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ENERGY WEST
MINING COMPANY
A SUBSIDIARY OF PACIFICORP

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

July 20, 2007

Ms. Pamela Grubaugh-Littig
Permit Supervisor
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

C/015/0017
C/015/0018
C/015/0019

Dear Ms. Grubaugh-Littig:

I am enclosing for submittal the 2nd Quarter Engineering Inspection Reports for Cottonwood/Wilberg/Des Bee Dove Waste Rock Site and the old Waste Rock Site. Also, the Deer Creek Waste Rock Site and Elk Canyon/Original Site are enclosed.

Sincerely,

John Christensen, P.E.
Sr. Construction Engineer

Encls.

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JUL 3 1 2007
DIV. OF OIL, GAS & MINING

Facing C/015/0018

| INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE | | | Page 1 of 2 |
|---|---|---|---|
| **Permit Number** | ACT/015/018 | **Report Date** | JUNE 26, 2007 |
| **Mine Name** | Deer Creek | | |
| **Company Name** | Energy West Mining Company | | |
| **Excess Spoil Pile or Refuse Pile Identification** | **Pile Name** | Waste Rock Disposal Site | |
| | **Pile Number** | | |
| | **MSHA ID Number** | 1211-UT-09-00121-02 | |
| **Inspection Date** | JUNE 21, 2007 | | |
| **Inspected By** | John Christensen/Rick Cullum | | |
| **Reason for Inspection** (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction) | 2007 Second Quarter Inspection | | |
| | **Attachments to Report? X No Yes** | | |

## Field Evaluation

**1.Foundation preparation, including the removal of all organic material and topsoil.**

All construction was done according to the permitted, professional engineered design specifications.

**2.Placement of underdrains and protective filter systems.**

An underdrain was installed when the site was constructed in 1989. The drain had a small amount of flow coming through it at the time of the inspection.

**3.Installation of final surface drainage systems.**

All interim slopes are maintained at their proper grade. The final slopes are surveyed to assure they are correct. Also the two final designed rip-rap ditches were installed as per the permitted plan and are extended as more lifts are added.

**4.Placement and compaction of fill materials.**

The lower site (area 2) was leveled in Sept. 2006. Trash and extraneous material were removed. Lift was sampled as required. The containment trench in the upper cell for sediment pond cleanings was spread out and leveled.

5.Final grading and revegetation of fill.

See No. 3.
The sub-soil berm surrounding the site was seeded shortly after construction.

6.Appearances of instability, structural weakness, and other hazardous conditions.

No weakness or instabilities are evident at this time.

her Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

The total storage capacity of the Area No. 1 cell is 460,000 cubic yards. The elevation of the current lift varies with the required drainage slope. The surveyed elevation at the center of the active lift in cell 1 is 6359.00 ft and cell 2 is 6329.35 The final design elevation will be 6,369 ft. The volume remaining in cell 1 is approximately 10% capacity. The Lower Cell 2 was at approximately 60% capacity.
As of JUNE 1, 2007, 11,733.27 cubic yards of material was hauled in 2007.

**Certification Statement**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

LICENSED PROFESSIONAL ENGINEER
JOHN CHRISTENSEN
Cert. Stamp
No. 165651
STATE OF UTAH

**By:** John Christensen, Sr. Construction Engineer
(Full Name and Title)

**Signature:** John Christensen **Date:** 7/20/07

**P.E. Number & State:** 165651, Utah

Filing a/015/0017 & a/015/0019

| INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE | | | Page 1 of 2 |
|---|---|---|---|
| **Permit Number** | ACT/015/0017/ACT/015/019 | **Report Date** | JUNE 26, 2007 |
| **Mine Name** | Cottonwood/Wilberg/Des-Bee-Dove | | |
| **Company Name** | Energy West Mining Company | | |
| **Excess Spoil Pile or Refuse Pile Identification** | **Pile Name** | Old Waste Rock Site | |
| | **Pile Number** | | |
| | **MSHA ID Number** | | |
| **Inspection Date** | JUNE 18, 2007 | | |
| **Inspected By** | John Christensen/Rick Cullum | | |
| **Reason for Inspection** (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction) | | 2007 Second Quarter Inspection | |
| | | **Attachments to Report?** | **X No** **Yes** |

## Field Evaluation

**Foundation preparation, including the removal of all organic material and topsoil.**

Constructed according to plan.

**Placement of underdrains and protective filter systems.**

Not applicable.

**Installation of final surface drainage systems.**

All surfaces are at their final configuration and drainage established.

**Placement and compaction of fill materials.**

This site is complete and at capacity.

Final grading and revegetation of fill.

Site is complete and vegetation has been established.

Appearances of instability, structural weakness, and other hazardous conditions.

None observed.

Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

There haven't been any changes at the site since the last inspection.

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**By:** John Christensen, Sr. Construction Engineer

(Full Name and Title)

**Signature:** John Christensen **Date:** 7/20/07

**P.E. Number & State:** 165651, Utah

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JOHN CHRISTENSEN
No. 165651
STATE OF UTAH

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| INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE | | | Page 1 of 2 |
|---|---|---|---|
| **Permit Number** | ACT/015/017/ACT/015/019 | Report Date | JUNE 26, 2007 |
| Mine Name | Cottonwood/Wilberg/Des-Bee-Dove/Trail Mountain | | |
| Company Name | Energy West Mining Company | | |
| Excess Spoil Pile or Refuse Pile Identification | Pile Name | Cottonwood Waste Rock Site | |
| | Pile Number | | |
| | MSHA ID Number | 1211-UT-09-01211-03 | |
| Inspection Date | JUNE 18, 2007 | | |
| Inspected By | John Christensen/Rick Cullum | | |
| Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction) | 2007 2ND Quarter Inspection | | |
| | **Attachments to Report?** x No Yes | | |

**Field Evaluation**

**Foundation preparation, including the removal of all organic material and topsoil.**

Foundation was prepared according to the approved plan.

**Placement of underdrains and protective filter systems.**

Not applicable.

**Installation of final surface drainage systems.**

The out slopes of the containment berms are at their final configuration and have been revegetated. The inlet ditch to the pond has been lined with rip rap and is extended as the pile changes elevation.

**Placement and compaction of fill materials.**

The Trail Mountain Mine has ceased production. Mine refuse will no longer be haul to this site. The site will remain active to accommodate future pond cleanings at Trail Mountain, Cottonwood and Des-Bee-Dove Mines. Trail Mountain pond cleaning material from the 4th Qtr. 2005 was placed and partially spread over the site. Also sediment from the North Pond at Cottonwood was placed on the site.

**Final grading and revegetation of fill.**

The outslopes of each containment/lift berm have had final grading and vegetation completed.

INSPECTION AND CERTIFIED REPORT
ON EXCESS SPOIL PILE OR REFUSE PILE



Appearances of instability, structural weakness, and other hazardous conditions.

None seen.

Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

The total storage capacity of the site is a 784,000 cubic yards. The elevation of the current lift varies with the required drainage slope. The surveyed elevation at the center of the active lift is 6,803.31 ft. The final design elevation will be 6,850 ft. The entire site is approximately 36% capacity. The useable area of the present lift is approximately 97%.

Certification Statement

LICENSED PROFESSIONAL ENGINEER
JOHN CHRISTENSEN
7/19/07
No. 165651
STATE OF UTAH

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By: John Christensen, Sr. Construction Engineer
(Full Name and Title)

Signature: _____ Date:

P.E. Number & State: 165651, Utah

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| INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE | | | Page 1 of 2 |
|---|---|---|---|
| **Permit Number** | ACT/015/018 | **Report Date** | JUNE 26, 2007 |
| **Mine Name** | Deer Creek | | |
| **Company Name** | Energy West Mining Company | | |
| **Excess Spoil Pile or Refuse Pile Identification** | **Pile Name** | ELK CANYON/ORIGINAL SITE | |
| | **Pile Number** | | |
| | **MSHA ID Number** | 1211-UT-09-00121-01 | |
| **Inspection Date** | JUNE 18, 2007 | | |
| **Inspected By** | John Christensen/Rick Cullum | | |
| **Reason for Inspection** (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction) | 2007 2ND Quarter Inspection | | |
| | **Attachments to Report? XNo Yes** | | |

## Field Evaluation

**Foundation preparation, including the removal of all organic material and topsoil.**

The construction of both sites have been complete for some time in excess of 18 years. The foundations appear to be stable.

**Placement of underdrains and protective filter systems.**

None

**Installation of final surface drainage systems.**

The slopes of both sites have no rills, gullies or sloughage present.

**Placement and compaction of fill materials.**

No fill material is being placed at either site, since both are at their designed capacity. The Elk Canyon site contains approximately 24,000 cubic original site 90,000 cubic yards of fill material.

Final grading and revegetation of fill.

The sites are at capacity. The final grades are established and are revegetated.

Appearances of instability, structural weakness, and other hazardous conditions.

None were observed.

Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

There was approximately 1,000 tons of coal stored at the Elk Canyon pad at the time of inspection.

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