small>(Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)</small>	1998 Third Quarter Inspection
	Attachments to Report? <input type="checkbox"/> No <input type="checkbox"/> Yes

Field Evaluation

1. Foundation preparation, including the removal of all organic material and topsoil.

All construction was done according to the permitted, professional engineered design specifications.



2. Placement of underdrains and protective filter systems.

An underdrain was installed when the site was constructed in 1989. The drain had a small amount of flow coming through it at the time of the inspection.

3. Installation of final surface drainage systems.

All interim slopes are maintained at their proper grade. The final slopes are surveyed to assure they are correct. Also the two final designed rip-rap ditches were installed as per the permitted plan and are extended as more lifts are added.

4. Placement and compaction of fill materials.

The site was leveled in August 1998, trash and extraneous material were removed. Lift was sampled as required. The active lift is at approximately 40% capacity.

5. Final grading and revegetation of fill.

See No. 3

The sub-soil berm surrounding the site was seeded shortly after construction.

6. Appearances of instability, structural weakness, and other hazardous conditions.

No weakness or instabilities are evident at this time.

7. Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

The total storage capacity of the Area No. 1 cell is 460,000 cubic yards. The elevation of the current lift varies with the required drainage slope. The surveyed elevation at the center of the active lift is 6,352 ft. The final design elevation will be 6,369 ft. The area No. 1 cell is approximately 33% capacity.

The estimated volume of material hauled in 1998 to the site was 11,328 cubic yards, as of August 31, 1998

Containment basins were constructed within the No. 1 cell to hold sediment from the cleaning of the Deer Creek Mine site sediment pond. The cleaning was completed in December 1997.

Certification Statement



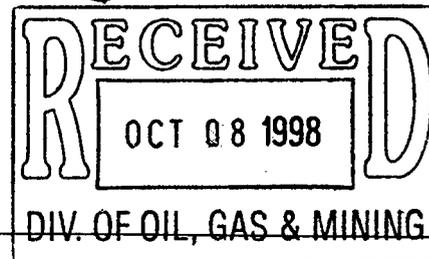
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: John Christensen, Construction Engineer

(Full Name and Title)

Signature: *John Christensen* Date: 10/4/98

P.E. Number & State: 165651 UTAH



September 30, 1998

ACT/015/018 #4
ACT/015/017 #4
ACT/015/019 #4

Ms. Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Ms. Grubaugh-Littig:

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Sincerely,

John Christensen, P.E.
Sr. Construction Engineer

Encl.

cc J. Blake Webster

Permit Number	ACT/015/018	Report Date	September 30, 1998
Mine Name	Deer Creek		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile Identification	Pile Name	ELK CANYON/ORIGINAL SITE	
	Pile Number		
	MSHA ID Number	1211-UT-09-0041	
Inspection Date	September 28, 1998		
Inspected By	John Christensen/Rick Cullum		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	1998 3rd Quarter Inspection		
	Attachments to Report? <input type="checkbox"/> No <input type="checkbox"/> Yes		

Field Evaluation

1. **Foundation preparation, including the removal of all organic material and topsoil.**
The construction of both sites have been complete for some time in excess of 8 years. The foundations appear to be stable.

2. **Placement of underdrains and protective filter systems.**
None

3. **Installation of final surface drainage systems.**
The slopes of both sites have no rills, gullies or sloughage present. A rill to the east of the retaining wall will be monitored for change.

4. Placement and compaction of fill materials.

No fill material is being placed at either site, since both are at their designed capacity. The Elk Canyon site contains approximately 24,000 cubic yards and the original site 90,000 cubic yards of fill material.

5. Final grading and revegetation of fill.

The sites are at capacity. The final grades are established and are revegetated

6. Appearances of instability, structural weakness, and other hazardous conditions.

None were observed.

7. Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse File structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

There was no coal stored in the Elk Canyon pad at the time of inspection. The seep at the base of the refuse pile was slightly damp.

Certification Statement



I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: John Christensen, Construction Engineer
(Full Name and Title)

Signature: *John Christensen* Date: 10/4/98

P.E. Number & State: 165651 UTAH