

April 6, 2015

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

**Subj: Deer Creek Mine Closure – Equipment Remaining Underground Memo to BLM,
PacifiCorp, Deer Creek Mine, C/015/0018, Emery County, Utah.**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company “Energy West” as mine operator, hereby submits a list and maps of equipment to remain underground at Deer Creek Mine (Memo to Bureau of Land Management dated March 31, 2015, requesting permission to leave the items underground). Deer Creek Mine has ceased coal production and mining activities as of January 7, 2015 and the mine is being permanently closed. Recovery and mine sealing operations are in progress. The memo and maps to BLM (subsurface management agency) indicate the amount and location of equipment that will remain underground after mine closure. Upon approval by BLM, the list will be incorporated in the Deer Creek mine permit in the form of a permit amendment.

If you have any questions concerning this action, please contact myself at 435-687-4712 or Dennis Oakley at 801-687-4825.

Sincerely,



Kenneth Fleck
Geology and Environmental Affairs Manager

Enclosures: Letter and Maps Addressed to BLM indicating equipment quantity and location.

Cc: Chuck Semborski, EWMC
Dennis Oakley, EWMC
Rick Poulson, EWMC
Scott Child, Interwest Mining Co.

file



Energy West Mining Company
P. O. Box 310
15 No Main Street
Huntington, UT 84528

March 31, 2015

Mr. Roger Bankert
Chief, Branch of Minerals
Bureau of Land Management
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145

RE: Sealing and Closure of Deer Creek Mine – Underground Regulatory Inspections,
Remaining Equipment List and Map for Federal Coal Leases:

UTU-88554	U-014275
UTU-84285	U-47977
U-024617	U-024319
UTU-06039	U-084923
SL-051221	U-047979
U-2810	U-070645/02292
SL-050862	SL-064607/064621

Dear Mr. Bankert:

PacifiCorp, by and through its wholly-owned subsidiaries, Interwest Mining Company as managing agent and Energy West Mining Company (“Energy West”) as mine operator, hereby requests from the Bureau of Land Management (“BLM”) permission to seal the remainder of the Deer Creek Mine in its entirety, including workings in the Blind Canyon and Hiawatha Seams (see list of Federal Leases above). The purpose of this request is made in accordance with federal coal lease stipulation number 10 (Delivery of Premises, Removal of Machinery, Equipment, Etc.) and special stipulation number 25 (Underground Inspections) and in response to a voice message received March 23, 2015, from Vaughn Hughes, BLM mine inspector, and the telephone conference call of March 30, 2015. As a condition of being granted permission to permanently seal the Deer Creek Mine, we hereby provide the following of what has transpired to date.

By way of background, PacifiCorp formally announced on December 15, 2014 that the Deer Creek Mine would be permanently closed in its entirety. Meanwhile, Energy West has been engaged with the closure process since the announcement with periodic reviews, inspections and updates with the regulatory agencies. Enclosed is the equipment recovery and/or abandonment list together with a location map for approval as part of the closure process. Final production from the mine ceased on January 7, 2015. A meeting was held at the BLM State Office on January 22, 2015 to review the closure plans with representatives from the BLM, U.S. Forest Service, and the Utah Division of Oil, Gas, and Mining (DOG M). At this meeting, Energy West committed to removing all underground machinery that could be recovered safely. In addition, Energy West also committed to removing as much belt structure (with special emphasis on removing all structure in by the proposed Mill Fork Access #2 Bulkheads) as possible that could be recovered safely for environmental reasons. Furthermore, in accordance with the terms, conditions and special stipulations of the

Mr. Roger Bankert, BLM
March 31, 2015
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referenced federal coal leases, Energy West has removed all equipment, machinery and operating storage items that could contain fluids, petroleum products, liquid dielectrics, batteries and other potentially hazardous substances.

Underground inspections including BLM, DOGM, and Energy West representatives were conducted on the following dates:

- October 03, 2014 (prior to the mine closure announcement, this inspection was for sealing the 25th – 27th West longwall panel district that is now part of the complete mine closure plan),
- February 13, 2015, February 20, 2015, March 19, 2015, and March 27, 2015 (DOGM only) for the purposes of reviewing underground equipment removal and hazardous substance removal.

The mine workings inby 7th North XC-39 were sealed on February 25, 2015 after the first 3 inspections and with the approval of the BLM (verbal approval by Steve Falk, February 20, 2015). Equipment left underground inby the 7th North XC-39 seals included a number of water pumps and electrical distribution boxes that were not safe to recover due to inaccessibility after the power was removed inby the sealed area. None of this remaining equipment contained any liquid dielectrics. Belting, belt structure and cables left in the sealed area were not practicable to recover.

Federal coal lease stipulations and CERCLA require that a listing and map of equipment remaining underground be submitted to BLM (and the surface management agency) prior to final approval of the closure plans. Given this information, Energy West we hereby request your written acceptance and approval of the equipment listed to remain underground. Again, as recovery and abandonment activities continue in the areas to be sealed, some equipment could be considered unsafe and/or impracticable to recover. This is determined on a case-by-case basis. Belt structure will be left in place where it will not be immersed in ground water and subject to dissolution. The amount of iron left in belt structure and other equipment not recovered will be insignificant in proportion to the amount of iron remaining underground in the form of permanent roof control structures.

Recovery activities are still in progress in the areas of the mine outby the 7th North XC-39 seals, and will continue until the portals are sealed permanently.

Copies of this request are also being sent to Jeff McKenzie and Vaughn Hughes at the BLM and Tom Lloyd of the Manti-LaSal National Forest. If you have any questions please feel free to contact Ken Fleck at (435) 687-4712.

Respectfully,



Rick Poulson

Mr. Roger Bankert, BLM
March 31, 2015
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Mine Manager, Deer Creek Mine

Enclosures: Equipment Remaining Maps
Equipment Remaining List

cc: Charles Semborski
Ken Fleck
Louie Tonc
Dennis Oakley
Scott Child
Steve Larsen

Jeff McKenzie, BLM
Vaughn Hughes, BLM
Tom Lloyd, USFS

Deer Creek Mine

Equipment Remaining In Mine or Projected to Remain as of March 25, 2015

<u>Location</u>	<u>Item</u>	<u>Quantity/Footage</u>
23 rd West	48" Belt Structure	2300'
23 rd West	High Voltage Cable	2500'
10 th North Mains	High Voltage Cable	700'
10 th North Mains	60" Belting	7,840'
9 th North Mains	High Voltage Cable	4520'
9 th North Mains	60" Belting	9,468'
7 th North Mains	High Voltage Cable	1150'
7 th North Mains	60" Belting	11,300'
17 th West SubMains	60" Belting	3510'
17 th West SubMains	60" Belt Structure	1755'
17 th West SubMains	High Voltage Cable	2755'
11 th North Mains	60" Belting	2200'
11 th North Mains	60" Belt Structure	1100'
11 th North Mains	High Voltage Cable	1200'
8 th West	48" Belt Structure	4770'
8 th West	High Voltage Cable	4730'
8 th West	48" Pony Drive Frame Only	
Mill Fork Access Mains #2	60" Belting	13,456'
Mill Fork Access Mains #1	60" Belting	4,246'
4 th North, 10 th West, 3NB	60" Belt Structure	15,386'
4 th North, 10 th West, 3NB	60" Belting	30,772'

3 rd North	60" Belt Structure	2,565'
3 rd North	60" Belting	5,130'
3N, Main East, Main North	60" Belt Structure	6,800'
3N, Main East, Main North	60" Belting	13,600'

Pumps and D-Boxes, Grouped by Location

<u>Description</u>	<u>HP</u>	<u>Location</u>
<u>27th West</u>		
D/Box		27W X80
D/Box		27W X84
D/Box		27W X88
Pump	6.4	27W X84 #2
<u>26th West</u>		
D/Box		26W X41 #1
D/Box		26W X44 #1
D/Box		26W X45 #1
D/Box		26W X49 #1
D/Box		26W X49
D/Box		26W X57 (322)
D/Box		26W X57 (218)
D/Box		26W X57 (065)
D/Box		26W X61
Pump	6.4	26W X32 #2
Pump	5	26W X34 #1
Pump	5	26W X39 #1
Pump	6.4	26W X41 #1
Pump	5	26W X43 #1
Pump	6.4	26W X45 #1
Pump	6.4	26W X48 #1

Pump	6.4	26W X50 #1
Pump	6.4	26W X56 #1
Pump	6.4	26W X56 #2
Pump	6.4	26W X57 O/C
Pump	6.4	26W X58 #1
Pump	6.4	26W CR 27-26
Pump	6.4	26W X61#1
Pump	6.4	26W X65

25th West

D/Box		25W X14 (2540)
D/Box		25W X14 (3399)
D/Box		25W X23
D/Box		25W X25 (114)
D/Box		25W X25 (1396)
D/Box		25W X30
D/Box		25W X35
D/Box		25W X42
D/Box		25W X45
D/Box		25W X51
D/Box		25W X56
Pump	13	25W X15 #2
Pump	6.4	25W X18 #2
Pump	5	25W X23 #2
Pump	6.4	25W X26.5 #2

Pump	6.4	25W X30.5 #2
Pump	6.4	25W X34 #2
Pump	6.4	25W X42 #2
Pump	6.4	25W X45 #2
Pump	5	25W X51 #2
Pump	6.4	25W X56 #2
Pump	6.4	25W X57 #2

24th West Upper

D/Box		24W X58
D/Box		24W X63
D/Box		24W X68
D/Box		24W X74
D/Box		24W X79
D/Box		24W X87
D/Box		24W X91
D/Box		24W X92
D/Box		24W X94
Pump	28	24W X57 #1
Pump	13	24W X64 #1
Pump	5	24W X69 #1
Pump	13	24W X75 tub
Pump	5	24W X80 #1
Pump	6.4	24W X87 #1
Pump	5	24W X90 #1

Pump	13	24W X92 s
Pump	6.4	24W X95 #1
Pump	13	24W X95 #1B

24th West Lower

D/Box		24W X16
D/Box		24W X27
D/Box		24W X31 (050)
D/Box		24W X31 (116)
D/Box		24W X35 (110)
D/Box		24W X35 (022)
D/Box		24W X42
D/Box		24W X50
D/Box		24W X57
Pump	6.4	24W X14 #1
Pump	28	24W X32 #1
Pump	6.4	24W X32 #1
Pump	5	24W X34 #1
Pump	5	24W X36 #1
Pump	5	24W X42 #1
Pump	5	24W X46 #1
Pump	6.4	24W X57 #2
Pump	6.4	24W X57 #2

DATE OF INITIAL CERCLA REVIEW
OCTOBER 3, 2014

STATE
ML-21568

U-68082

DATE OF LAST MINING
JANUARY 7, 2015

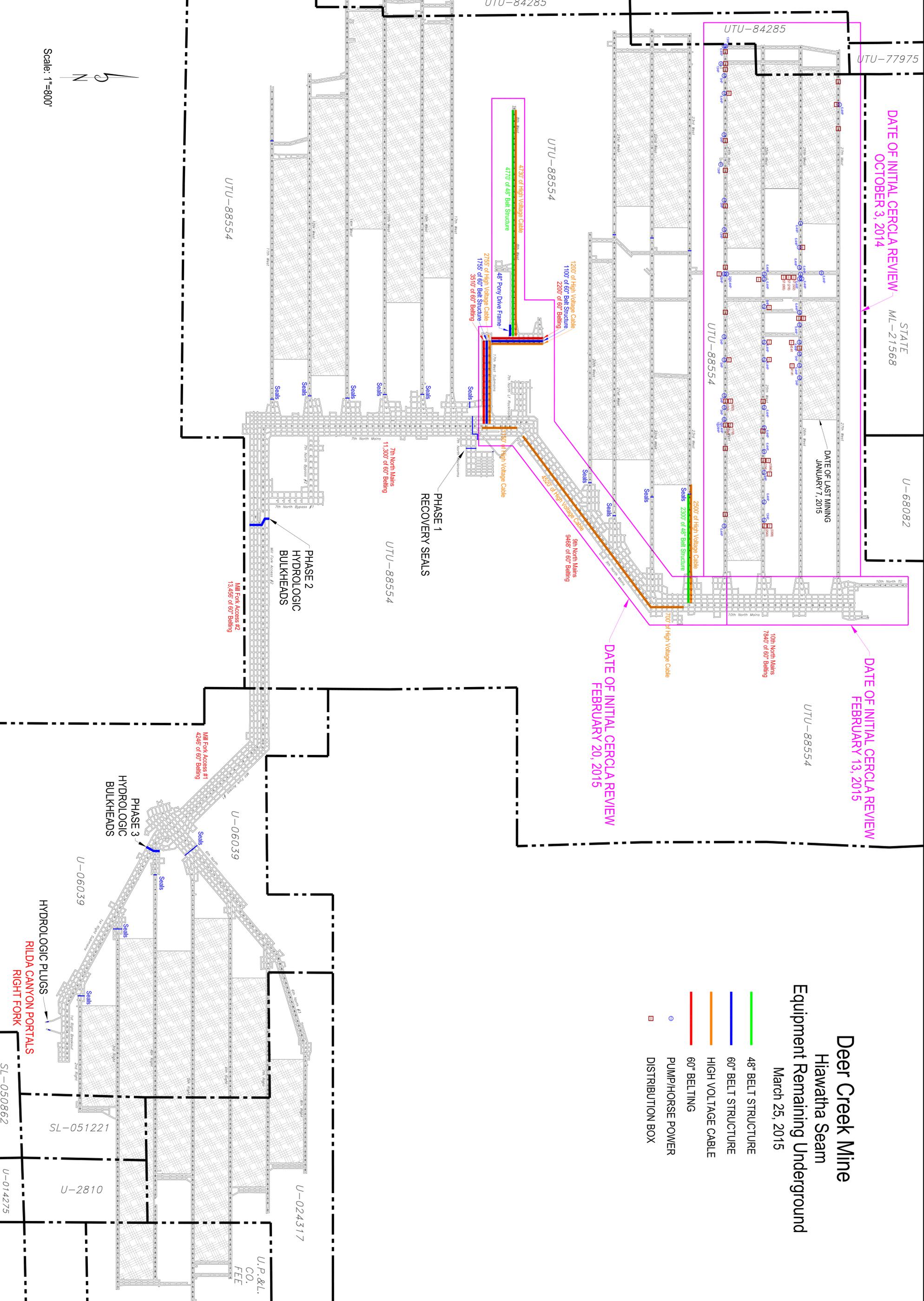
DATE OF INITIAL CERCLA REVIEW
FEBRUARY 13, 2015

DATE OF INITIAL CERCLA REVIEW
FEBRUARY 20, 2015

Deer Creek Mine Hiawatha Seam Equipment Remaining Underground

March 25, 2015

- 48" BELT STRUCTURE
- 60" BELT STRUCTURE
- HIGH VOLTAGE CABLE
- 60" BELTING
- ⊙ PUMP/HORSE POWER
- ⊠ DISTRIBUTION BOX



Scale: 1"=800'



UTU-88554

UTU-88554

UTU-84285

UTU-77975

UTU-88554

UTU-88554

UTU-88554

U-06039

U-06039

U-024317

U-2810

U-014275

SL-051221

SL-050862

U.P.&L.
CO.
FEE

Deer Creek Mine Blind Canyon Seam

Equipment Remaining Underground

March 25, 2015

- 48" BELT STRUCTURE
- 60" BELT STRUCTURE
- HIGH VOLTAGE CABLE
- 60" BELTING



Scale: 1"=800'

UTU-88554

U.P.&L. CO.
FEE

U-06039

U-024317

SL-05122

U-2810

PHASE 3
RECOVERY SEALS

RILDA CANYON PORTALS
LEFT FORK

3rd North B Seals
SL-050862

U-014275

U-024319
RELINQUISHED
APRIL 24, 1992

STATE
ML-22509
Relinquished
12/6/04

U-7653
Coal Sublease
Terminated
Effective
3/18/02

U-47977

U-024319

U-47979
RELINQUISHED
APRIL 24, 1992

PHASE 4
RECOVERY SEALS

MEETINGHOUSE CANYON
BREAKOUTS

U-47979

PHASE 3
RECOVERY SEALS

U-084923

2565' of 60" Belt Structure

SL-064607
064621
RELINQUISHED
APRIL 24, 1992

SULA
#1382

U-084924

DATE OF INITIAL CERCLA REVIEW
MARCH 19, 2015

6800' of 60" Belt Structure

McKINNON
FEE
DATE OF INITIAL CERCLA REVIEW
FEBRUARY 13, 2015

SL-070645
U-02292
RELINQUISHED

SL-064607
064621

DEER CREEK MINE
PORTALS

PHASE 4
RECOVERY SEALS

13,600' of 60" Belting

