



April 8, 2003

Thomas W. Lloyd, Geologist  
 Forest Service  
 Manti-La Sal National Forest  
 115 West Canyon Road  
 P.O. 310  
 Ferron, UT 84523

*Lynx Corp*  
*4/15/03*

RECEIVED

APR 10 2003

DIV. OF OIL, GAS & MINING

Dear Mr. Lloyd:

**RE: 2002 DRILLING PERMIT MODIFICATION REQUEST: RELOCATION OF DRILL HOLES EM-181 AND EM-183, AND CHANGE OF TIMING FOR DRILL PROGRAM STARTUP - UTAH STATE COAL LEASE ML-48258; PACIFICORP, ENERGY WEST MINING CO., EMERY COUNTY, UTAH**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, has received a request to relocate drill holes EM-181 and EM-183 to alleviate concerns the potential impacts associated with Canada Lynx habitat. The request specifically asks for the hole locations to be moved away from the dense timber stands that are located immediately to the south of each drill hole location, and out into more open country nearby to the north. In complying with the request, PacifiCorp proposes new hole locations for EM-181 and EM-183, shown on the attached aerial photographs. Enclosed are six (6) copies of the Upper Joes Valley Aerial Photo and the Mill Fork Aerial Photo 2 from the original 2002 drilling permit request with the drill hole locations adjusted to comply with this request.

PacifiCorp hereby requests that the project startup time for 2003 drilling be changed to allow earlier access to two drill locations where water is likely to be scarce or absent later in the summer due to the continuing drought. Proposed drill holes EM-180 and 186 are located near only one potential water source (MFR-10 Spring). As we discussed during our meeting of March 21, 2003, the output of this spring has been declining steadily over the past 3 years. After a brief peak early in the spring/summer, the spring flow decreases to the point where it is not a sufficient supply for drilling. PacifiCorp requests permission to drill in this area during the peak flow time for the spring, which will probably be during the time of maximum snow melt, in the latter half of May or beginning of June. Drilling activities in this area would not take place until after the completion of the annual raptor survey, or after consultation and verification with the Division of Wildlife Resources. Depending on the available water resources, these two holes would be drilled simultaneously by 2 separate rigs to reduce total time in the area. The following table lists the priorities of the five exploration holes:

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.F.S. 2002 Drilling Permit Modification  
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Hole #:	Priority	Drill Rig #1	Drill Rig #2	Drilling Justification:
EM-180	1	X		Delineate eastern limit of reserves. Critical in determining the location of the long-term main entry system.
EM-186	1*		X*	Delineate eastern limit of reserves. Critical in determining the location of the long-term main entry system. *EM-180 and EM-186 could be drilled simultaneously if sufficient water is available from spring MFR-10. If water is insufficient, Rig # 2 would be set up on EM-181, and moved to EM-186 when EM-181 is completed.
EM-181	2*		X	Delineate eastern limit of reserves. Critical in determining the location of the long-term main entry system.
EM-187	2	X		Delineate eastern limit of reserves. Critical in determining the location of the long-term main entry system. Adequate water resources to start up after July 15, if necessary
EM-183	3	X		Delineate western limit of reserves. Adequate water resources to start up after July 15, if necessary

Energy West prefers that if allowed to start the drilling process on May 15<sup>th</sup>, that the entire program be drilled in one continuous process, due to the high costs associated with mobilizing and de-mobilizing of drilling equipment and helicopter.

By drilling at least two holes early, that amount of time (about 7 days) of potential overlap with hunting seasons, especially with the limited entry bull elk season of September 13 - 23, would be reduced near the end of the drilling program. Also, an earlier startup time would reduce the risk of not being able to secure a helicopter until later in the summer due to the probability of helicopters being tied up on firefighting jobs. This again reduces the chances of drilling later in the summer and creating potential conflicts with the various hunting seasons.

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If you require any additional information please call me at (435) 687-4720.

Thank you for your assistance in this matter.

Sincerely,



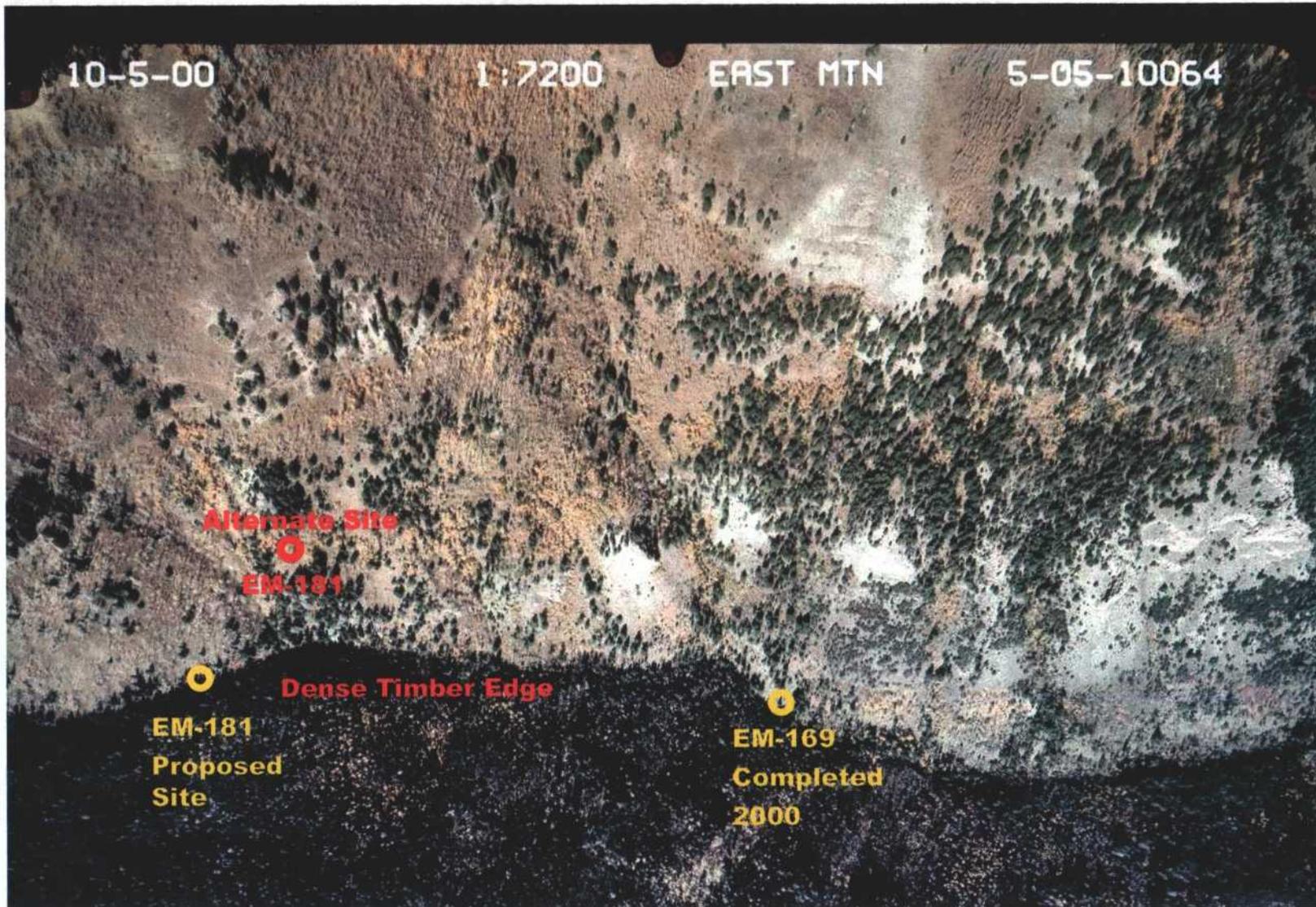
Charles A. Semborski  
Geology/Permitting Supervisor

Enclosures (6 copies )

cc:

Rod Player, U.S.F.S. Price Office  
DOGM Salt Lake Office (3 copies), Price Office (1 copy)  
John Blake, SITLA (3 copies)  
Scott Child (Interwest) w/o encl.

# Mill Fork Proposed Drill Hole EM-181 Alternate Site



# Joes Valley Proposed Drill Hole EM-183 Alternate Site

