

0028

*Incoming
c/015/018
cc: Wayne
Plain*

From: <James_Kohler@blm.gov>
To: "Mary Ann Wright" <maryannwright@utah.gov>
Date: 3/9/2006 8:18:46 AM
Subject: Re: Fwd: BLM Coal Exploration License - Mill Fork SITLA Lease, Deer Creek Mine

Mary Ann,

Due to time constraints imposed by the need to make a decision to avoid bypassing the SITLA coal, we needed to issue the decision on the exploration license last Friday to start the 30 day appeal clock. This has been done, and our decision to issue the license was sent out on Friday. Because the coal was unleased, we assumed that the lands were not included in the permit area, but could be considered part of the adjacent area. Normally, on an exploration license, we do not formally request comments from the Division, but because of the "unusual" nature of the exploration, I believe it would be appropriate to ask for any comments you might have on the plan. To this end, we forwarded a copy of the plan to the Division last week (e-mail to Mark Mesch) and offered to meet to discuss any questions or concerns you might have. We have not yet approved the exploration plan, so we would welcome any comments you might have and will incorporate them into the plan approval.

Jim

James F. Kohler
 Utah State Office
 Chief, Branch of Solid Minerals
 (801) 539-4037

"Mary Ann Wright"
 <maryannwright@utah.gov>
 To
 <James_Kohler@blm.gov>
 03/08/2006 04:04 PM cc
 Subject
 Fwd: BLM Coal Exploration License -
 Mill Fork SITLA Lease, Deer
 Creek Mine

Jim - FYI this is our determination on the exploration. Will you be soliciting comments from OGM? Not clear if it is on permit; we know it is off-lease. - MA

----- Message from "Wayne Hedberg" <WAYNEHEDBERG@utah.gov> on Tue, 07 Mar 2006 17:03:31 -0700 -----

To: "Chuck Semborski" <Charles.Semborski@PacifiCorp.com>

cc: "Mark Mesch" <MARKMESCH@utah.gov>, "Mary Ann Wright" <MARYANNWRIGHT@utah.gov>, "Pam Grubaugh-Littig" <PAMGRUBAUGHLITTIG@utah.gov>, "Susan White" <SUSANWHITE@utah.gov>

Subj BLM Coal Exploration License - Mill Fork SITLA Lease, Deer Creek Mine
ect: Mine

Dear Mr. Semborski:

This email is sent as followup to our phone conversation on March 6, 2006 regarding our regulatory position for the above referenced BLM coal exploration license proposal. After evaluating this proposal under the pertinent State and Federal mining regulations, and following a consultation with representatives of the Office of Surface Mining, we have determined that the proposed action will not require a permit from the Division of Oil, Gas & Mining.

The proposal involves a westward extension of the underground development entries (14th, 15th & 16th West), from the western boundary of the Mill Fork SITLA Lease Tract (ML-48258) into unleased federal coal located outside of the approved mine permit area. New setups, bleeders and 2 horizontal drill holes are proposed to explore and determine the precise location of the Joe's Valley Fault. This work will be authorized and performed under an approved BLM Exploration License. Coal extracted by the exploration activities will be segregated and stockpiled at the Hunter and/or Huntington Power Plants within current coal storage areas as authorized under the exploration license. This coal cannot be sold or burned under the exploration license provisions. Pacificorp will file LBA extension application(s) for the Mill Fork West Tract with the BLM to allow further coal recovery efforts. The Division will become actively involved in the permitting of these future LBA lease tract extensions as modifications to the approved mine plan for the Deer Creek Mine.

Thank you for keeping us informed of Pacificorp's ongoing mining activities at the Deer Creek Mine. If you have any questions or need further clarification, please contact us at your earliest convenience.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Coal Regulatory Program
(801) 538-5286

CC: <Kent_Hoffman@ut.blm.gov>