



P.O. Box 310
15 North Main Street
Huntington, Utah 84528

June 15, 2009

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

(INFORMATION IS STORED ELECTRONICALLY)

**RE: NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION -
UTAH STATE COAL LEASE ML-48258; PACIFICORP, ENERGY WEST
MINING CO., EMERY COUNTY, UTAH (DOGM TASK# 3089)**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits three (3) copies of the Notice of Intention to Conduct Minor Coal Exploration - Utah State Coal Lease ML-48258.

The six proposed drill holes are located within the current Utah State Coal Lease ML-48258, in Sections 1 and 11, Township 16 South, Range 6 East, Salt Lake Base and Meridian. The drilling will occur on lands in which the surface is administered by the U.S.D.A. Forest Service (USFS) and the subsurface by the State of Utah (see accompanying maps entitled Mill Fork Coal Lease - Coal Exploration - General Location Maps, Aerial Photos, Surface Ownership Map, Coal Ownership Map, Waterline and Pump Location Map).

The proposed holes will be drilled in Joes Valley and Crandall Canyon. All sites will be located at or above the Castlegate Sandstone. Access to these locations will be from Upper Joes Valley and/or Mill Fork staging areas (see Raptor Locations, Helicopter Flight Paths and Staging Areas map). The Joes Valley staging area will be the primary site and the Mill Fork staging area will be considered the secondary staging area to minimize potential impacts to raptors.

Over the past thirteen years, Energy West has successfully utilized helicopter supported drilling in and adjacent to the Mill Fork Lease. Exploration was conducted in steep terrain in Mill Fork Canyon and in Joes Valley in remote areas where road construction was unfeasible.

Energy West has strategically selected the proposed drill hole locations to minimize environmental impacts and to maximize geologic data. As outlined in the Notice of Intention, no site preparation (building roads or drill pads) will be necessary. Energy West goes to great extents to minimize environmental impacts, including selecting minimal impact drilling

C/15/0018, 2009, Incoming
Refer to:
 Confidential
 Shelf
 Expandable
Date: 6/15/09 For additional information

June 15, 2008

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techniques, selecting easily reclaimable sites, protecting existing vegetation with a protective cover, selecting drill equipment that can be leveled without excavating the ground, and complete cleanup and reclamation of drill sites.

This Notice of Intention was originally submitted to the Division, SITLA, and the U.S.D.A. Forest Service in November and revised in December of 2008. The original Notice was denied as incomplete on the basis of deficiencies outlined in the December 8, 2008 letter, the December 15, 2008 Technical Memorandum and the April 13, 2009 Technical Analysis. The format of the Notice of Intention has been designed to address the deficiencies outlined in these letters. The deficiency responses are presented as Appendices (yellow page dividers) in the Notice of Intention. These include:

SITLA concurrence

Forest Service concurrence and Special Use Permit (still pending)

Road Use Permit from Forest Service

Water Rights approval letter

MSDS sheets for drilling additive concentrates

Threatened and Endangered Species List for Emery County, Utah

Class I and ClassIII archaeological surveys for all 6 sites - My understanding is that these will be forwarded to SHPO for their concurrence if necessary. The Forest Service archaeologist determined that since there were no archaeological findings at any sites, that SHPO did not need to be notified by them.

As discussed in the conference call of 6/10/09, I am submitting this Notice of Intention without the approved Forest Service Special Use Permit due to the time constraints created by the lengthy consultation process with the U.S. Fish and Wildlife Service which I had hoped would be completed by now. The Forest Service has been working on the Special Use Permit approval since the original revised submittal of this Notice in December, 2008. As soon as the Special Use Permit is approved by USFS, it will be forwarded to the Division.

Due to the time delays already experienced, the logistical difficulties associated with contractor scheduling, and declining water supplies in the drill area, Energy West urges quick consideration and approval of this Notice. Drill project startup is scheduled for July 6, 2009.

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If you require any additional information please call me at (435) 687-4712.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth S. Fleck". The signature is written in a cursive style.

Ken Fleck

Geology and Environmental Affairs Manager

Enclosures (3 copies)

cc: Scott Child (Interwest) w/encl.

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: PacifiCorp

Mine: Deer Creek Mine

Permit Number: C/015/0018

Title: Notice of Intention to Conduct Minor Coal Exploration - Utah State Coal Lease ML-48258

Description, Include reason for application and timing required to implement:

Application to drill 6 coal exploration holes - Summer 2009

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice publication? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies?
<i>Explain:</i> _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2) |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Kenneth Fleck
Print Name

Kenneth S. Fleck
Sign Name, Position, Date

Manager of Environmental Affairs 6/15/09

Subscribed and sworn to before me this 15th day of June, 2009

Chris M. Christensen
Notary Public



My commission Expires: April 24, 2011
Attest: State of Utah } ss:
County of Emery

For Office Use Only: 	Assigned Tracking Number: 	Received by Oil, Gas & Mining <div style="font-size: 2em; color: red; font-weight: bold;">RECEIVED</div> <div style="font-size: 1.5em; color: red; font-weight: bold;">JUN 15 2009</div> <div style="color: red; font-weight: bold;">DIV. OF OIL, GAS & MINING</div>
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