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SMITH | HARTVIGSEN | PLLC
ATTORNEYS

215 South State Street, Suite 650 Salt Lake City, Utah 84111

Facsimile Transmittal

Telephone: (801) 413-1600
Facsimile: (801) 413-1620

Date: November 9, 2005

Facsimile Number: **801-359-3940**

Deliver to: Mary Ann Wright

Total Pages Sent (including cover page): **7**

Company Name: Dept. of Oil, Gas and Mining

Hard Copy to Follow: no

Sending Party: **J. Craig Smith**

Message:

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S M I T H | H A R T V I G S E N PLLC
ATTORNEYS AT LAW

215 South State Street
Suite 650
Salt Lake City, Utah 84111

T 801.413.1600
F 801.413.1620
www.smithhartvigsen.com

J. CRAIG SMITH
jcsmith@smithlawonline.com

November 9, 2005

Jack Troyer
Regional Forester
324 25th Street
Ogden, Utah 84401

*-Via Facsimile No. 801-625-5277
& First Class Mail-*

Re: *Withdrawal of Appeal of Finding of No Significant Impact for Mining Plan Modification, Federal Coal Leases U-06039, U-2810, SL-050862, and SL-051221*

Dear Mr. Troyer:

The purpose of this letter is to inform you that Huntington-Cleveland Irrigation Company, P.O. Box 327, Huntington, Utah 84528, ("Huntington-Cleveland"), has determined to withdraw its appeal of the Decision Notice and Finding of No Significant Impact signed by Rod Player, Acting Forest Supervisor, on behalf of Alice B. Carlton, Forest Supervisor, on August 25, 2005, concerning the mining plan modification in Rilda Canyon, Federal Coal Leases U-06039, U-2810, SL-050862, and SL-051221. This appeal is authorized pursuant to 36 C.F.R. §§ 215.7, 215.11.

Huntington-Cleveland has met with Energy West Mining Co., a division of Pacificorp, and has discussed the concerns expressed in its protest with both Energy West Mining Co. and Forest Service personnel in the Price, Utah office. Huntington-Cleveland has received both written and verbal commitments that if an incident of contamination, diminution, or interruption of the water supply occurs, that Pacificorp/Energy West will replace the water contaminated, interrupted or diminished in the Rilda Canyon area. See attached documents. Also, Huntington-Cleveland will be consulted regarding disposal of gray water in the Rilda Canyon area.

If you should have any questions please contact me.

Yours truly,
SMITH HARTVIGSEN, PLLC


J. Craig Smith

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cc: Board of Directors, Huntington-Cleveland
Dennis Ward, President
Sherrel Ward, Vice President
Kay Jensen, Secretary
Michael Davis, Manti La Sal Forrest
Chuck Semborski, Energy West



PO Box 310
Huntington, Utah 84528

November 3, 2005

Dennis Ward, President
Huntington Cleveland Irrigation Company
71 North Main
Huntington, Utah 84528

RE: Rilda Canyon Water Replacement Commitment

Dear Mr. Ward

This letter is written to reaffirm PacifiCorp's commitment to water replacement in Rilda Canyon as documented in the Agreement signed by both parties on January 28, 1995 (see attachment). PacifiCorp asserts that the Agreement signed in 1995 applies to both the existing facilities in the Left Fork of Rilda Canyon as well as any proposed North Rilda Canyon portal facilities. During the planning of the proposed North Rilda Canyon portal facilities, PacifiCorp has worked closely with all interested parties including Huntington Cleveland Irrigation Company to develop a plan which minimizes potential impacts to the surface and groundwater hydrology, and PacifiCorp will continue to work in this manner. The terms of the referenced Agreement will continue in effect until final bond release is granted by the regulatory agencies following final reclamation of any PacifiCorp facilities in Rilda Canyon.

As discussed during your phone conversation with Chuck Somborski of Energy West Mining Company on November 2, 2005, upon receiving this letter reaffirming PacifiCorp's commitment to water replacement, we respectfully ask that Huntington Cleveland Irrigation Company withdraw its protest to the permitting and construction of the proposed North Rilda Canyon portal facilities

Sincerely,

Dee W. Jense
President

cc: Chuck Somborski

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AGREEMENT

This agreement is made and entered into as of this 26TH day of JANUARY, 19 95 by and between Energy West and/or PacifiCorp and Huntington Cleveland Irrigation Company.

WHEREAS, Huntington Cleveland Irrigation Company is a non-profit mutual water company authorized by law to supply water to its stockholders for irrigation, stockwatering, domestic, industrial and other purposes in the communities of Huntington, Cleveland, Elmo and northern Emery County, Utah.

WHEREAS, PacifiCorp has coal leases U-014275, BL-090862, 11-7653, U-04039 and U-024319 and are applying for a permit to build surface facilities in the Lost Hand Fork of Rilda Canyon.

WHEREAS, PacifiCorp mining or construction in Rilda Canyon area may interrupt, plug off, stop or lessen the amount of water flowing out of the North Emery Water Users Association's (NEWUA) Rilda Canyon Springs or the Rilda Canyon streams. PacifiCorp will replace any and all above referenced waters determined to have been lost or adversely affected as a result of PacifiCorp's mining operations if such loss or adverse impact occurs prior to final bond release. The water will be replaced from an alternate source in sufficient quantity and quality to maintain the current uses associated with said water.

PacifiCorp will supply to Huntington Cleveland Irrigation Company a copy of all springs and streams that are monitored in the PacifiCorp mining area.

Huntington Cleveland Irrigation Company will have the right to request records of monitoring systems operated by PacifiCorp as to springs, wells and streams. Huntington Cleveland Irrigation Company will use any of North Emery Water Users Association monitoring systems records and any system which may be installed by Huntington Cleveland Irrigation Company to verify water losses. Determination of losses will be made in accordance with the procedures and formula contained in the existing agreement between NEWUA and PacifiCorp.

During the course of the regular monitoring activities required by the permit of PacifiCorp, Huntington Cleveland Irrigation Company will be advised as soon as possible of any loss or adverse occurrences in the flow of springs, streams or wells.

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Upon the signing of this agreement by PACIFICORP, HUNTINGTON CLEVELAND BRIGATION COMPANY will withdraw their process for construction in Ende Canyon.

MISCELLANEOUS

A. BINDING EFFECT.

This agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, assigns, personal representatives and estate. Notwithstanding to whom any claim or cause of action may be asserted, the fees and costs of such attorney shall be paid by the party who breaches or defaults hereunder, including fees and costs incurred upon appeal or in bankruptcy court.

C. SEVERABILITY.

If any term or provision of this Agreement shall, to any extent, be determined by a court or competent jurisdiction to be void, voidable, or unenforceable, such void, voidable or unenforceable term or provision shall not affect the enforceability of any other term or provision of the Agreement.

D. CAPTIONS.

The section and paragraph headings contained in this Agreement are for the purposes of reference only and shall not limit, expand or otherwise affect the construction of any provision hereof.

E. GOVERNING LAW.

This Agreement and all matters relating hereto, shall be governed by, construed and interpreted in accordance with laws of the State of Utah.

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F. ENTIRE AGREEMENT.

This Agreement constitutes the entire understanding and agreement by and between the parties hereto, and supersedes all prior agreements, representations or understandings by and among them, whether written or oral, pertaining to the subject matter hereof.

G. CONSTRUCTION.

As used herein, all words in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular, as the context may require.

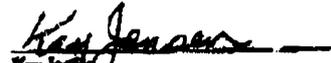
H. WARRANTY OF AUTHORITY.

The individuals executing this Agreement on behalf of the parties hereby warrant that they have the requisite authority to execute this Agreement on behalf of the respective parties and that the respective parties have agreed to be and are bound hereby.

I. NOTICES.

All notices required hereunder shall be in writing and shall be deemed to have been sufficiently given or served when presented personally or when deposited in the United States Mail.


Dan Baker
President
Energy West Mining


Kay Jensen
President
Huntington Cleveland Ingoties Co.

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TRANSMISSION VERIFICATION REPORT

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