



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

In Reply Refer To:  
3400  
U-06039  
U-7653  
UTU-73336 (LMU)

APR 17 2002

*becoming  
C/O 5/018*

Mr. Lowell Braxton, Director  
Utah Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RECEIVED

APR 17 2002

DIVISION OF  
OIL, GAS AND MINING

Dear Mr. Braxton:

Enclosed is correspondence from Interwest Mining Company, a subsidiary of PacifiCorp. The correspondence deals with:

1. The addition of the most recent modification of coal lease U-06039 to the East Mountain Logical Mining Unit (LMU),
2. The dissolution of the sublease agreement between PacifiCorp and Louisiana D. Brown 1992 Irrevocable Trust on coal lease U-7653. This eliminates U-7653 from the East Mountain LMU, since the lease is no longer under common control with the other Federal leases in the LMU,
3. Elimination of State of Utah Lease ML-22509 from the East Mountain LMU.

The regulations at 43 CFR 3487.1(h) state that the boundaries of an LMU may be modified after consultation with the responsible officer of the surface management agency. Therefore, please provide your recommendations or objections concerning the above. If we do not receive any recommendations or objections by May 1, 2002, we will conclude you have no objections to the above actions.

*R. Zortman*  
Roger Zortman  
Deputy State Director  
Lands and Minerals

Enclosure:  
PacifiCorp Correspondence (15 pp)

One Utah Center  
201 South Main, Suite 2100  
Salt Lake City, Utah 84140-0021  
(801) 220-4140 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

March 20, 2002

**RECEIVED**

**MAR 20 2002**

**Bureau of  
Land Management**

Robert Lopez  
Chief, Branch of Minerals Adjudication  
**United States Department of the Interior**  
**Bureau of Land Management**  
**Utah State Office**  
324 South State, Suite 301  
Salt Lake City, Utah 84111-2303

**RE: Amendment #4 to PacifiCorp's East Mountain LMU, Emery County, Utah**

Dear Bob:

In accordance with Section 5 of Modified Federal Coal Lease U-06039 effective December 14, 2001 enclosed in triplicate is PacifiCorp's amendment to the East Mountain logical mining unit (LMU) to include the 65.70 acres recently added to U-06039.

In addition, the submittal of this amendment to the East Mountain LMU also serves to remove federal coal lease U-7653 and state coal lease ML-22509 from the LMU, thereby reducing the overall LMU to 20,490.95 acres. By letters dated December 6, 2001 (copies attached), PacifiCorp gave notice to the Louisiana D. Brown 1992 Irrevocable Trust (lessee of record to federal lease U-7653) and to the State of Utah School and Institutional Trust Lands Administration of its intent to terminate coal leases U-7653 and ML-22509 in their entirety.

We appreciate the extension of time granted to comply with Section 5. Should have any questions or need any additional information, please feel free to contact me at 801-220-4612.

Sincerely,

Scott M. Child  
Manager, Lands and Regulatory Affairs

Enclosures

SMC\EWEST\UTBLM2002-03.wpd

cc: D.W. Jense, B. King - Interwest w/copy encl.  
C. Pollastro, C. Semborski - EWMC w/copy encl.  
J. Kirkham - Stoel Rives w/copy encl.

**Application to Amend  
the  
East Mountain Logical Mining Unit**

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**LMU Amendment #4**

- 1. To include 65.70 acres to modified federal coal lease UTU-06039, effective December 14, 2001.***
- 2. To remove federal coal lease U-7653, and***
- 3. To remove state coal ML-22509.***

**By**

**PacifiCorp, an Oregon Corporation**

**c/o Interwest Mining Company**

**One Utah Center, Suite 2100**

**210 South Main Street**

**Salt Lake City, Utah 84140-0021**

**March 20, 2002**

PacifiCorp

**Application to Amend the East Mountain Logical Mining Unit**  
**Amendment #4**

**1.0 Introduction**

On behalf of PacifiCorp, Interwest Mining Company hereby submits this amendment to the East Mountain Logical Mining Unit (LMU) to accomplish the following three (3) objectives:

- (1) To include 65.70 acres in accordance with Section 5 of Modified Coal Lease UTU-06039 dated effective December 14, 2001,
- (2) Remove federal coal lease U-7653 (411.6 acres), and
- (3) Remove state coal lease ML-22509 (640 acres).

**2.0 Land and Lease Status**

With the proposed addition and deletions in this amendment, the total contiguous lands in the East Mountain LMU now total 20,490.95 acres. See Table 1 for the historical status of the LMU acreage.

Table 1 Historical Status of East Mountain Logical Mining Unit		
Description	Acres	
Original LMU application submitted 12-23-86, inclusive of 22 federal leases, 1 state lease and various fee parcels.	23,645.11	
LMU Addendum #1 submitted 1-29-90 to include federal lease U-2810.	80.00	
Relinquishment of federal lease SL-050133 granted 3-9-93.	-80.00	
LMU Addendum #2 submitted 7-5-95 to include modified acreage to federal lease U-06039.	42.97	
Relinquished acres accepted by BLM effective 4-24-92.	-2,261.23	
LMU Addendum #3 to include modified acreage to federal lease U-06039 dated March 2, 1999.	50.00	
<b>Subtotal</b>	<b>21,476.85</b>	
<b>LMU Amendment #4</b>	Include modified acreage to federal lease U-06039 dated December 14, 2001.	65.70
	Remove federal coal lease U-7653	-411.60
	Remove state coal lease ML-22509	-640.00
<b>Subtotal</b>	<b>20,490.95</b>	
Pending federal lease acreage relinquishments.	-5,705.66	
<b>Total LMU Acreage</b>	<b>14,785.29</b>	

The legal description for the three (3) lease areas impacting this amendment are as follows:

Legal Description	Subsurface Ownership	Surface Ownership
<u>Modified Federal Lease UTU-06039, Effective 12/14/01</u> T. 16 S., R. 7 E. SLB&M Section 19 Lots 2,3, W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ 65.70 acres Lessee of Record: PacifiCorp	U.S. Department of the Interior Bureau of Land Management Utah State Office 324 South State Street Salt Lake City, Utah 84111-2303	U.S. Forest Service Manti-LaSal National Forest Price District 599 West Price River Drive Price, Utah 84501
<u>Federal Coal Lease U-7653</u> T. 16 S., R. 7 E. SLB&M Section 31 All 411.60 Acres Lessee of Record: Louisiana D. Brown Trust Sublessee of Record: PacifiCorp	U.S. Department of the Interior Bureau of Land Management Utah State Office 324 South State Street Salt Lake City, Utah 84111-2303	U.S. Forest Service Manti-LaSal National Forest Price District 599 West Price River Drive Price, Utah 84501
<u>State Coal Lease ML-22509</u> T. 16 S., R. 6 E. SLB&M Section 36 All 640.00 Acres Lessee of Record: PacifiCorp	State of Utah School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818	State of Utah School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818

For the locations of the modified lease acreage being added and the two leases being removed from the East Mountain LMU, refer to Figure 1 showing the revised LMU configuration pursuant to this Amendment #4.

### 3.0 Geology and Mining

This amendment to the East Mountain LMU is necessitated to add the newly modified acreage to federal coal lease UTU-06039 and remove federal coal lease U-7653 and state coal lease ML-22509.

Modified Coal Lease UTU-06039 - Upon PacifiCorp's acquisition of the Mill Fork state coal lease in April 1999 came the need to secure access through a small portion of unleased federal lands located in between the Deer Creek Mine and the Mill Fork state coal lease ML-48258. The lease modification adds an additional 65.70 acres to federal coal lease UTU-06039, thus providing (1) a contiguous land connection between the East Mountain LMU and the Mill Fork state coal lease, and (2) enables an underground access route from the Deer Creek Mine extending into the Mill Fork lease.

Federal Lease U-7653 and State Lease ML-22509 - The two referenced coal leases have long been a contiguous part of the East Mountain LMU and the Deer Creek Mine operation. The economical and safely accessible coal has been mined from both coal leases.

Deteriorating mining conditions and poor coal quality (high ash) on the western half of federal coal lease U-7653 and the eastern portion of state coal lease ML-22509, together with increased displacement of the fault zones in adjacent federal coal lease U-47977 have prohibited any further mining in these leases. Based upon these adverse geologic conditions, faults, poor coal quality and economics Bureau of Land Management (BLM) concurrence was sought to seal and abandon this area of the mine which involved these two leases. BLM approval was granted September 24, 1999 together with the acknowledgment that maximum economic recovery of the coal had been achieved.

By letter dated December 6, 2001(copy attached), PacifiCorp has given notice to the Louisiana D. Brown 1992 Irrevocable Trust (lessee of record to federal lease U-7653) of its intent to terminate in its entirety that certain Coal Sublease dated January 11, 1973 by and between Carroll County Coal Company and Peabody Coal Company. (PacifiCorp was the sublessee of record through various assignments.)

By letter dated December 6, 2001 (copy attached), PacifiCorp has given notice to the State of Utah School and Institutional Trust Lands Administration of its intent to relinquish and surrender state coal lease ML-22509 in its entirety.





COPY

December 6, 2001

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Lincoln Reavis, Trustee  
Louisiana D. Brown 1992 Irrevocable Trust  
2000 Huntington Building  
925 Euclid Avenue  
Cleveland, Ohio 44115

Re: Notice of Termination --Coal Sublease – United States Coal Lease  
U-7653, Township 16 South, Range 7 East, Salt Lake Meridian,  
Utah, Section 31: All, Emery County, Utah

Dear Mr. Reavis:

By letter dated October 14, 1999 from Scott M. Child of Interwest Mining Company, you were notified of PacifiCorp's actions to permanently seal and abandon certain areas within the Deer Creek Mine. At that time you were provided with a copy of the letter from the United States Department of the Interior, Bureau of Land Management, Price Field Office, confirming that the proposed sealing and abandonment complied with the Mineral Leasing Act and that "maximum economic recovery of the Federal coal has been achieved for this area." A copy of Mr. Child's letter, together with its attachments, is enclosed for your convenience.

You are hereby notified in accordance with the provisions of paragraph eight of that certain Coal Sublease dated January 11, 1973 by and between Carroll County Coal Company and Peabody Coal Company that PacifiCorp, as the current sublessee under said Coal Sublease, intends to terminate and does hereby terminate said sublease ninety days from the date of your receipt of this notice.

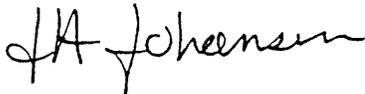
You should also be aware that upon the effective date of the termination of the Sublease of Lease U-7653, PacifiCorp intends to begin action to remove those lands from its existing BLM-approved Logical Mining Unit and from the "Permit Area" under the permit issued by the Utah Division of Oil, Gas and Mining.

Lincoln Reavis, Trustee  
December 6, 2001  
Page Two

COPY

Should you have any questions or concerns with regard to this matter, please feel free to contact Scott M. Child, Manager, Lands & Regulatory Affairs of Interwest Mining Company at (801) 220-4612.

Sincerely,



Judith A. Johansen  
Chief Executive Officer

Encs.

cc Dee W. Jense (w/o encl)  
Bob King (w/o encl)  
Scott M. Child (w/o encl)  
Carl Pollastro (w/o encl)  
Chuck Semborski (w/o encl)  
John S. Kirkham (w/o encl)

Tom Dietrich (w/encl)  
Peabody Coal Company  
301 N. Memorial Drive  
St. Louis, Missouri 63102-2401



December 6, 2001

COPY

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Stephen Boyden  
Director, State of Utah  
School and Institutional Trust  
Lands Administration  
675 East 500 South, Suite 500  
Salt Lake City, Utah 84102-2818

Re: Relinquishment of Lease  
State of Utah Mineral Lease ML-22509 B Coal

Dear Mr. Boyden:

PacifiCorp, as the lessee of record of Mineral Lease ML-22509 (Coal), in accordance with the provisions of Article XI. SURRENDER OR RELINQUISHMENT OF LEASE, does hereby relinquish said lease and surrender said lease for cancellation. As provided in Article XI., it is PacifiCorp's intent that this relinquishment shall be effective on the date of filing of this letter. The relinquishment applies to all of the lands in the lease, namely:

Township 16 South, Range 7 East, SLB&M

Section 36: All.

By letter dated October 13, 1999, Scott M. Child of Interwest Mining Company provided to James D. Cooper, Assistant Director - Minerals, a notification of the sealing project that effectively isolated this lease from any of the other active working areas in the mine. Attached to the letter to Mr. Cooper was a letter from the United States Department of the Interior, Bureau of Land Management, Price Field Office, indicating that with respect to the federal lands within the area to be sealed, the sealing and abandonment complied with the Mineral Leasing Act of 1920 and the BLM also found that maximum economic recovery of the federal coal has been achieved for the area. A copy of Mr. Child's letter, together with its attachments, is enclosed for your convenience. While we believe that this filing serves to satisfy the requirements of the last paragraph of Article XVII. EQUIPMENT OR FACILITIES TO REMAIN WITH THE LANDS, we are

Stephen Boyden  
December 6, 2001  
Page Two

COPY

by copy of this letter submitting the same information to the Director of the Division of Oil, Gas and Mining in order to allow for you to obtain such concurrence with respect to this issue as you may deem appropriate.

Should you have any questions or concerns with regard to this surrender and relinquishment, please feel free to contact Scott M. Child, Manager, Lands & Regulatory Affairs of Interwest Mining Company, at (801) 220-4612.

Sincerely,



Judith A. Johansen  
Chief Executive Officer

Encs.

cc: Lowell Braxton, Director, Div. of Oil, Gas and Mining (w/encl)  
Dee W. Jense (w/o encl)  
Bob King (w/o encl)  
Scott M. Child (w/o encl)  
Carl Pollastro (w/o encl)  
Chuck Semborski (w/o encl)  
John S. Kirkham (w/o encl)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office  
125 South 600 West  
Price, Utah 84501

COPY

3482  
SL-070645  
U-47977  
(UT-070)

Certified Mail--Return Receipt Requested  
Certificate No. Z 580 925 459

RECEIVED

SEP 28 1999

Mr. Steven E. Kochevar, P. E.  
Mine Planning Administrator  
Interwest Mining Company  
One Utah Center, Suite 2000  
Salt Lake City, Utah 84140-0200

Interwest Mining SEP 24 1999

Re: Notification of Sealing, 3<sup>rd</sup> North West Side Panel Block, Deer Creek Mine.

Dear Mr. Kochevar:

The Bureau of Land Management (BLM) received on August 6, 1999, a request from Interwest to seal mined-out areas in the subject mine. This notification of sealing follows and conforms with 43 CFR 3484.1(c)(7), abandonment of mining areas. The 3<sup>rd</sup> North West Side longwall block is located on Federal leases U-06039, U-7653, and U-47977.

Interwest proposes to construct permanent seals for the 9<sup>th</sup> through the 3<sup>rd</sup> West gateroads each at the tie in to the 3<sup>rd</sup> North B Mains. Interwest states this would isolate this mined-out longwall gob, reduce ventilation requirements and provide for dewatering of the area.

The BLM agrees with the proposal, as sealing of mined-out areas is a standard practice. Sealing off the west side of the 3<sup>rd</sup> North longwall gob area reduces the possibility for spontaneous combustion, eliminates worker inspections and exposure, provides controlled dewatering and reduces ventilation requirements.

We also agree that all recoverable coal has been extracted as per the approved resource recovery and protection plan, as modified. We note that all associated mining equipment has been removed and the area has been inspected by our personnel and representatives of the State of Utah Department of Health for verification and any environmental concerns.

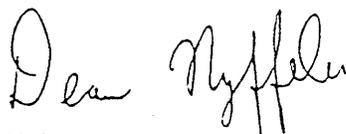
The BLM has determined that the proposed sealing and abandonment of the 3<sup>rd</sup> North west side panel block complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and maximum economic recovery of the Federal coal has been achieved for this area. Interwest's sealing proposal

COPY

is approved as submitted (approved map attached), subject to any requirements of the Mine Health and Safety Administration.

If you have any questions, please contact Stephen Falk of my staff at (801) 636-3600.

Sincerely,



for Richard L. Manus  
Field Office Manager

Enclosure

Approved Mine Map

cc: UT-921, SD, Utah (w/encl.)  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801 (w/encl.)

COPY

MAIL 22509

U-06039

SL-050862

U-47977

U-653

**APPROVED**

U-0848 APPROVED: *Hester W. Felt*

TITLE: *Mining Engineer*

N

DATE: AUGUST 2, 1939

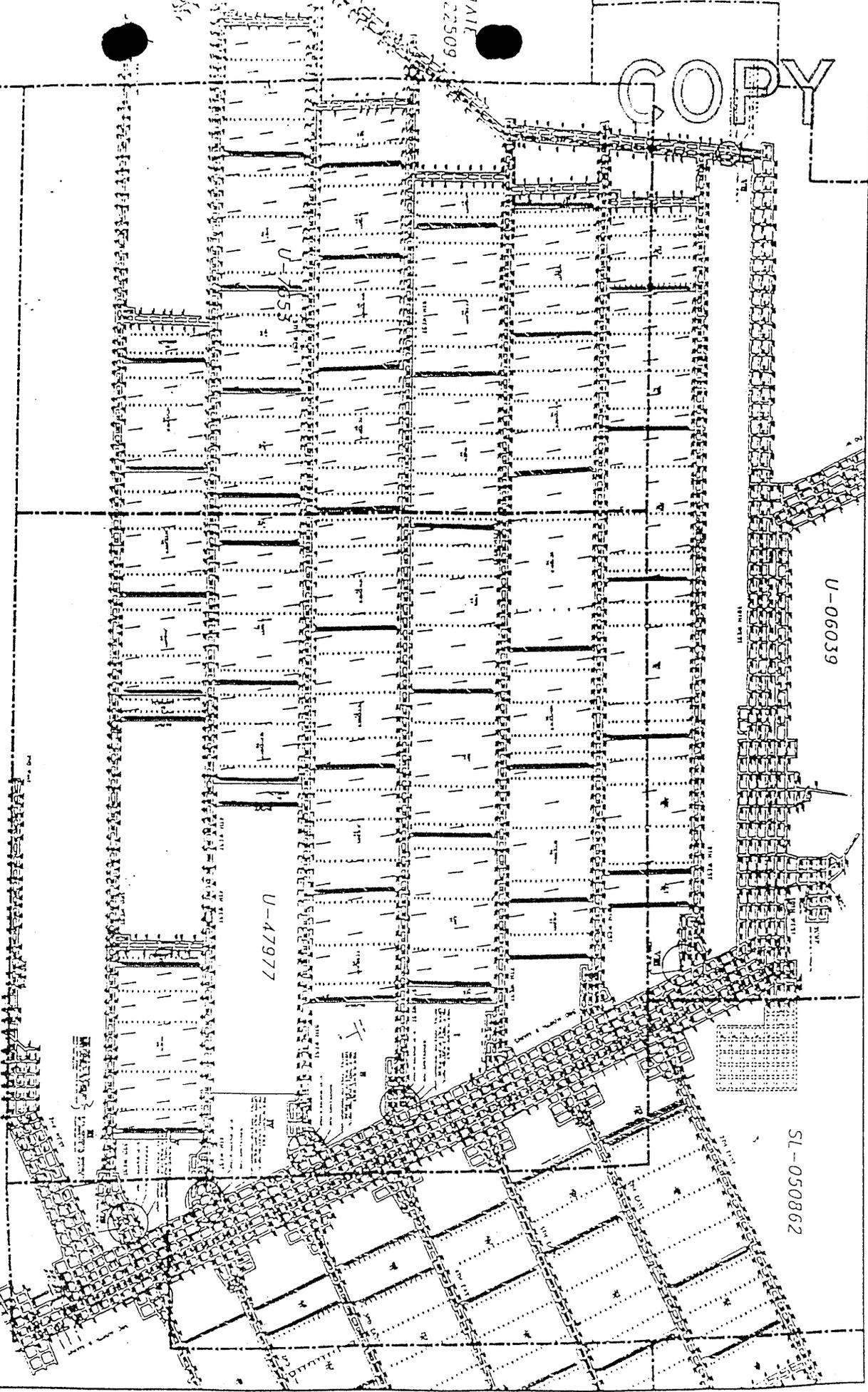
ENERGY WEST MINING COMPANY

DEER CREEK MINE  
RTH WEST THROUGH 3RD WEST  
SEALING PROJECT (DATED 8 2 39)

SCALE: 1" = 500'

DATE: AUGUST 2, 1939

BY: [Signature]





August 2, 1999

A Subsidiary of PacifiCorp

Mr. Richard Manus  
District Area Manager  
Bureau of Land Management  
Moab District, Price River Resource Area  
125 South 600 West  
Price, Utah 84501

COPY

**Subject: PROPOSED DEER CREEK MINE SEALING PROJECT; 3<sup>RD</sup> NORTH WEST SIDE PANEL BLOCK [9<sup>TH</sup> WEST THROUGH 3<sup>RD</sup> WEST GATE ROADS]**

Dear Mr. Manus:

PacifiCorp, by and through its wholly-owned subsidiaries, Interwest Mining Company ("Interwest") as managing agent and Energy West Mining Company ("Energy West") as mine operator, hereby requests approval from the BLM authorized officer in accordance with 43 CFR 3484.1(c)(7) to permanently seal and abandon the portion of the Deer Creek Mine in the area comprising the 9<sup>th</sup> West through 3<sup>rd</sup> West gateroads, west of the 3<sup>rd</sup> North Mains, included within federal coal leases U-06039, U-47977, U-7653 and Utah State coal lease ML-22509. Please find attached a general arrangement drawing regarding proposed seal locations, construction, and sequence for the above referenced project.

PacifiCorp submits that the proposed sealing and abandonment is in compliance with the terms, conditions and stipulations of the referenced leases. In support of this project we submit that the following conditions have been fully satisfied:

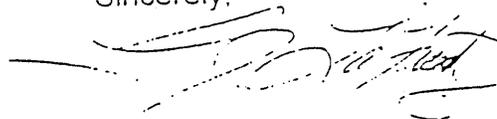
- (1) all practical and economical coal reserves have been mined from this area in accordance with the approved R2P2 and it's subsequent minor modifications,
- (2) all associated heavy mining equipment, machinery and materials have been removed from this area, and
- (3) a complete underground environmental audit (walk through) of this area was conducted on May 18, 1999 by representatives of the Utah BLM State Office, State of Utah Department of Health Division of Solid and Hazardous Waste, Energy West and Interwest.

This proposed sealing project is critical to the Deer Creek Mine's ventilation and mine de-watering systems. Your concurrence that the lease terms have been satisfied together with your approval to proceed with the placement of permanent seals as shown on the attached drawing is hereby requested.

Your immediate attention to this request is greatly appreciated, as we're hopeful to begin this sealing project during the month of September/October with completion prior to end-of-year 1999.

If you need additional information or have questions with regard to the above referenced matter, please feel free to call.

Sincerely,



For: Steven E. Kochevar, P.E.  
Mine Planning Administrator  
Interwest Mining Company

COPY

One (1) Enclosure

Enclosure #1: DEER CREEK MINE 9<sup>th</sup> WEST THROUGH 3<sup>rd</sup> WEST SEALING PROJECT [DATED 08/02/99].

cc: Doug Koza, BLM  
Dan Baker, IMC  
Steve Kochevar, IMC  
Scott Child, IMC  
Blake Webster, IMC  
Keith Sinsel, EWMC  
Jim Noyes, EWMC  
Carl Pollastro, EWMC  
Chuck Semborski, EWMC  
Lew Tonc, EWMC  
L.J. LaFrentz, EWMC