

0033



PO Box 310
Huntington, Utah 84528

J. Young
C/015/019

May 7, 2004

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

RECEIVED

MAY 10 2004

DIV. OF OIL, GAS & MINING

Re: Permit Renewal for the PacifiCorp, Cottonwood Mine, C/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 application for permit renewal for the Cottonwood Mine. The current permit term expires July 6, 2004. The said application conforms to the requirements set forth in R645-300-120 and R645-303-230 of the State of Utah R645-Coal Mining Rules and Regulations, revised May 1, 1998. We apologize for the delay in the renewal application submittal. As you are aware of, PacifiCorp has been actively pursuing permit reduction for the Cottonwood Mine. At times, the process has been very convoluted and involved multiple governmental agency consents prior to final approval. The key component was the approval of a separate volume entitled "Legal and Financial", which included legal, financial, ownership and control information for PacifiCorp's four coal mines in Emery County, Utah. This volume was approved to be incorporated on April 20, 2004 (originally submitted on May 20, 2003). Cottonwood Mine permit reduction was included as part of the supplemental volume.

As required in R645-303-232.250 and R645-301-830.300, the Means Historical Cost Index has been escalated to the year 2008. The appropriate table is enclosed with this application. Also enclosed with this application is the public notice, certificate of liability insurance, updated NOV list and evidence of a performance bond to remain in effect for the operation required by R645-303-232.

Historically, the Division has requested that an updated officer and director list as part of the permit renewal application, but as explained above, the Division recently approved PacifiCorp's supplemental Legal and Financial Volume in which the officer and director list was current as of November 2003.

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

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

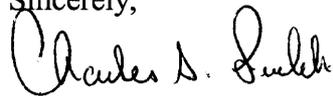
DOGM - Cottonwood/Wilberg Mine Permit Renewal

May 4, 2004

Page Two

At the Division's determination of completeness, PacifiCorp will submit an amendment to update the Means Historical Cost Index to the year 2008. PacifiCorp will also update the surety bond to cover the escalated reclamation costs. Enclosed are three (3) copies of the permit renewal application. If you have any questions or concerns regarding this application, please contact myself at (435) 687-4720 or Dennis Oakley at (435) 687-4825.

Sincerely,



Charles A. Semborski

Geology/Permitting Manager

Enclosures - Means Cost Index
Public Notice
Certificate of Liability
Evidence of Performance Bond
NOV List

Cc: Scott Child (IMC w/o enclosures)
Doug Johnson (EWMC w/o enclosures)
File

PacifiCorp

Energy West Mining Company

Cottonwood/Wilberg

C/015/019

Permit Renewal for Cottonwood/Wilberg Mine

Escalation of Bond Calculations

COTTONWOOD/WILBERG BOND CALCULATION
SUMMARY OF TOTAL COST

DIRECT COSTS FOR COTTONWOOD/WILBERG MINE

DESCRIPTION	PAGE	COST (pre 2000)	COST (2000 dollars)	SUBTOTAL
GRIMES WASH FACILITY (Items #1 - #12)				
DEMOLITION (2000 dollars)	C-2 thru C-34		\$ 772,459	
EARTHWORK (2000 dollars)	C-35 thru C-39		\$ 304,312	
REVEGETATION (2000 dollars)	C-40 thru C-48		\$ 191,518	
				\$ 1,268,290
COTTONWOOD CANYON FAN PORTAL (Item #13-A)				
EARTHWORK (1993 dollars*)	C-50	\$ 51,048	\$ 60,553	
REVEGETATION (1993 dollars*)	C-51	\$ 36,756	\$ 43,600	
				\$ 104,153
COTTONWOOD CANYON OVERLAND CONVEYOR (Items 13-B)				
DEMOLITION (2000 dollars)	C-52		\$ 12,911	
EARTHWORK (2000 dollars)	C-53		\$ 5,612	
REVEGETATION (2000 dollars)	C-54		\$ 2,439	
				\$ 20,962
COTTONWOOD/WILBERG WASTE ROCK SITE (Item #14)				
DEMOLITION (1990 dollars*)	C-56	\$ 4,984.00	\$ 6,310	
EARTHWORK (1990 dollars*)	C-57 thru C-60	\$ 205,223	\$ 259,813	
REVEGETATION (1990 dollars*)	C-61 thru C-63	\$ 207,878	\$ 263,174	
				\$ 529,296
SUBTOTAL				\$ 1,922,701

INDIRECT COSTS FOR COTTONWOOD/WILBERG MINE

DESCRIPTION	% OF DIRECT COSTS	COST
MOBILIZATION/DEMOBILIZATION	10.00%	\$ 192,270
CONTINGENCY ALLOWANCES	3.00%	\$ 57,681
ENGINEERING REDESIGN COSTS	3.00%	\$ 57,681
PROFIT AND OVERHEAD	17.00%	\$ 326,859
PROJECT MANAGEMENT FEE	3.50%	\$ 67,295
SUBTOTAL		\$ 701,786

TOTAL @ 2000 dollars	\$ 2,624,487
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Inflation @ 3.27% for 5 years	Inflation @ 2.59% for 5 years	
TOTAL @ 2001 dollars		\$ 2,710,308
TOTAL @ 2002 dollars		\$ 2,798,935
TOTAL @ 2003 dollars		\$ 2,890,460
TOTAL @ 2004 dollars		\$ 2,984,978
TOTAL @ 2005 dollars		\$ 3,082,587
TOTAL @ 2006 dollars		3,162,425.63
TOTAL @ 2007 dollars		3,244,332.46
TOTAL @ 2008 dollars		3,328,360.67
TOTAL @ 2009 dollars		3,414,565.21
TOTAL @ 2010 dollars		3,503,002.45

3,062,288.79

* Historical Cost Index between 1990 (94.3) and 2000 (120.9) is 26.6%, or 2.66% per year (personal communication, John Ferguson P.E., R. S. MEANS).

PacifiCorp

Energy West Mining Company

Cottonwood/Wilberg

C/015/019

Permit Renewal for Cottonwood/Wilberg Mine

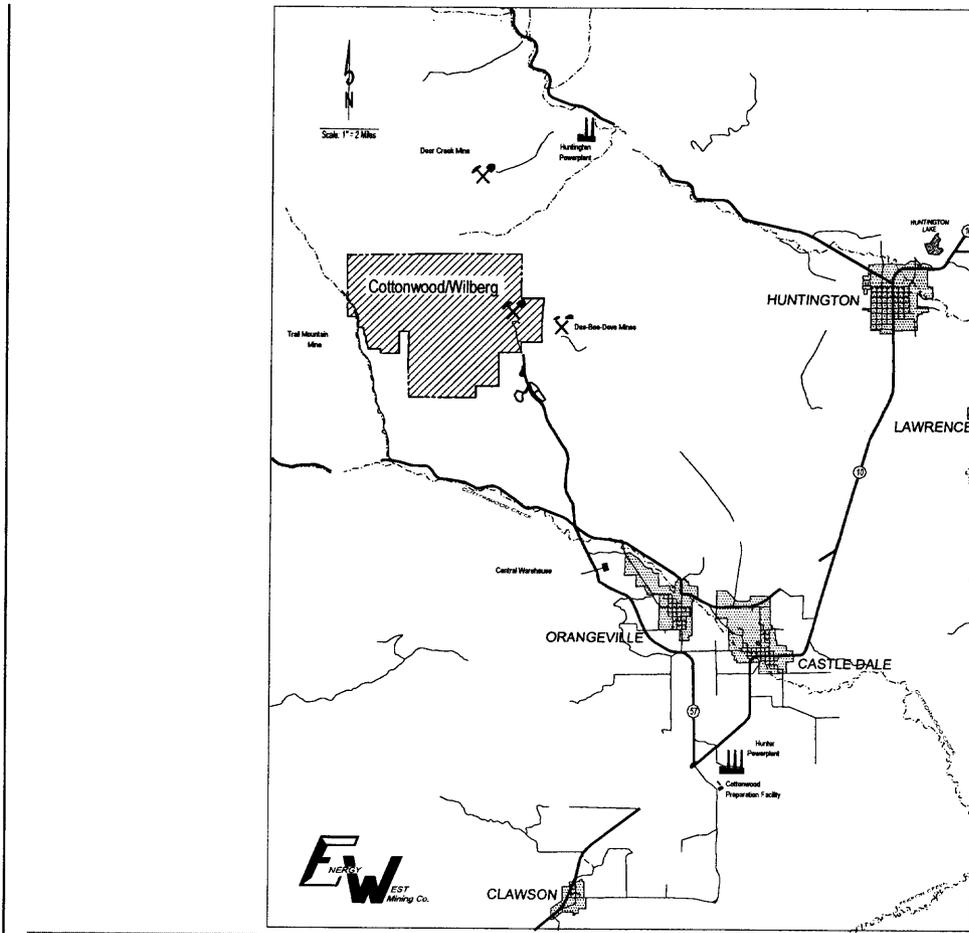
Public Notice

**PacifiCorp
Cottonwood/Wilberg Mine
C/015/019**

Permit Renewal Application

**Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits an application for a permit renewal of the Cottonwood/Wilberg Mine for the purposes of conducting underground coal mining and related surface activities. The mine is currently in temporary cessation and has been since May, 2001. The permit area encompasses approximately 6,886.88 acres located in Township 17 South, Range 6 East, portions of Sections 13, 24, and 25; Township 17 South, Range 7 East, portions of Sections 15 through 18, 22, 27, 30, 32, 33, and 34, and all of Sections 19, 20, 21, 28, and 29. Contact the address above for detailed locations information. For convenience, a general location map is provided below.



A surety bond is filed with the Division of Oil, Gas and Mining and is payable to the State of Utah, Division of Oil, Gas and Mining (DOGM), and the Office of Surface Mining Reclamation and Enforcement (OSM).

A copy of the permit renewal application may be examined at the office of the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and also at the Records Office located in the Emery County Courthouse in Castle Dale, Utah. Written comments, objections, or requests for an informal conference may be submitted to the Division of Oil, Gas, and Mining address above. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

Published in the Emery County Progress on April 27th, May 3rd, 10th, and 17th.

PacifiCorp

Energy West Mining Company

Cottonwood/Wilberg

C/015/019

Permit Renewal for Cottonwood/Wilberg Mine

Certificates of Liability

One Utah Center
201 South Main, Suite 2100
Salt Lake City, Utah 84140-0021
(801) 220-4140 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

HAND DELIVERED

March 30, 2004

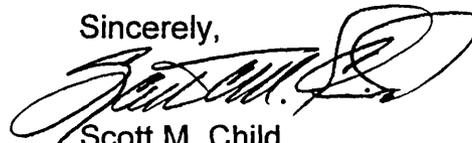
Ms. Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas & Mining
Utah Department of Natural Resources
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-145801

RE: Certificates of Liability Insurance, Policy No. U0614A1A04, Policy Period from 4-1-2004 to 4-1-2005; Des-Bee-Dove Mine C/015/017, Deer Creek Mine C/015/018, Cottonwood Mine C/015/019 and the Trail Mountain Mine C/015/009, Folder #2, Emery County, Utah

Dear Pam:

Enclosed are certificates of liability insurance for the referenced coal mine operations for the policy period of 4-1-2004 to 4-1-2005. Should you have any questions or need any additional information, please feel free to contact me at 801-220-4612.

Sincerely,



Scott M. Child
Manager, Lands & Regulatory Affairs

Enclosures

SMC\EnergyWest\UDOGM2004-02.wpd

cc: D.W. Jense, B. King, C.Pollastro - IMC w/copy encl.
D. Johnson, C. Semborski - EWMC w/copy encl.
K. Reinhart - LCT 1800 w/copy

RECEIVED
MAR 30 2004
DIV. OF OIL, GAS & MINING

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED
Hamilton, Bermuda

CERTIFICATE OF INSURANCE
(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof modifies the policy of insurance identified below (the "Policy") in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED	PacifiCorp dba Pacific Power & Light and dba Utah Power & Light		
PRINCIPAL ADDRESS	825 NE Multnomah, #1800, Portland, Oregon 97232		
POLICY NUMBER	UO614A1A04	POLICY PERIOD	From: 04/01/2004 To: 04/01/2005

DESCRIPTION OF COVERAGE: Excess Liability Policy covering claims for Bodily Injury, Property Damage and Personal Injury arising from the operations described below.

LIMIT OF LIABILITY: \$20,000,000 per occurrence and in the aggregate, where applicable.

ADDITIONAL INSURED: The Certificate Holder is an Additional Insured under the Policy but only (i) to such extent and for such Limits of Liability (subject always to the terms and Limits of Liability of the Policy) as the Named Insured has agreed to provide insurance for the Certificate Holder under the following contract: **Cottonwood/Wilberg: C/015/019**
And (ii) with respect to the following operations:

Damage to explosion and subsidence is covered. Insurance Company will notify State of Utah of any changes or cancellation.

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 45 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

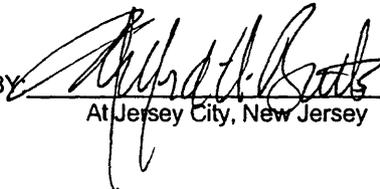
DATE: March 31, 2004

Certificate Holder

SUED TO: The State of Utah, Dept. of Natural Resources,
ADDRESS: Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

AEGIS INSURANCE SERVICES, INC.

BY


At Jersey City, New Jersey

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
SEA-000321088-09

PRODUCER

MARSH USA INC.
111 SW COLUMBIA, STE 500
PORTLAND, OR 97201
Attn: Sandra J. Carter (503) 248-1244

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

- COMPANY
A ASSOC ELEC & GAS INS SVCS LTD
- COMPANY
B
- COMPANY
C
- COMPANY
D

00140-CAS-2002

INSURED

Pacific Corp dba Pacific Power
& Light and dba Utah Power
& Light
825 NE Multnomah, #1800
Portland, OR 97232

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

OR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY	UO614A1A04	04/01/04	04/01/05	GENERAL AGGREGATE	\$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	\$
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY	\$
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 2,000,000
					FIRE DAMAGE (Any one fire)	\$
					MED EXP (Any one person)	\$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	\$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE	\$
	<input type="checkbox"/> HIRED AUTOS					
	<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:	\$
					EACH ACCIDENT	\$
					AGGREGATE	\$
	EXCESS LIABILITY	UO614A1A04	04/01/04	04/01/05	EACH OCCURRENCE	\$ 20,000,000
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE	\$ 20,000,000
	<input checked="" type="checkbox"/> OTHER THAN UMBRELLA FORM					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTHER
	<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:				EL EACH ACCIDENT	\$
	<input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EL DISEASE-POLICY LIMIT	\$
	OTHER				EL DISEASE-EACH EMPLOYEE	\$

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Damage due to explosion and subsidence is covered. Insurance Company will notify State of Utah of any changes or cancellation.
Woodward/Wilburg: C/015/019

CERTIFICATE HOLDER

State of Utah, Dept. of
Natural Resources, Division of
356 W North Temple
Salt Lake City, UT 84180-1203

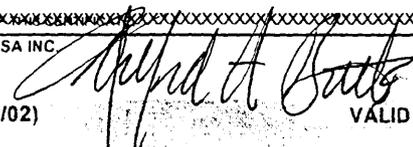
CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL SEND BY MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN.

MARSH USA INC.

BY:

MM1(3/02)



VALID AS OF: 04/01/04

CERTIFICATE OF LIABILITY INSURANCE

**Issued to:
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining**

THIS IS TO CERTIFY THAT:

Associated Electric & Gas Insurance Services Limited
(Name of Insurance Company)

ARGUS Insurance Building, 12 Wesley St. P.O. Box BM 1064, Hamilton, Bermuda
(Home Office Address of Insurance Company)

HAS ISSUED TO

PacifiCorp (Successor in interest to Utah Power & Light)
(Name of Permittee)

COTTONWOOD/WILBERG C/015/019
(Mine Name) (Permit Number)

CERTIFICATE OF INSURANCE:

UO614A1A04 4-1-04 to 4-1-05
(Policy Number) (Effective Date)

UNDER THE FOLLOWING TERMS AND CONDITIONS:

Per R645-301-890 Terms and Conditions for Liability Insurance:

- A. The DIVISION Shall require the PERMITTEE to submit as part of its permit application a certificate issued by an insurance company authorized to do business in the State of Utah certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operations for which the permit is sought. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any persons injury or property damage as a result of the surface coal mining and reclamation operations, including the use of explosives and who are entitled to compensation under the applicable provisions of state law. Minimum insurance coverage for bodily injury and property damage shall be \$300,000 for each occurrence and \$500,000 aggregate.
- B. The policy shall be maintained in full force during the life of the permit or any renewal thereof, including the liability period necessary to complete all reclamation operations under this chapter.

- C. The policy shall include a rider requiring that the insurer notify the Division whenever substantive changes are made in the policy including any termination or failure to renew.

IN ACCORDANCE WITH THE ABOVE TERMS AND CONDITIONS, and the Utah Code Annotated 40-10-1 et seq., the Insurance Company hereby attests to the fact that coverage for said Permit Application is in accordance with the requirements of the State of Utah and agrees to notify the Division of Oil, Gas and Mining in writing of any substantive changes, including cancellation, failure to renew, or other material change. No change shall be effective until at least thirty (30) days after such notice is received by the Division. Any change unauthorized by the Division is considered breach of the RECLAMATION AGREEMENT and the Division may pursue remedies thereunder.

UNDERWRITING AGENT:

Melford A. Butts

(Agent's Name)

201 521 4658

(Phone)

AEGIS Insurance Services

(Company Agent's Name)

10 Exchange Place

(Mailing Address)

Jersey City, New Jersey 07302

(City, State, Zip Code)

The undersigned affirms that the above information is true and complete to the best of his/her knowledge and belief, and that he or she is an authorized representative of the above-named insurance company. (An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer.)



(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by Melford Butts

this 29 day of March, 2004



(Signature)

My commission Expires: _____
DENISE M. KEATING
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 14, 2008

PacifiCorp

Energy West Mining Company

Cottonwood/Wilberg

C/015/019

Permit Renewal for Cottonwood/Wilberg Mine

Evidence of Performance Bond

Surety Bond Number _____
Mine Name Cottonwood/Wilberg
Permit Number C/015/019

Exhibit "B"
Federal Surety Bond
Federal

B-SUR-747

**SURETY BOND
(FEDERAL COAL)**

—ooOOoo—

REPLACES ST. PAUL FIRE & MARINE BOND 400 JN 6138 EFFECTIVE 6/15/02

THIS SURETY BOND entered into and by and between the undersigned **PERMITTEE/PRINCIPAL PACIFICORP**, and **SURETY TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA**, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (hereafter referred to as the "**DIVISION**"), and the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (hereafter referred to as "**OSM**") in the penal sum of **THREE MILLION EIGHTY-TWO THOUSAND FIVE HUNDRED EIGHTY-SEVEN AND NO/100 DOLLARS (\$3,082,587.00)** (Surety Bond Amount) for the timely performance of reclamation responsibilities of the Permittee in the Permit Area described in Exhibit "A" of that certain **RECLAMATION AGREEMENT**, dated the 6th day of July, 1989 by and between the **DIVISION** and the **PERMITTEE/PRINCIPAL**.

This **SURETY BOND** shall remain in effect until all of the **PERMITTEE'S/PRINCIPAL'S** reclamation obligations have been met and released by the **DIVISION** with the concurrence of **OSM** and is conditioned upon faithful performance of all of the requirements of the Utah Coal Mining Reclamation Act, Utah Code Ad. §40-12-2 et. seq. (the **ACT**), the Surface Mine Control and Reclamation Act ("**SMCRA**"), and all lawful regulation adopted under the authority of those statutes, and the approved Permit (which is based upon the approved Permit Application Package).

The **SURETY** will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the **PERMITTEE/PRINCIPAL** during the period of liability.

The **SURETY** and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the **DIVISION** and **OSM** from any and all expenses which the **DIVISION** may sustain as a result of the **PERMITTEE'S/PRINCIPAL'S** failure to comply with the condition(s) of the reclamation obligation.

The **SURETY** will give prompt notice to the **PERMITTEE/PRINCIPAL**, the **DIVISION** and **OSM** of any notice received or action alleging the insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirements which could result in suspension or revocation of the **SURETY'S** license.

Upon incapacity of the **SURETY** by reason of bankruptcy, or suspension or revocation of license, the **PERMITTEE/PRINCIPAL** shall be deemed to be without Bond coverage in violation of state and federal law and subject to enforcement in accordance with **SMCRA**, the **ACT**, and the applicable regulations.

Surety Bond Number _____
Mine Name Cottonwood/Wilberg
Permit Number C/015/019

Exhibit "B"
Federal Surety Bond
Federal

B-SUR-747

The terms for release of this **BOND** are as written and agreed to by the **DIVISION** and the **PERMITTEE/PRINCIPAL** in the **RECLAMATION AGREEMENT**, incorporated by reference herein, to which this **SURETY AGREEMENT** has been attached as Exhibit "B".

In the event the Utah Cooperative Agreement is terminated, this **SURETY BOND** shall be payable only to the OSM to the extent that lands covered by the Federal Lands Program are involved and otherwise to the **DIVISION**.

IN WITNESS WHEREOF, the **PERMITTEE/PRINCIPAL** has hereunto set its signature and seal this 18th day of November, 2002.

PACIFICORP
PERMITTEE/PRINCIPAL

By: Judi Olson

Title: President & CEO

IN WITNESS WHEREOF, the **SURETY** has hereunto set its signature and seal this 7th day of November, 2002.

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
SURETY

By: Muriel M. van Veen

Muriel M. van Veen

Title: Attorney-in-Fact

SURETY BONDING AGREEMENT ACCEPTED BY THE STATE OF UTAH:

Lowell P. Bracht

Director

Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent/or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with the Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062**

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Edward M. Thompson, Jennifer Keene, Muriel M. van Veen, Richard A. Stevens, Charlene Eason, Gail A. Flynn, of Portland, Oregon, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

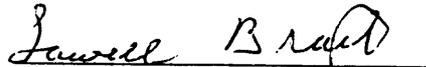
This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

**AFFIDAVITS
OF
QUALIFICATION**

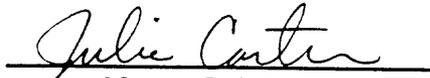
**AFFIDAVIT OF QUALIFICATION
DIRECTOR
--ooOOoo--**

Lowell Braxton, being first duly sworn under oath, deposes and says that he is the Director for the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah; and that he is duly authorized to execute and deliver the foregoing obligations; and that said Director is authorized to execute the same by authority of laws on behalf of the State of Utah.



Lowell Braxton, Director
Division of Oil, Gas and Mining

Subscribed and sworn to before me this 12 day of December 2002.



Notary Public

My Commission Expires:
April 26, 2006.



Attest:

STATE OF Utah)

COUNTY OF Salt Lake)

) ss:

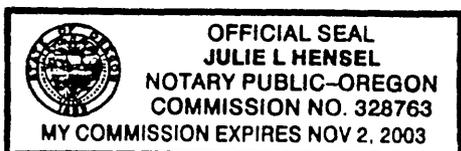
AFFIDAVIT OF QUALIFICATION
PERMITTEE

--ooOOoo--

I, JUDI JOHANSEN, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) PRESIDENT AND C.E.O. of PACIFICORP; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

Judi Johansen
(Signed) President + CEO
Name - Position

Subscribed and sworn to before me this 18th day of November, 2002.



Julie L. Hensel
Notary Public

My Commission Expires:

November 2, 2003.

Attest:

STATE OF Oregon)
COUNTY OF Multnomah)

ss:

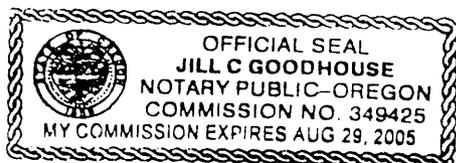
AFFIDAVIT OF QUALIFICATION
SURETY COMPANY

--ooOOoo--

Muriel M. van Veen, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Attorney-in-Fact of Travelers Casualty and Surety Company of America; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said SURETY COMPANY is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations herein.


(Signed) Muriel M. van Veen
Attorney-in-Fact
Surety Company Officer - Position

Subscribed and sworn to before me this 7th day of November, 2002.




Notary Public

My Commission Expires:

August 29, 2005.

Attest:

STATE OF OREGON)
) ss:
COUNTY OF MULTNOMAH)

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
Cottonwood/Wilberg Mine
(Federal)**

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

Change in Surety:

St. Paul Fire and Marine Insurance Company Bond No. _____ is replaced with Travelers Casualty and Surety Company of America Bond No. (_____) effective June 15, 2002. Bond amount is unchanged at \$ 3,082,587.00.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

_____ Replace the Reclamation agreement in its entirety.

_____ Replace Exhibit "A"- permit area.

 X Replace Exhibit "B"- bonding agreement

_____ Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ N/A to \$ N/A .

The bonding type is changed from N/A to N/A .

The surface disturbance is revised from N/A acre to N/A acres.

The expiration date is revised from N/A to N/A .

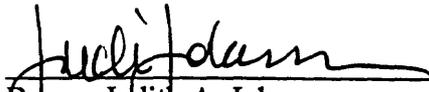
The liability insurance carrier is changed from N/A to N/A .

The amount of insurance coverage for bodily injury and property damage is changed from \$ N/A to \$ N/A .

Permit Number C/015/019
Cottonwood/Wilberg Mine

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHEREOF, PacifiCorp the PERMITTEE has
hereunto set its signature and seal this 18th day of November, 2002.


By: Judith A. Johansen
Title: President & C.E.O.

ACCEPTED BY THE STATE OF UTAH this 12 day of December, 2002.


Lowell P. Braxton, Director
Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the PERMITTEE is a corporation, the Agreement shall be executed by its duly authorized officer.

PACIFICORP

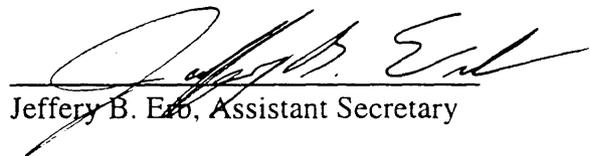
Certificate of Assistant Secretary

I, Jeffery B. Erb, the duly elected Assistant Secretary of PacifiCorp, an Oregon Corporation (the "Company"), HEREBY CERTIFY that the following person is a duly elected officer of the Company, elected President and Chief Executive Officer on June 4, 2001, and is authorized under the resolutions attached hereto as Exhibit A, duly adopted by the Board of Directors of the Company on February 11, 1998, to execute documents for and on behalf of the Company, and that she currently holds the position listed beside her name, and that the signature appearing opposite her name is her genuine signature:

Judith A. Johansen
President and Chief Executive Officer



IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of November, 2002.



Jeffery B. Erb, Assistant Secretary

WHEREAS, the Board of Directors of PacifiCorp (the "Company") elects from time to time a slate of corporate officers of PacifiCorp (the "Corporate Officers"), and desires to authorize the President and Chief Executive Officer of the Company to appoint and prescribe the duties of certain Business Unit Vice Presidents (the "Business Unit Vice Presidents") and certain Assistant Vice Presidents (the "Assistant Vice Presidents") of the Company, who shall not be considered Corporate Officers for any purpose; and

WHEREAS, management of the Company has prepared a statement of fiscal controls, authorities and accountability (the "Policy Statement") and specific authorization guidelines (the "Guidelines") for transactions within the Corporate Finance Department, which Policy Statement and Guidelines have been reviewed by the Finance Committee of the Board of Directors; and

WHEREAS, it appears desirable for the Board of Directors to delineate the respective authorities of the Corporate Officers, the Business Unit Vice Presidents and the Assistant Vice Presidents in light of the Policy Statement and Guidelines; now, therefore, be it

Corporate Officers

RESOLVED, that pursuant to Article IV of the Bylaws, (1) the authority and duties of the President and Chief Executive Officer shall be those incident to the office and as prescribed and assigned from time to time by the Board of Directors, and (2) the authority and duties of any Vice President or other Corporate Officer of PacifiCorp shall be as prescribed and assigned from time to time by the Board of Directors or the President and Chief Executive Officer; and further

RESOLVED, that the President and Chief Executive Officer and any Vice President who is a Corporate Officer be, and each of them hereby is, authorized, in the name and on behalf of the Company, to negotiate, execute and deliver, and the Secretary and any Assistant Secretary of the Company be, and each of them hereby is, authorized to attest, with or without affixing its corporate seal, any agreement, lease, permit, license, grant, deed or other instrument entered into by the Company in the ordinary course of its business and within the scope of the duties assigned to such officer by the President and Chief Executive Officer, or the Board of Directors; provided, however, that the foregoing shall not authorize any such Corporate Officer to negotiate, execute or deliver any agreement or instrument involving the issuance of securities by the Company or a

commitment by the Company in excess of \$5 million, except that contracts involving the purchase or sale of energy may involve commitments up to \$25 million; and further

RESOLVED, that the President and Chief Executive Officer, any Vice President to whom the responsibility shall be assigned, the Treasurer, and the Controller of the Company be, and each of them hereby is, authorized, in the name and on behalf of the Company, to execute and file documents to be filed by the Company with the Securities and Exchange Commission and tax returns of the Company; and further

Business Unit Vice Presidents and Assistant Vice Presidents

RESOLVED, that the President and Chief Executive Officer be and hereby is authorized to appoint and prescribe the duties of such Business Unit Vice Presidents and Assistant Vice Presidents as he shall deem necessary or advisable; and further

RESOLVED, that the Business Unit Vice Presidents and Assistant Vice Presidents shall report to the Corporate Officer having responsibility for the operations of the Company to which the Business Unit Vice Presidents and Assistant Vice Presidents is assigned unless otherwise determined by the President and Chief Executive Officer; and further

RESOLVED, that subject to any limitations or restrictions imposed by the President and Chief Executive Officer, the Business Unit Vice Presidents and Assistant Vice Presidents be, and each of them hereby is, authorized, in the name and behalf of the Company, to negotiate, execute and deliver, and the Secretary and any Assistant Secretary of the Company be, and each of them hereby is, authorized to attest, with or without affixing its corporate seal, any agreement, lease, permit, license, grant, deed or other instrument entered into in the ordinary course of the business of the Company and within the scope of the duties prescribed for such Business Unit Vice President or Assistant Vice President; provided, however, that the foregoing shall not authorize any Business Unit Vice President or Assistant Vice President to negotiate, execute or deliver any agreement or instrument involving the issuance of securities by the Company or a commitment by the Company in excess of \$5 million, except that contracts involving the purchase or sale of energy may involve commitments up to \$25 million; and further

General

RESOLVED, that the Board of Directors hereby recommends and requests that each subsidiary of the Company implement the Policy Statement through the adoption of resolutions and controls consistent with the Policy Statement as revised from time to time at the direction of the Chief Executive Officer of the Company, subject to the limitations set forth in these resolutions; and further

RESOLVED, that the foregoing resolutions shall supersede the resolutions adopted by the Board of Directors on August 9, 1995 with respect to the same subject matter; provided, that nothing herein shall affect the validity of actions taken in reliance on such resolutions adopted August 9, 1995; and further

RESOLVED, that (1) the resolutions with respect to banking matters, (2) the resolutions with respect to the investment authority of the Corporate Officers (together with any resolutions adopted by the Finance Committee pursuant thereto), and (3) any other resolutions adopted by the Board of Directors authorizing officers to enter into specific agreements or transactions on behalf of the Company shall not be affected by the foregoing resolutions.

PacifiCorp

Energy West Mining Company

Cottonwood/Wilberg

C/015/019

Permit Renewal for Cottonwood/Wilberg Mine

3 Year History of PacifiCorp Violations

PacifiCorp NOV List
Last Revised
05/04/2004

Company	NOV Date	Pit/Mine	Permit #	NOV #	Agency	Nature of NOV	Assessment	Status	Status Date	Comments	MSHA # and Date of Issuance
Bridger Coal Company	04/20/2001	Jim Bridger Mine	338-T4	100353	WDEQ/LQD	Wetlands revision submitted after deadline	No fine	Terminated	04/26/2001	Revision submitted	
Bridger Coal Company	09/18/2001	Jim Bridger Mine	338-T4	100356	WDEQ/LQD	Failure to conduct contemporaneous reclamation	\$14,000.00	Terminated	12/20/2001	Assessment vacated	
Energy West Mining Company	07/09/2001	Des-Bee-Dove	C/015/017	01-7-1-1	DOGM	Failure to segregate the top 18-24" of topsoil material.	\$800.00	Terminated	11/16/2001	Paid fine	42-00988 2/27/73
Energy West Mining Company	10/03/2003	Deer Creek Mine	C/015/018	03-49-4-1	DOGM	Failure to maintain siltation structures associated with the waste rock site	\$600.00	Terminated	11/04/2003	Fine reduced and Paid	42-00121 3/19/73
Energy West Mining Company	10/03/2003	Deer Creek Mine	C/015/018	03-49-5-1	DOGM	Failure to maintain disturbed and undisturbed diversions	\$500.00	Terminated	10/24/2003	Fine reduced and Paid	42-00121 3/19/73
Energy West Mining Company	10/03/2003	Deer Creek Mine	C/015/018	03-49-6-1	DOGM	Failure to control and contain non-coal waste	\$460.00	Terminated	10/28/2003	Fine reduced and Paid	42-00121 3/19/73
Energy West Mining Company	01/30/2004	Deer Creek Mine	C/015/018	04-39-1-1	DOGM	Failure to field test water samples according to MRP	\$260.00	Terminated	01/30/2004	Paid fine	42-00121 3/19/73
Energy West Mining Company	02/25/2004	Deer Creek Mine	C/015/018	04-39-3-1	DOGM	Conducting mining activities outside permit area. (snow removal)	\$462.00	Terminated	04/15/2004	Paid fine	42-00121 3/19/74