

May 28, 1998

Utah Coal Regulatory Program
 Division of Oil, Gas, and mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Attention: Pamela Grubaugh-Littig

RE: APPLICATION FOR PERMIT CHANGE - INCIDENTAL BOUNDARY CHANGE,
 PACIFICORP, DEER CREEK MINE, ACT/015/018, EMERY COUNTY, UTAH

*Copy Aaron, Joe,
 Done 6-1-98
 2-sided,*

Pursuant to R645-303-22, PacifiCorp respectfully submits this application to amend the Deer Creek Mine permit. The amendment involves an Incidental Boundary Change (IBC) to add 40.00 acres of US Forest Service land to the Deer Creek Mine permit area. Concurrently a lease modification has been submitted to the Bureau of Land Management. Submittal of the IBC prior to BLM approval will help expedite the entire approval process.

Addition of the area will facilitate maximizing coal recovery between existing lease boundaries and the Mill Fork Canyon Fault. Only section development or first mining will occur in the area under consideration. No second mining or longwall mining will take place in the area in question. Due to possible relocation of longwall extraction faces, additional coal will be mined from the two northern most longwall panels in existing leases. This area will be bypassed if it is not mined from the Deer Creek Mine. There is no other viable or potential operation that could logically mine this area.

Underground mining will occur in the IBC area in both the Blind Canyon and Hiawatha Seams (see Drawings CM-10899-DR and CM-10900-DR). These drawings depict the modified Resource Recovery and Protection Plan (R2P2), including reconfigured longwall panels, gateroads and main entries, as approved by the Bureau of Land Management (BLM). As mentioned above only section development will take place in the lease modification area. No longwall mining will take place in the area under consideration. Information regarding the R2P2 modification is found in Exhibits 8 and 11. Following the decision of the Division, regarding the IBC, updated drawings will be submitted for inclusion as Plates 3-6 and 3-7 of the Deer Creek Mining and Reclamation Plan (MRP).

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

Deer Creek Mine:
 (435) 687-2317
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Trail Mountain Mine:
 (435) 748-2140
 Fax (435) 748-5125

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The land associated with the IBC is comprised of the following parcels:

T. 16S. R. 7E. SLM	
Section 20 S1/4NW1/4	<u>40.00 acres</u>
Total acreage	40.00 acres

The surface owner of record of the subject property is (see Drawing CM-10521-DR):

United States of America
Department of Agriculture
US Forest Service
Manti-LaSal National Forest
599 Price River Drive
Price, Utah 84501

The parcel will be included in Federal Coal Lease U-06039 as submitted for modification on May 13, 1998 (see Exhibit 22). Lease U-06039 was assigned to Utah Power and Light Company effective January 1, 1980 (see Exhibit 1) and was previously modified on May 16, 1995 (see Exhibit 11 and 13)

Surface owners of record of lands adjacent to the IBC area are United States of America and State of Utah (see Drawing CM-10521-DR).

Coal Leases adjacent to the IBC area are (see Drawing CM-10522-DR):

Federal Lease U-024317

This lease is held by the applicant.

Regulations R645-303-222 through R645-303-224 allow for Incidental Boundary Changes as permit amendments if the area meets the following criteria:

1. The IBC area is less than 15% of the surface or subsurface disturbed area under the approved permit (R645-303-224.100);
2. The IBC area is in the cumulative impact area as defined in the Cumulative Hydrologic Impact Assessment (R645-303-224.200);

3. The IBC area is in the same hydrologic basin as operations authorized in the approved permit (R645-303-224.300);

As previously stated, underground mining will occur in the IBC area in both the Blind Canyon and Hiawatha seams of the Deer Creek Mine. Approximately 300,000 tons of coal will be recovered from entry development and modified longwall panels. The associated subsurface disturbance will be approximately eleven (11) acres. The current subsurface disturbed area at the Deer Creek Mine exceeds 4,000 acres; therefore, the total IBC area of 40.00 acres equates to approximately 1% of the subsurface disturbed area. The estimated eleven acres of subsurface disturbed area in the IBC equates to approximately 0.275% of the current subsurface disturbed area. No surface disturbance is expected within the IBC area. Therefore, criterion number 1 is met.

The IBC is within the area covered by the Cumulative Hydrologic Impact Assessment prepared for the Deer Creek Mine and mining within the IBC is within the hydrologic basin for which operations are authorized in the approved permit. Additionally, the IBC area is included in the current PacifiCorp hydrologic monitoring program conducted at the Deer Creek Mine. Therefore, criteria 2 and 3 are met.

Mining in the IBC area will help to maximize recovery of the coal resource by avoiding the creation of a bypass situation.

Enclosed are seven (7) copies of the following drawings:

<u>DRAWING NO.</u>	<u>TITLE</u>
CM-10522-DR	Coal Ownership Map of the Deer Creek Mine Permit Area
CM-10521-DR	Surface Ownership Map of the Deer Creek Mine Permit Area
CM-10367-DR	Deer Creek Mine Permit area Map
CM-10899-DR	Deer Creek Mine Life of Mine Plan, Blind Canyon Coal Seam
CM-10900-DR	Deer Creek Mine life of Mine Plan, Hiawatha Coal Seam
DU-1752D	Deer Creek Mine Lease Modification - Lease U-060309

Additionally, the following Exhibits are provided to assist in the Divisions review of the application.

<u>EXHIBIT</u>	<u>SUBJECT</u>
1	Assignment of Coal Lease U-06039 12/13/79
2	USFS Decision Notice / FONSI / Consent to Readjustment of Lease U-06039 5/21/92
3	Readjustment of Lease U-06039, Effective 5/1/93
4	USFS Decision Notice /FONSI / Environmental Assessment for Deer Creek Mine Rilda Canyon Lease Extension 9/27/94
5	BLM Approval of Rilda Canyon Lease Extension and mining under escarpment 12/6/94
6	DOGM Permit ACT/015/018 Deer Creek Mine to Include Rilda Canyon Lease Extension 10/27/94
7	DOI/OSM Deer Creek Mining Plan Approval for Rilda Canyon Lease Extension 12/22/94
8	Deer Creek Mine R2P2 Modification Request 12/5/94
9	Information to USFS, R2P2 Modification Request and Ground Stability Analysis for the Area West of Deer Creek Mine Third North "B" Mains 12/12/94
10	BLM Approval of R2P2 Modification Request 1/24/95
11	PacifiCorp's Application to Modify Federal Coal Lease U-06039 2/15/95
12	USFS Legal Notice to modify Lease U-06039 to include 42.97 additional acres 3/28/95
13	BLM Approval of Modification of Lease U-06039 5/16/95
14	Archeological Report for Rilda Lease Tract - AERC Paper No. 46, October 1990

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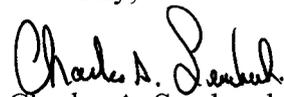
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- 15 Archeological Report for Rilda Canyon Escarpment - AERC Project 1444, August 5, 1994
- 16 Permit Renewal, Deer Creek Mine, PacifiCorp, ACT/015/018, Folder #3, Emery County, Utah, June 17, 1996
- 17 North Rilda Lease Area, Deer Creek Mine, PacifiCorp, ACT/015/018-97-1, Folder #3, Emery County, Utah - Responses from United States Forest Service, Bureau of Land Management, Utah State Historical Society, and U.S. Fish and Wildlife Service
- 18 Permit, Deer Creek Mine, PacifiCorp, ACT/015/018, July 15, 1997
- 19 Cultural Resource Evaluation of Escarpments in the Rilda Canyon Locality of Emery County, Utah - AERC Project 1579 (EWM-97-1) August 11, 1997
- 20 North Rilda Lease Area Vegetation Survey and Evaluation - September, 1997
- 21 Assessment of Spotted Bat (Euderma Maculatum) and Townsend's Big-eared Bat (Corynorhinus Townsendii) in the Proposed North Rilda Lease Area. Manti-LaSal National Forest, Emery county, Utah.
- 22 Application for Second Modification of Federal Coal Lease U-06039, East Mountain Logical Mining, Deer Creek Coal Mine, Emery County, Utah, Cover Letter, May 12, 1998

The Division's attention to this application is greatly appreciated. As mentioned previously, this application for an Incidental Boundary Change is being submitted concurrently with a lease-modification submittal to the Bureau of Land Management. This is being done to help expedite the overall approval process. Hopefully, all aspects of the IBC can be reviewed prior to receipt of BLM lease-modification approval. If additional information is required, please call me at (435) 687-4720.

Sincerely,



Charles A. Semborski

Geology/Permitting Supervisor

cc: Scott Child, IMC
Blake Webster, IMC
Carl Pollastro
Barbara Adams, File