J. Brett Harvey
Vice President, Fuels

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**PACIFICORP**

***HAND DELIVERED***

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DIV. OF OIL, GAS & MINING

April 30, 1997

Copy Aaron, Joe, Pam, Mary Ann, Lowell
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G. William Lamb
State Director
**United States Department of the Interior**
**Bureau of Land Management**
Utah State Office
324 South State Street, Suite 301
Salt Lake City, Utah 84111-2303

***RE: Phase III Partial Relinquishment of Federal Coal Leases U-084923, U-084924, SL-070645/U-02292, U083066, U-040151 and U-1358 - PacifiCorp East Mountain Logical Mining Unit, Emery County, Utah***

Deer Creek
Deer Creek
Deer Creek and Cottonwood
Hilberg
Deer Creek and Cottonwood

Dear Mr. Lamb:

In accordance with 43 CFR 3452.1 and pursuant to the Memorandum of Understanding dated 9-12-96 between the Bureau of Land Management, U.S. Forest Service and the Utah Division of Oil, Gas & Mining, PacifiCorp hereby submits in triplicate its Phase III partial relinquishment of the referenced federal coal leases from within the East Mountain Logical Mining Unit (LMU). This submittal was prepared on behalf of PacifiCorp by its wholly-owned subsidiaries, Interwest Mining Company (as managing agent) and Energy West Mining Company (mine operator).

The federal coal leases involved in this Phase III partial relinquishment include: U-084923, U-084924, SL-070645/U-02292, U083066, U-040151 and U-1358. PacifiCorp, as lessee or sublessee is hereby surrendering 2,625.66 acres from the referenced federal coal leases, which have been (1) mined out, or (2) precluded from mining due to adverse geologic and engineering/mining conditions.

The accompanying information submitted in support of this Phase III relinquishment notification, has been structured after our previous relinquishment submittals (Phases I and II), for ease of identification and to accommodate the reviewers. In addition, this information is submitted as "Confidential Information" in accordance with 43 CFR 3481.3(b)(1996).

To the best of our knowledge, all rentals and royalties have been paid and all obligations have been met. The areas being relinquished in this third phase, includes acreage located

within the interior body of the East Mountain LMU, away from any mine portal disturbance. Disturbance from prior exploration drilling and surface subsidence impacts have been reclaimed, and no further reclamation is needed. PacifiCorp concludes that in those areas of mining-induced subsidence, subsidence activities are substantially complete and the surface has substantially stabilized, with no significant impacts or irreparable damage to the environment or impairment to the public interest.

Should you need any information or have any questions, please feel free to contact Scott Child of Interwest Mining Company at 220-4612.

Sincerely,

J. Brett Harvey
Vice President

Enclosures

SMC13\UTBLM97.006

cc: IMC w/o copy encl. - D. Baker, D.W. Jense, S. Kochevar
IMC w/copy encl. - S. Child, R. Fry
EWMC w/o copy encl. - L. LaFrentz, D. Lauriski, C. Pollastro
EWMC w/copy encl. - C. Semborski
PacifiCorp Fuels w/copy encl. - N. Getzelman
BLM Price District (1 copy) - R. Manus
USFS Manti-LaSal (3 copies) - A. Howe
DOGM (1 copy) - P. Grubaugh-Littig
Stoel Rives w/copy - J. Kirkham, Esq.