



PO Box 310  
Huntington, Utah 84528

file In C 0150018, Internal  
Date: 052605, Refer to:

RECEIVED

MAY 31 2005

DIV. OF OIL, GAS & MINING

*Incoming*  
*5/15/05* #2264  
*Copy Wayne H,*  
*Jim Smith, Susan*

May 26, 2005

Confidential  
 Shelf  
 Expandable  
For additional information

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

Re: Rilda Canyon Canyon/ Mill Fork Canyon Proposed Hydrologic Investigation, PacifiCorp,  
Deer Creek Mine, C/015/018, Emery County, Utah

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, herewith submits three copies of a Proposed Hydrologic Investigation Plan for the Rilda Canyon and Mill Fork Canyon. As a result of expansion of mining operations to the northwest (to include the Mill Fork State Lease #48258), PacifiCorp proposes constructing surface facilities in Rilda Canyon. This includes all support facilities for underground mining operations except coal transportation and handling. Initially, the facilities were proposed in an area disturbed by previous mining operations below Rilda Canyon Springs located in Section 28, Township 16 South, Range 7 East. However, due to concerns related to culverting some 1,500 feet of perennial stream that were expressed by the various governmental agencies, PacifiCorp chose to move the proposed facility site up canyon approximately 1/2 mile. Relocation of the proposed facilities up canyon from the original site places the proposed facilities above and adjacent to Rilda Canyon Springs. To alleviate concerns with the proposed Rilda Canyon Portal Facilities, PacifiCorp and North Emery Water Users Special Service District (NEWUSSD) are investigating relocation of the Rilda Canyon Springs collection system from their current location to the mouth of the right fork of Rilda Canyon above the portal facilities, refer to Map 1. To determine the feasibility of this area as a spring collection area, PacifiCorp drilled seven (7) shallow hollow stem auger hydrologic test holes during the fall of 2004. The 2004 sites were selected for the following reasons;

- ◆ Geologic mapping and review of stratigraphic information to indicate that the canyon walls constricts the canyon of the Right Fork between outcrops of the Star Point Sandstone
- ◆ The area has been previously disturbed by a series of roads
- ◆ Flow in the Right Fork of Rilda Canyon dissipates from surface flow to subterranean flow.
- ◆ To determine depth, quality and quantity of groundwater emanating from the Right Fork of Rilda Canyon

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

Deer Creek Mine:  
(435) 687-2317  
Fax (435) 687-2285

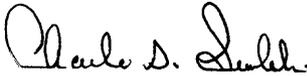
Rilda Canyon Hydrologic Investigation  
May 26, 2005  
Page Two

These holes were helpful in determining the extent of alluvium, but were limited in terms of evaluating the potential for spring relocation. PacifiCorp proposes to drill up to a total of four (4) additional hydrologic test holes, two (2) within in Rilda Canyon and two (2) within Mill Fork Canyon. Investigation in Mill Fork Canyon will determine the potential for groundwater development for NEWUSSD's slow sand filtration plant.

For ease of reference, this plan follows the format of the applicable portions of the Utah Division of Oil, Gas, and Mining rules (R645-200 through R645-203) regarding Coal Exploration.

If there are any questions or concerns please call me at (435) 687-4720 or Dennis Oakley at (435) 687-4825. We would be glad to cooperate closely with all parties involved to allow a timely review of this application.

Sincerely,



Charles A. Semborski  
Manager Geology/Permitting  
enclosures:

cc:

United States Forest Service, Tom Lloyd  
Bureau of Land Management, Jim Kohler  
Utah Division of Water Rights, Mark Page  
NEWUSSD, Randy Bell  
Huntington Cleveland Irrigation Company, Dennis Ward  
Interwest Mining Company, Scott Child  
Doug Johnson  
File

J:\Environmental\PERMITS\DeerCreekMine\Rilda Canyon Portal Project\Spring Collection Study Area\May 2005 Cover Letter.wpd

RECEIVED

MAY 31 2005

DIV. OF OIL, GAS & MINING