



January 11, 2000

Utah Coal Regulatory Program
Division of Oil, Gas and Mining
451 East 400 North
Box 156
Price, Utah 84510

Attn: Bill Malencik: Reclamation Specialist, PFO
Pam Grubaugh-Littig: Permit Supervisor, SLC

Re: Amendment to Cottonwood/Wilberg Mine Permit to Revise Waste Rock Right-of-Ways (UTU-37642 and UTU-65027) Permit Boundaries of the Cottonwood Mine, PacifiCorp, Cottonwood/Wilberg Mine, ACT/015/019, Emery County Utah

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits an amendment revising the permit boundaries for the waste rock sites; BLM right-of-ways UTU-37642 and UTU-65027 to facilitate Texaco's request to drill a methane degasification well in Section 34, Township 17 South, Range 7 East.

Meetings were held on August 24, and September 9, 1999 with DOGM, Texaco and the BLM to discuss the location of the proposed well (34-80) utilizing the previously disturbed well site adjacent to State Highway 57 (refer to attached map). To eliminate the potential third party interference issues, PacifiCorp agreed to modify the waste rock lease boundaries allowing Texaco access to the well site and minimizing right-of-way duplication. The following is brief history of each right-of-ways involved in this amendment:

BLM Right-of-Way UTU-37642 (Old Waste Rock Site):

Old Waste Site: Located 1.5 miles south of the Cottonwood/Wilberg Mine, this 48.62 acre site was originally designed as an open storage and truck loadout for the Cottonwood/Wilberg Mine. The Right-of-Way grant was issued by the Bureau of Land Management (BLM) in 1977 but subsequent developments, specifically a concrete storage silo for coal storage constructed at the mine site, changed the need for this site. A modification was submitted to use this land for underground development waste storage in connection with underground development ongoing in the Cottonwood/Wilberg Mine. The Right-of-Way UTU-37642 has been modified to accommodate coal bed methane degasification

*Bond Release
(Reducing Disturbed Area)*
RECEIVED

JAN 19 2000 BR 00A

DIVISION OF
OIL, GAS AND MINING

*Issuing Copy to Texaco
PAM*

Huntington Office:
(435) 687-9821
Fax (435) 687-2695
Purchasing Fax (435) 687-9092

Deer Creek Mine:
(435) 687-2317
Fax (435) 687-2285

Trail Mountain Mine:
(435) 748-2140
Fax (435) 748-5125

conducted by Texaco Inc. Listed below is a list the acreage descriptions of the Right-of-Way including original grant, modifications, and disturbance associated with the facility:

BLM Right-of-Way UTU-37642

Original Grant	48.62 acres
1997 Relinquishment (Texaco Well 35-14)	1.08 acres
1999 Relinquishment (Texaco Well 34-80)	12.98 acres
TOTAL RIGHT-OF-WAY UTU-37642	34.56 acres
Disturbed Area	15.62 acres
Reclaimed Area (Phase I Released)	13.81 acres

Approximately 13.81 acres of the old waste rock site has been reclaimed. Material to cover the waste rock was taken from the perimeter berms. Phase 1 bond release was approved on July 22, 1999 (see attached letter). The area relinquished in 1999, (12.98 acres approved by the BLM on November 2, 1999) was undisturbed acreage located mainly on the west side of State Highway 57 (refer to highlighted map Appendix VII: CM-10361). Texaco plans on using this area as a utility corridor for well 34-80.

BLM Right-of-Way UTU-65027 (New Waste Rock Site):

New Waste Site: Located 1.7 miles south of the Cottonwood/Wilberg Mine on the west side of State Highway 57 is BLM Right-of-Way UTU-65027. This 27.27 acre site was permitted to replace the "Old Waste Rock Site: UTU-37642" which reached designed capacity. The Right-of-Way grant was issued by the BLM on June 8, 1990. The Right-of-Way UTU-65027 has been modified to accommodate coal bed methane degasification conducted by Texaco Inc and to reflect as-built conditions (approved on January 7, 2000). Listed below is a list the acreage descriptions of the Right-of-Way including original grant, modifications and disturbance associated with the facility:

BLM Right-of-Way UTU-65027

Original Grant: 6/8/90	25.49 acres
Amendment: 8/15/90 (Staging Area)	1.78 acres
Subtotal	27.27 acres
1999 Relinquishment (Texaco Well 34-80)	
Staging Area	1.78 acres
As-Built Addition (1999)	0.36 acres
TOTAL RIGHT-OF-WAY UTU-65027	25.85 acres
Disturbed Area (Total Project Life)	17.44 acres

During the Texaco well assessment, PacifiCorp re-surveyed the disturbed and permit boundaries associated with the R/W UTU-65027. Two small areas of disturbance were located outside the original metes and bounds permit boundary description. To rectify this situation, PacifiCorp has revised the R/W description to include all areas of disturbance associated with the waste rock facility (refer to the attached highlighted map). The 1999 relinquished area referred to as the "staging area", was previously disturbed by oil & gas drilling activities in 1956. PacifiCorp will retain access to State Highway 57 and has installed permit and disturbed boundary signs as indicated on map 4-1 (CM-10826). Texaco will re-disturb the staging area with development of well 34-80 and will assume reclamation liabilities.

The following items listed reflect the changes and revisions to the Cottonwood MRP:

Volume 1, Introduction:

Replace entire section (reformatted and updated) - 4 clean copies provided

Volume 1, Table of Contents:

Replace entire section (redline/strikeouts removed from 1998 amendment, transferring maps from Volumes 5 & 6 to Volume 10 - Proposed Cottonwood Fan Portal) - 4 clean copies provided.

Volume 1, Part 1: Legal, Financial, Compliance

Replace entire section (reformatted and updated with index tabs) - 4 clean copies provided.

Utah Coal Regulatory Program
Waste Rock Right-of-Way Revised Boundaries
January 11, 2000
Page 4

Appendix Volume , Appendix VII

Replace entire text section (revised to include Phase I release) including map, Appendix VII (CM-10361) - 4 highlighted and 4 clean copies provided.

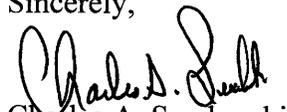
Volume 10 - Waste Rock Facility

Replace Map 4-1 (CM-10826) - 4 highlighted and 4 clean copies provided.

Unless an unforeseen item has been neglected, all parameters necessary to this amendment have been covered and are complete. One of the four copies has been sent to the Price Field Office.

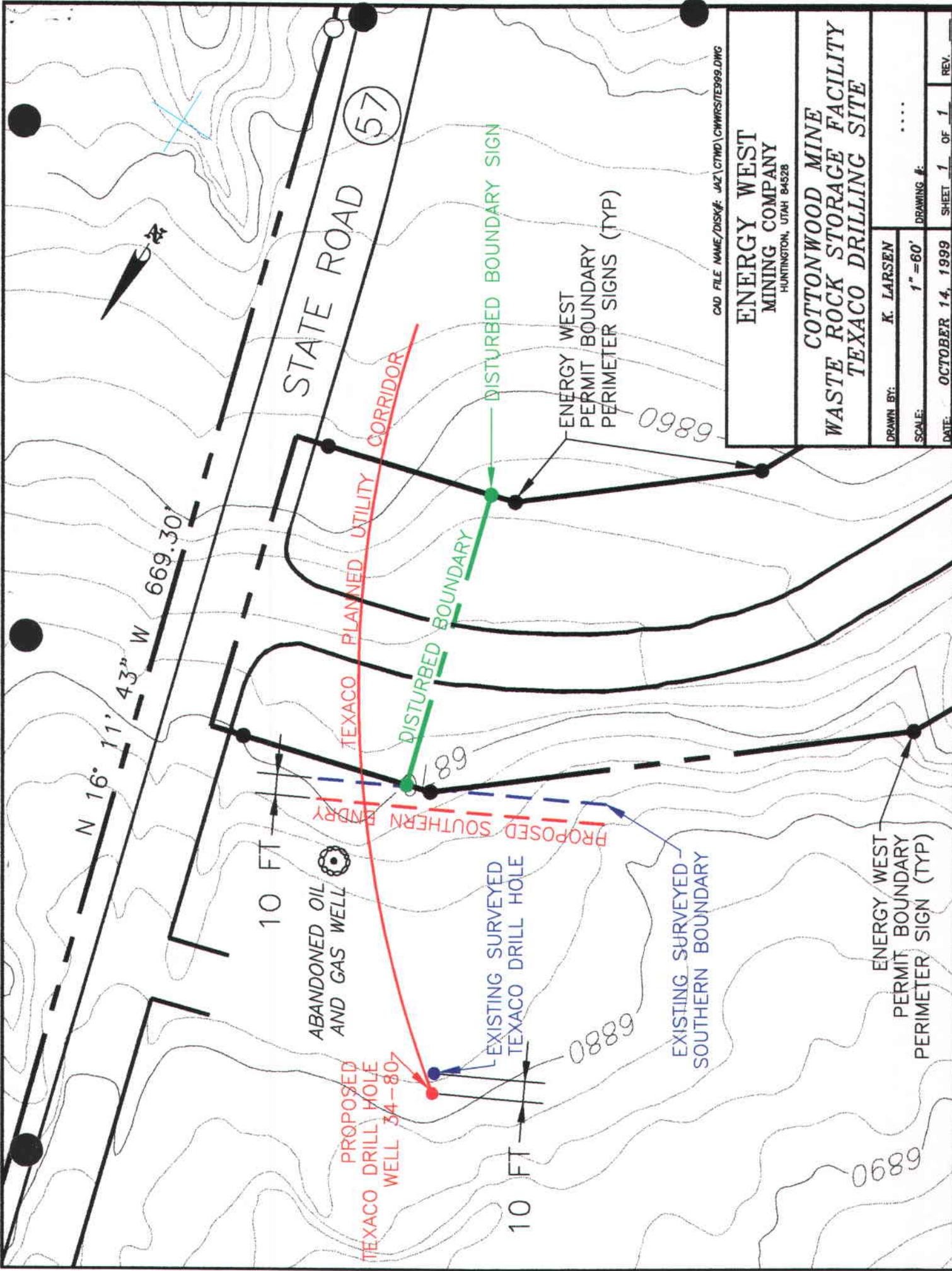
If you have any questions or concerns regarding this amendment, please feel free to contact me at 687-4720.

Sincerely,



Charles A. Semborski
Geology/Environmental Supervisor

cc Carl Pollastro
Chuck Semborski
Blake Webster, Interwest Mining
Scott Child, Interwest Mining
File



STATE ROAD 57

PROPOSED
TEXACO DRILL HOLE
WELL 34-80

ABANDONED OIL
AND GAS WELL

EXISTING SURVEYED
TEXACO DRILL HOLE

PROPOSED SOUTHERN BNDRY

TEXACO PLANNED UTILITY CORRIDOR

DISTURBED BOUNDARY

DISTURBED BOUNDARY SIGN

ENERGY WEST
PERMIT BOUNDARY
PERIMETER SIGNS (TYP)

EXISTING SURVEYED
SOUTHERN BOUNDARY

ENERGY WEST
PERMIT BOUNDARY
PERIMETER SIGN (TYP)

CAD FILE NAME/DISK#: JAZ\CTMD\CHWRSITE999.DWG

ENERGY WEST
MINING COMPANY
HUNTINGTON, UTAH 84528

COTTONWOOD MINE
WASTE ROCK STORAGE FACILITY
TEXACO DRILLING SITE

DRAWN BY: K. LARSEN

SCALE: 1" = 60'

DATE: OCTOBER 14, 1999

DRAWING #:

SHEET 1 OF 1

REV.



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

Cottonwood/Wilberg Waste Rock Site, pg.2

The permittee, PacifiCorp, has met the requirements for Phase I bond release found at Utah Rule R645-301-800, and DOGM has processed the bond release application in accordance with the applicable Utah rules. OSM understands approximately 13.81 acres (14 acres) are eligible for Phase I bond release at the waste rock site. The surface rock storage area at the site is not included in the release area. OSM understands no release of bond monies has been requested or approved.

Thank you and your staff for coordinating this Federal lands bond release with the DFD. Please address any questions concerning this letter to Henry Austin, Reclamation Specialist, at haustin@osmre.gov or (303) 844-1400 x1466.

Sincerely,

James F. Fulton, Chief
Denver Field Division

cc: Dennis Oakley, PacifiCorp
USD/BLM/Utah

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/015/019
Title of Proposal: Revised Waste Rock Right-of-Ways (UTU-37642 and UTU-65027) Permit Boundaries (Modified Boundaries to Accommodate Texaco Well 34-80)						Mine: COTTONWOOD/ WILBERG
						Permittee: PACIFICORP

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

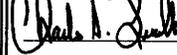
1. Change in Permit Size: UTU-37642 Decreased From 47.54 to 34.56 acres (undisturbed), UTU-65027 Decreased From 27.27 to 25.85 acres (Delete Staging Area: 1.78 acres, As-built Additions: 0.36 acres). Total Net Decrease 14.4 acres.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

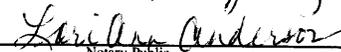
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? <u>14.4</u> acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input checked="" type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input checked="" type="checkbox"/> Yes	<input 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? Explain: _____
<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 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<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 for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does 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?

Attach 4 complete copies of the application.

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. (R645-301-123)

 Charles A. Semborski - Geology/Permitting Supervisor Signed - Name - Position - Date 1/19/2000

Subscribed and sworn to before me this 14 day of January, 2000.



 Notary Public
 My Commission Expires: December 22, 2001
 Attest: STATE OF Utah
 COUNTY OF Emery

Received by Oil, Gas & Mining

RECEIVED

JAN 19 2000

DIVISION OF

OIL, GAS AND MINING

