



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

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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: Sediment Pond Cleaning Proposal for the Cottonwood Waste Rock Site Pond, PacifiCorp, Cottonwood/Wilberg Mine C/015/0019, Emery County, Utah.**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company "Energy West" as mine operator, hereby responds to the concerns of the Division regarding the condition of the Cottonwood/Wilberg Waste Rock Site sediment pond during the November site inspection. This letter documents the recent past inspection history and Energy West's proposal for bringing the pond back into compliance.

On August 25, 2014, the Waste Rock Site received a storm event which filled the pond with surface runoff. Approximately one month later (September 27 and 28) the mine site again received a storm event that added more runoff and sediment to the pond. There is no rain gauge on site to record rainfall. Energy West utilizes the rain gauge at the south end of East Mountain to record regional storm events. However, this rain gauge malfunctioned (pen on the chart recorder stuck in the down position) and the two rainfall events were not recorded. Although there is no direct evidence that the 10yr/24hr storm event was exceeded, there were major water flows and mudslides in nearby Straight Canyon and Cottonwood Creek Canyon which give evidence of exceedance. Both canyons were closed down for several days due to these storm events.

On October 07, 2014, Energy West reported these events, via email, to the Division with supporting data from nearby rainfall instruments in Huntington and Rilda Canyons.

On October 21, 2014, the Division's Priscilla Burton and Lisa Reinhart conducted a site inspection (accompanied by Dennis Oakley) of the Cottonwood Waste Rock Site and noted that the pond was full of water. They also noted that the overflow appeared to be plugged since the water level of the pond was ½ to 1 inch above the top of the oil skimmer. An elevated sediment level was also observed. A discussion followed to determine a resolution to the possible non-compliance issue; the conclusion reached was to first remove the water from the pond.

As agreed to during the October inspection, water from the pond was decanted from October 24 through October 27, 2014, to aid in determining the depth and condition of sediment. The sediment could be observed filling the pond to just below the bottom of the oil skimmer.

During the November 18, 2014 inspection, Daron Haddock and Lisa Reinhart visited the Cottonwood Mine to conduct a regular monthly inspection. Our Mine Engineer, Dennis Oakley,

accompanied them to the mine site and conducted a site inspection at the Waste Rock Site pond. During the inspection, the Division suggested cleaning of the pond since it appeared that the 60% cleanout level had been exceeded. Mr. Oakley explained Energy West's hesitation to placing any equipment in the pond at this time to clean for fear of the equipment becoming stuck. However, he acknowledged the need for the pond to be cleaned. It was agreed at the conclusion of this inspection that Energy West should propose to the Division a plan to clean the pond to bring it back into compliance.

To remedy this situation, Energy West proposes to allow the pond to dry out until the spring of 2015 (the likelihood of any storm event producing appreciable runoff is very limited during the winter months). Once the sediment has dried sufficiently to allow safe equipment access, the necessary equipment will be mobilized and the pond will be cleaned completely.

To justify the proposal the pond should have additional capacity to hold the designed storm event of 2.17 ac.ft. On November 26, 2014, the sediment level was surveyed at 1.95 ac.ft. The 60% clean out level is 0.99 ac.ft. plus an additional .76 ac.ft. of capacity (refer to design in Volume 10). This level was exceeded during the recent storm events. However, the pond was designed with a total capacity of 4.58 ac.ft. which leaves 2.63 ac.ft. of runoff or sediment capacity before the emergency spillway would discharge. There is sufficient capacity to hold the runoff from a 10yr/24hr storm event if one occurs prior to cleaning the pond.

Energy West's intention is to always protect the environment from the impacts of its mining operations. It hopes this proposal will be acceptable to the Division. Please reply to this letter with acceptance or rejection of the proposal. Any additional ideas to resolve this issue will be appreciated. Please contact Dennis Oakley at 435-687-4825 or myself if you have any comments or concerns regarding this situation.

Sincerely,



Kenneth Fleck

Geology and Environmental Affairs Manager

Cc: file