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September 14, 2001

Chuck Semborski, Environmental Supervisor
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528

Re: Approval of Mill Fork Canyon Coal Exploration Drilling Project, PacifiCorp, Deer Creek Mine, C/015/018-EX01B-1, Outgoing File

Dear Mr. Semborski:

The Division received documentation from the US Forest Service on September 13, 2001(Revised Special Use Permit) and State & Institutional Trust Lands on September 6, 2001 giving consent to Right of Entry to conduct Minor Coal Exploration at Mill Fork/Indian Canyon. The Division has found the information in the plan adequate. Therefore, the amendment to modify the Notice of Intent to conduct Minor Coal Exploration in Mill Fork/Indian Canyon is approved.

A copy of our Technical Analysis is enclosed for your information. If you have any question, please feel free to call.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

sjd/sd
Enclosure:
cc: Joe Wilcox, OSM w/o
Richard Manus, BLM w/o
Elaine Zieroth, USFS
Mark Page, Water Rights, w/o
Dave Ariotti, DEQ, w/o
Derris Jones, DWR, w/o
John Blake, SITLA, w/o
Price Field Office
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State of Utah

Utah Oil Gas and Mining

Coal Regulatory Program

Deer Creek Mine
Mill Fork Canyon/Indian Creek Exploration
C/015/018-EX01B-1
Minor Exploration Technical Analysis
September 12, 2001

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INTRODUCTION

The Notice of Intent C/015/018-EX01B gave permission to perform exploratory drilling at Mill Fork Canyon/Joe's Valley coal lease. The permittee is requesting to drill one extra hole in this area. This is a modification to the existing Notice of Intent C/015/018-EX01B as requested by the operator.

All drill holes approved in the Notice of Intent C/015/018-EX01B were to be conducted with helicopter assistance. In other words, all equipment would be brought to the drill site by a helicopter. This revision will not use a helicopter, but have the drill rig and other necessary equipment be brought to the drill site by rubber tire equipment. The extra drill hole and using rubber tire equipment are the only real changes to the original Notice of Intent.

The US Forest Service has given their consent to allow this extra hole to be drilled on their property. Energy West Mining Company obtained the US Forest Service revised Special Use Permit on September 13, 2001. SITLA granted its approval for right of entry via an e-mail from John Blake dated September 6, 2001.

COAL EXPLORATION

Regulatory Reference: R645-200.

SCOPE AND RESPONSIBILITIES

Regulatory Reference: 30 CFR 772.1; 30 CFR 772.10; 30 CFR 772.11; R645-100-400; R645-200-100; R645-200-200; R645-201-100.

Analysis:

PacifiCorp has submitted information to address the requirements of the state program and to meet requirements of R645-200 through R645-203.

Findings:

The information given is to address the requirement of State program and R645-200 through R645-203. The information that was submitted is complete with the following findings that were made.

REQUIREMENTS FOR NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION

Regulatory Reference: 30 CFR 772.10; 30 CFR 772.11; R645-100-412; R645-201-200.

Analysis:

R645-201-221; This coal rule requires the applicant to give name, address, and telephone number of the applicant's representatives, who will be present at and responsible for conducting the exploration operations. This information was within the Notice of Intent.

R645-100-400, R645-200-100, R645-200-200, and R645-201-100; Energy West Mining has given a Notice of Intention to Conduct Minor Coal Exploration with a narrative and map describing the exploration area and indicating where the exploration will occur.

The permittee will transport drilling equipment and materials by rubber tire equipment. Personnel will access the sites by vehicles using existing US Forest Service development road #040. The drill sites will be relatively level as shown on Photos #1 and #2. There will be no removal of grasses and trees, but some taller shrubs maybe cut down for leveling of the drill rig.

The drill site will not be greater than 40 feet by 40 feet area. Brattice or other similar material will be placed on the ground beneath the drill rig. Minor digging, using hand tools, may be necessary to level the drill rig using wood block or other materials.

A maximum of one hundred pounds of coal will be removed per drill hole. This will be achieved by drilling a three-inch diameter hole. Upon completion, the drill hole will be sealed with cement from the bottom of the hole to ground level.

The exploration is scheduled to start on September 17, 2001 and end on or near September 24, 2001.

Findings:

The applicant has given all of the necessary information as requirements of R645-201-221 such as name, address, and telephone number.

The permittee has submitted the necessary information to comply with regulations R645-100-400, R645-200-100, R645-200-200, and R645-201-100 in the analysis.

COMPLIANCE DUTIES

Regulatory Reference: 30 CFR 772.13; R645-202.

REQUIRED DOCUMENTS

Regulatory Reference: 30 CFR 772.13; R645-202-100.

Analysis:

Energy West will not substantially disturb the natural land surface while conducting the exploration of the additional drill hole. The drill hole site will be located an area of nearly level ground thus requiring minimal leveling. Drilling equipment and material will be brought in by rubber tire equipment to the sites and placed on brattice cloth or other comparable material. The permittee will remove little or no vegetation.

Not removing topsoil from some of these smaller exploration holes have allowed native soils and vegetation to recover more rapidly, compared to sites where the topsoil has been removed and seeded. The operator has committed in the Notice of Intent to clean-up spills and to scarify and seed any disturbances

Findings:

The information submitted complies with the requirements of R645-202-100.

PERFORMANCE STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-200; R645-301-800.

Analysis:

R645-202-200; Energy West Mining Company will not substantially disturb the land surface and will remove less than 250 tons of coal.

Findings:

The information submitted meets the requirements of R645-202-200.

OPERATIONAL STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-230.

Analysis:

Biology

R645-202-231; Energy West Mining Company in cooperation with DWR conducted a raptor survey in 2000. Proposed drill hole EM-170 is located within the ½ mile buffer zone of Nest 78. Nest 78 was tended in 2000. The proposed drilling is planned for after July 15, 2001 which is the nest restriction limit DWR has given for this area.

A Threatened, Endangered, and Sensitive (TES) plant and animal species survey was conducted in August 1995 by EIS in conjunction with the Mill Fork coal leasing process. No TES plants and animals have been found in the area of the proposed drill holes.

Roads

R645-202-232; Energy West Mining will use existing U.S. Forest Service Development Roads. This road is #040. The permittee will also obtain a Road Use Permit which contains a bond in case the roads are damaged.

Topsoil

R645-202-233; No topsoil will be removed as previously mentioned. Energy West Mining Company will place all drilling equipment and materials on a brattice cloth and level the drilling rig with wood materials instead of removing topsoil.

Diversions of Overland flows and streams

R645-202-234; No overland flows and streams will be affected.

Hydrologic Balance

R645-202-235; The hydrologic balance will not be affected by using this method of exploration.

Acid- or toxic forming materials

R645-202-236; During the drilling operation, water and drilling fluids will be recirculated to the extent possible. Any returned cuttings and other material will be captured in a container at the drill site. The cutting material will be transported from the drill site to the Deer Creek or Cottonwood Waste Rock Sites for disposal.

If spills occur, all affected material will be removed from the site and disposed of at an approved location. If soil is removed during spill containment and clean-up, the site of removal will be reconstructed and seeded with the approved seed mixture.

Findings:

The information given is found to meet the requirements of the R645 Minor Coal Exploration performance/operational standards.

RECLAMATION STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-240.

Analysis:

Approximate original contour

R645-202-241; The drill site area will be basically flat with no major excavation occurring. Minor shoveling may be needed for leveling the drill rig. The area will be at approximate original contour since minor shoveling may occur.

Revegetation

Only minor surface disturbances are expected from the drilling activities. All surface disturbance will be repaired and re-seeded using hand tools. The proposed seed mixture does comply with DOGM and US Forest Service revegetation requirements.

Boreholes

R645-202-243; Groundwater is not anticipated to be encountered; however, if ground water is present it will be reported to (SITLA, USFS, and DOGM) and a determination will be made regarding the modification of the drill hole to a monitoring well.

Upon completion of the drill hole, the drill hole will be completely sealed with cement from the bottom of the hole to ground level.

Facilities and Equipment

R645-202-244. thru R645-202-244.300; All drilling equipment and materials will be removed from the drill area once drilling is completed. Sealing will start thereafter, and all equipment and material for sealing the drill hole will be removed, when sealing is completed.

Findings:

The requirements of this section of the regulations are considered adequate and meet the minimum reclamation standards.

PUBLIC AVAILABILITY OF INFORMATION

Regulatory Reference: 30 CFR 772.15; R645-203.

Analysis:

The Division will have a copy of the Notice of Intent to Conduct Minor Coal Exploration on file at the Division of Oil, Gas and Mining office.

Findings:

The Division will have a copy of the Notice of Intent to Conduct Minor Coal Exploration on file at the Division of Oil, Gas and Mining office.