

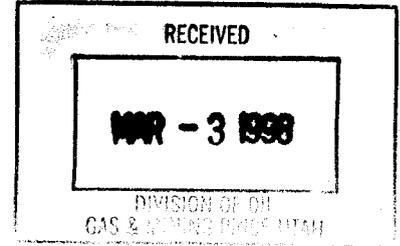
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Mine File

February 25, 1998

Mr. Don Stephens
Geologist
U.S. Department of the Interior
Bureau of Land Management
Price Office
125 South 600 West



Dear Mr. Stephens:

ACT/015/018 #2

**RE: EAST MOUNTAIN SURFACE DRILLING; FEDERAL COAL LEASE U-084924,
PACIFICORP, EAST MOUNTAIN, EMERY COUNTY, UTAH**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby declares its intent to continue surface drilling on East Mountain in 1998 under the terms of the permit approved in August, 1997 (Bureau of Land Management Coal Exploration Licence: 3474 UTU-73336 (UT-932)).

During the 1997 drilling season, one of the five holes (1997-1) permitted for East Mountain was completed. During the 1998 drilling season, Pacificorp intends to drill as many of the remaining 4 holes of the plan as possible under the time, weather, and budgetary constraints that may exist. The holes proposed are numbered in order of preference, so that the first hole drilled will be the one labeled 1997-2 on the Detailed Site Plan map in the approved permit application. The remaining proposed holes would be drilled in the order indicated on the map.

The road use permit granted by the U.S.D.A. Forest Service in July, 1997 is in effect through October 15, 1998 (Road Use Permit No. 7730). Drilling activities will commence as soon as the area becomes accessible in the summer.

If you require any additional information please call me at (801) 687-4720.

Thank you for your assistance in this matter.

Sincerely,

Charles A. Semborski
Geology/Permitting Supervisor

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

U.S. Department of the Interior
Bureau of Land Management
February 25, 1998
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cc: Rodger Fry (Interwest)
Scott Child (Interwest)
Pamela Grubaugh-Littig (UDOGM)
Janette S. Kaiser (USFS)
Carl Pollastro
Ken Fleck
File: 1998 East Mountain Exploration

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