CHAPTER 2
LEGAL, FINANCIAL
COMPLIANCE AND
RELATED INFORMATION
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>DESCRIPTION</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Scope</td>
<td>1</td>
</tr>
<tr>
<td>2.2</td>
<td>Identification of Interests</td>
<td>1</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Permit Applicant</td>
<td>1</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Owner of Record of Surface Area and Coal Rights.</td>
<td>2</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Holders of Leasehold Interests in Surface Area and of Coal</td>
<td>3</td>
</tr>
<tr>
<td>2.2.4</td>
<td>Purchases of Record Under a Real Estate Contract for Surface</td>
<td>3</td>
</tr>
<tr>
<td>2.2.5</td>
<td>Operator</td>
<td>4</td>
</tr>
<tr>
<td>2.2.6</td>
<td>Resident Agent</td>
<td>4</td>
</tr>
<tr>
<td>2.2.7</td>
<td>Business Designation</td>
<td>4</td>
</tr>
<tr>
<td>2.2.7.1</td>
<td>Officers and Directors of the Applicant and Principal</td>
<td>4</td>
</tr>
<tr>
<td>2.2.7.2</td>
<td>Shareholder of the Applicant</td>
<td>4</td>
</tr>
<tr>
<td>2.2.7.3</td>
<td>Names Under Which Applicant and Principal Shareholder Operated</td>
<td>5</td>
</tr>
<tr>
<td>2.2.7.3</td>
<td>U.S. Coal Mines.</td>
<td>5</td>
</tr>
<tr>
<td>2.3</td>
<td>Compliance Information</td>
<td>8</td>
</tr>
<tr>
<td>2.3.1</td>
<td>Status of Mining Permits or Bonds.</td>
<td>8</td>
</tr>
<tr>
<td>2.3.2</td>
<td>Suspension, Revocation or Forfeiture.</td>
<td>8</td>
</tr>
<tr>
<td>2.3.3</td>
<td>Compliance Information</td>
<td>8</td>
</tr>
</tbody>
</table>

10/16/94
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

2.4 Right of Entry and Operation Information. 9
2.5 Relationship to areas Designated Unsuitable for Mining. 9
2.6 Permit Term Information. 10
2.7 Personal Injury and Property Damage Insurance Information. 11
2.8 Proposed Performance Bond. 11
2.9 Identification of Other Licenses and Permits. 11
2.10 Identification of Location of Public Office for Filing of Application. 12
2.11 Newspaper Advertisement and Proof of Publication. 12

APPENDICES

Appendix 2-1 Coal Mining Permits Approved and Pending
Appendix 2-2 Compliance History
Appendix 2-3 Certificate of Insurance
Appendix 2-4 Reclamation Performance Bond
Appendix 2-5 Other Licenses and Permits
Appendix 2-6 Public Notice for Permit Revision

10/16/94
CHAPTER 2
LEGAL, FINANCIAL, COMPLIANCE, AND RELATED INFORMATION

2.1 Scope.

The scope of the legal, financial, compliance and related information chapter of this mining and reclamation plan is to describe the status of the owner of the Canyon Fuel Company, LLC (hereinafter any reference to "Mountain Coal" or "Mountain Coal Company" should be read to mean "Canyon Fuel Company, LLC") Gordon Creek No. 2, 7 and 8 Mines, including the new federal coal lease, and to document its right to mine the property. Sections within this chapter cover the following major topics; identification of interests, right of entry and operation information, other license and permits, location of public office for filing applications, and newspaper publication.

2.2 Identification of Interests.

For additional information pertaining to this section refer to the General Chapter 1 binder.

2.2.1 Permit Applicant.

The permit applicant, name and address, including telephone number:

Canyon Fuel Company, LLC
Principal Address:
225 North 5th Street, Suite 900
Grand Junction, CO 81501
Utah Address:
597 South State Road 24
Salina, UT 84654
Phone Number (435) 286-4880

10/16/94
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

Since the mines are permanently closed, no further abandoned mine land reclamation fees are paid for this property.

2.2.2 Owner of Record of Surface Area and Coal Rights.

Every legal or equitable owner of record of the areas to be affected by surface operations and facilities and every legal or equitable owner of record of the coal to be mined (including contiguous areas):

(a) Surface

(i) Carbon County
Courthouse Bldg.
Price, Utah 84501

(ii) Helper Associates
178 South Main Street
Helper, Utah 84526

(iii) Novell A. and Catherine P. Jewkes
730 No. 4th East
Price, Utah 84501

(iv) Jacob Family Ranch, LLC
914 East 300 North
Orem, Utah 84097

(v) Eldred E. Peirce, Jr.
Rt. 1, Box 143
Price, Utah 84501

(vi) Wasatch Coal Co.
1322 Chandler Drive
Salt Lake City, Utah 84103
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

(b) Coal

(i) United States of America
    Bureau of Land Management
    Price River Resource Area
    P.O. Box AB
    Price, Utah 84501

(ii) Wasatch Coal Co.
    1322 Chandler Drive
    Salt Lake City, Utah 84103

(iii) Helen Marakis
    165 East 1st South
    Price, Utah 84501

2.2.3 Holders of Leasehold Interests in Surface Area and of Coal Rights.

The holder of record of leasehold interests in areas to be affected by surface operations of facilities and the holders of record of any leasehold interest in the coal to be mined is shown below:

(a) Leasehold interest in surface:

    Jacob Family Ranch LLC
    914 East 300 North
    Orem, Utah 84097

(b) Leasehold interest in coal: Canyon Fuel Company, LLC

2.2.4 Purchases of Record Under a Real Estate Contract for Surface Area or Coal.

Any purchaser of record under a real estate contract of the area to be affected by surface operations and facilities and any

10/16/94

INTEGRATED
JAN 28 2014
Div. of Oil, Gas & Mining
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

purchaser of record under a real estate contract of the coal to be mined:

None.

2.2.5 Operator.

The operator, if the operator is a person different from the applicant, including his or her telephone number: The operator is the same as the applicant.

2.2.6 Resident Agent.

The resident agent of the applicant who will accept service of process, including his or her telephone number:

The Corporation Trust Company
1209 Orange Street

Wilmington, Delaware 19801
Telephone Number: 1-(800)441-9820

2.2.7 Business Designation.

A statement of whether the applicant is a corporation; partnership, single proprietorship, association or other business entity: The applicant is a Delaware LLC.

2.2.7.1 Officers and Directors of the Applicant and Principle Shareholder of Applicant.

The names and addresses of every officer, partner, director, or other person performing a function similar to a director of the applicant refer to General Chapter 1.
2.2.7.2  Names Under Which Applicant and Principal Shareholder Operated U.S. Coal Mines.

Names under which the applicant, partner, or principal shareholder previously operated underground or surface coal mining operations in the United States within the five years preceding the date of application:

None

2.2.7.3  Principals, Officers and Resident Agents.

For information pertaining to this section refer to General Chapter 1 binder.

2.2.8  Current, Pending or Previous Coal Mining Permits.

A statement of any current or previous coal mining permits in the United States held by the Applicant subsequent to 1970 and by any person identified in paragraph 2.2.7.3 of this section and of any pending permit application to conduct underground or surface coal mining activities in the United States. The information shall be listed by permit or application number and identify the division for each of those coal mining operations: For additional information pertaining to this section refer to the General Chapter 1 binder.

See Appendix 2-1 - Coal Mining Permits- Approved and Pending.

2.2.9  Owner of Record of Surface and Subsurface Areas Contiguous to Proposed Permit Area.

The names and addresses of the owners of record of all surface and subsurface areas contiguous to any part of the proposed permit area:
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

(a) Contiguous Surface

(i) Carbon County
Courthouse Bldg.
Price, Utah 84501

(ii) Helper Associates
178 South Main Street
Helper, Utah 84526

(iii) Movel I A. and Cathrine P. Jewkes
730 No. 4th East
Price, Utah 84501

(iv) Calvin K. Jacob and Sons
734 North 4th East
Price, Utah 84501

(v) Eldred E. Peirce, Jr.
Rt. 1, Box 143
Price, Utah 84501

(vi) Wasatch Coal Co.
1322 Chandler Drive
Salt Lake City, Utah 84103

(b) Contiguous Subsurface

(i) United States of America
Bureau of Land Management
Price River Resource Area
P.O. Box AB
Price, Utah 84501

10/16/94

2-6

INTEGRATED

JAN 28 2014

Div. of Oil, Gas & Mining
Mining and Reclamation Plan
Gordon Creek No. 2/7/8 Mines

(ii) Wasatch Coal Co.
1322 Chandler Drive
Salt Lake City, Utah 84103

(iii) Helen Marakis
165 East 1st South
Price, Utah 84501

2.2.10 Mine Name and MSHA Identification.

The name of the proposed mine and the Mine Safety and Health Administration identification number for the mine and all section:

(a) Mine Name

Canyon Fuel Company, LLC
Gordon Creek No.2, 7 and 8 Mines

(b) MSHA Identification Number

No. 2 42-00125
No. 7 42-01814
No. 8 42-01968

2.2.11 Applicant's Interest in Areas Contiguous to Proposed Permit Area.

A statement of all lands, interests in lands, options or pending bids on interests held or made by the applicant for lands which are contiguous to the area to be covered by the permit:

None.
2.3 Compliance Information

2.3.1 Status of Mining Permits or Bonds
A statement of whether the applicant, any subsidiary, affiliate or person controlled by or under common control has had any federal or state mining permits suspended or revoked in the last five years or has forfeited a mining bond or security deposit:

a) Permits Suspended or Revoked

None

b) Bond or Security Forfeited

None

2.3.2 Suspension, Revocation or Forfeiture
Each application shall describe all proceedings identified under 2.3.1 and the status of any suspension, revocation or forfeiture proceedings;

None

2.3.3 Compliance Information

A list of all notices or violations received by the applicant in the past 3 years for violations pertaining to air or water environmental protection:

See Table 1-2 in the General Chapter 1 for the Canyon Fuel Company, LLC Mines.

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Div. of Oil, Gas & Mining
2.4 Right of Entry and Operation Information.

A description of the documents upon which the applicant bases its legal right to enter and begin underground coal activities in the permit area and whether the rights are the subject of pending litigation. For Underground activities where operations involve the surface mining of coal, evidence of the right to surface mine must be provided:

(a) Documents Establishing Rights

See Tables 4-1 and 4-2 for all required leases, easements and right to access.

(b) Pending Litigations

None.

(c) Surface Mining Rights

None.

(d) Description of Permit Area

The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Section 18: N1/2 SE1/4, N1/2 SW1/4 SE1/4, S1/2 NE1/4 SW1/4, SE1/4 SW1/4, SE1/4 SW1/4 SW1/4. Approximately 161 acres +/-

2.5 Relationship to Areas Designated Unsuitable for Mining.

The relationship of the permit area to possible areas designated as being unsuitable for mining, whether an exemption is claimed under the regulations, and whether surface operations will be conducted within 300 feet of occupied dwellings:

(a) Areas Designated Unsuitable for Mining.

The proposed permit area is not within an area designated unsuitable for the surface effects of underground coal mine activities under the R645 regulations. Neither is the proposed permit area under study for designation in an administrative proceeding initiated under those parts. Mining would not affect renewable resource lands and would not result in substantial loss of food, fiber, or water supply. The permit area contains no prime farmland or merchandisable timber. Mining
would not affect natural hazard lands and thereby endanger life and property. In addition, the permit area includes no cemeteries, no national trials, no wild and scenic rivers, no wilderness or wilderness study areas, and no sufficient harvestable forest cover.

(b) Exemption

The applicant does not claim exemption.

(c) Dwellings

There are no occupied dwellings within 5 miles of the proposed permit areas.

2.6 Permit Term Information

The number of surface acres to be affected and the horizontal and vertical extent of the workings:

(a) Surface Acres Affected

The number of surface acres disturbed by the operation is 34.88 acres. There are no plans for additional surface disturbance for this operation. Mining is completed at this operation.

(b) Horizontal Extent of Underground Workings

No further mining is anticipated within the permit area.
(c) **2.6.3 Vertical Extent of Workings**

The work performed within the permit area will remain within the Castle Gate "A" seam. The Castle Gate "A" seam is only economically minable seam in the area.

(d) **Permit Term**

This permit will be for the term of the previous permit – starting on August 28, 1994 through August 28, 1999. The permit is expected to be renewed at 5 year intervals until final bond release.

2.7 **Personal Injury and Property Damage Insurance Information.**

A certificate of liability insurance is located in General Chapter 1, Appendix 1-2.

2.8 **Proposed Performance Bond**

A performance bond in the name of Canyon Fuel Company, LLC is included.

See Appendix 2-4

2.9 **Identification of Other Licenses and Permits.**

A list of all other licenses and permits under applicable state and federal law needed by the applicant to conduct underground coal mining activities.

See Appendix 2-5 – Other Licenses and Permits
2.10 Identification of Location of Public Office for Filing of Application.

Canyon Fuel Company, LLC will simultaneously file a complete copy of this permit application for public inspection with:

(a) Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

2.11 Newspaper Advertisement and Proof of Publication.

On the date of the filing of the permit application with the Division of Oil, Gas and Mining, the applicant will also file an advertisement in the Sun-Advocate, a local newspaper with circulation in Carbon County sufficient to cover the locality of the applicants operations. This advertisement will be run as required. A copy of the proposed advertisement is attached.

See Appendix 2-6
APPENDIX 2-1

COAL MINING PERMITS

APPROVED AND PENDING
## Table 2-2

**COAL MINING PERMITS - APPROVED AND PENDING**

<table>
<thead>
<tr>
<th>Company and Mine Name</th>
<th>Type of Permit</th>
<th>Name and Address of Issuing Authority</th>
<th>Permit or Application Number</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beaver Creek Coal Company Gordon Creek No. 2 Mine</td>
<td>Mine Plan Approval</td>
<td>U.S. Geological Survey Salt Lake City, Utah</td>
<td>U-8319</td>
<td>Approved 01/24/78</td>
</tr>
<tr>
<td>Beaver Creek Coal Company Gordon Creek NO. 2/7 Mines</td>
<td>State Mining Permit</td>
<td>Utah Dept. of Natural Resources Division of Oil Gas and Mining Salt Lake City, Utah</td>
<td>ACT/007/016</td>
<td>Issued 08-27-84</td>
</tr>
<tr>
<td>Beaver Creek Coal Company Gordon Creek No. 2 Mine</td>
<td>Mine Plan Approval Lease Modification</td>
<td>U.S. Office of Surface Mining Denver, Colorado</td>
<td>UT-0030</td>
<td>Issued 05-05-80</td>
</tr>
<tr>
<td>Beaver Creek Coal Company Gordon Creek No. 3 and 6 Mines</td>
<td>State Mining Permit</td>
<td>Utah Dept. of Natural Resources Division of Oil, Gas and Mining Salt Lake City, Utah</td>
<td>INA/007/017</td>
<td>Issued 09-11-86</td>
</tr>
<tr>
<td>Beaver Creek Coal Company Huntington Canyon No. 4 Mine</td>
<td>Mine Plan Approval</td>
<td>U.S. Geological Survey Salt Lake City, Utah</td>
<td>U-33454</td>
<td>Approved 02/16/77</td>
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<tr>
<td>Beaver Creek Coal Company Huntington Canyon No. 4 Mine</td>
<td>Mine Approval Plan</td>
<td>Utah Dept. of Natural Resources Division of Oil Gas &amp; Mining Salt Lake City, Utah</td>
<td>INA/015/004</td>
<td>Issued 04-30-90</td>
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<tr>
<td>Beaver Creek Coal Company Castle Valley Spur Coal Processing and Loadout Facility</td>
<td>State Mining Permit</td>
<td>Utah Dept. of Natural Resources Division of Oil, Gas and Mining Salt Lake City, Utah</td>
<td>ACT/007/022</td>
<td>Issued 08-06-84</td>
</tr>
<tr>
<td>Thunder Basin Coal Company Black Thunder Mine</td>
<td>Permit to Mine</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>233</td>
<td>Issued 12/03/74</td>
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<tr>
<td>Thunder Basin Coal Company Black Thunder Mine</td>
<td>License to Mine</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>233-L1</td>
<td>Issued 12/03/74</td>
</tr>
<tr>
<td>Atlantic Richfield Company Coal Creek Mine</td>
<td>Licences to Mine</td>
<td>Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>483-L1</td>
<td>Issued 03/16/79</td>
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<tr>
<td>Atlantic Richfield Company Coal Creek Mine</td>
<td>Mine Plan Approval</td>
<td>U.S. Office of Surface Mining Washington, D.C.</td>
<td>W4-0003</td>
<td>Approved 03/16/79</td>
</tr>
<tr>
<td>Mine Name and Address</td>
<td>Type of Permit</td>
<td>Name and Address of Issuing Authority</td>
<td>Permit or Application Number</td>
<td>Status</td>
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<td>-----------------------</td>
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</tr>
<tr>
<td>Gunnison No. 1 Mine</td>
<td>Mine Permit Application</td>
<td>Colorado Mine Land Reclamation Reclamation Division Dept. of Natural Resources</td>
<td>CO-007-80</td>
<td>Issued 07-31-81</td>
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<td>Richfield Company</td>
<td>Research and Development Testing License Application</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>233-L2</td>
<td>Submitted 02-81</td>
</tr>
<tr>
<td>Thunder Mine</td>
<td>License to Mine Overstripping Agreement</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>233-L2</td>
<td>Issued 12-17-77</td>
</tr>
<tr>
<td>Thunder Mine</td>
<td>Permit to Mine Amendment</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>233-A1</td>
<td>01-27-78</td>
</tr>
<tr>
<td>Thunder Mine</td>
<td>State Program Approval</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>TFW 1/207</td>
<td>Submitted 10-31-80</td>
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<tr>
<td>Thunder Mine</td>
<td>Mine Plan Approval</td>
<td>U.S. Geological Survey Billings, Montana W-36094</td>
<td>W-2313</td>
<td>Approved 02-24-76</td>
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<tr>
<td>Thunder Mine</td>
<td>Mine Plan Approval</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>483</td>
<td>Approved 03-16-79</td>
</tr>
<tr>
<td>Thunder Mine</td>
<td>Permit to Mine</td>
<td>Land Quality Division Dept. of Environmental Quality Cheyenne, Wyoming</td>
<td>483</td>
<td>Approved 03-16-79</td>
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Mining and Reclamation Plan
Gordon Creek No. 2/7 and 8 Mines

APPENDIX 2-2
COMPLIANCE HISTORY
<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Agency</th>
<th>M.D.V.#</th>
<th>Description</th>
<th>Proceedings</th>
<th>Status</th>
<th>Abatement Action</th>
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<tbody>
<tr>
<td>02-09-84</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>84-6-2-1</td>
<td>Blocked road drainage</td>
<td>Assessment Conf. 5-10-84</td>
<td>Vacated</td>
<td>Remove snow blockage</td>
</tr>
<tr>
<td>02-22-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-3-1</td>
<td>Sediment pond waste</td>
<td>None</td>
<td>Terminated</td>
<td>None</td>
</tr>
<tr>
<td>04-18-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-5-1</td>
<td>Failure maint. sed. pond</td>
<td>Assessment Conf. 11-1-84</td>
<td>Terminated</td>
<td>Meet EPA Limits</td>
</tr>
<tr>
<td>06-06-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-6-5(1)</td>
<td>Failure to meet app. plan</td>
<td>Assessment Conv. 11-1-84</td>
<td>Terminated</td>
<td>Modify plans</td>
</tr>
<tr>
<td>06-06-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-6-5(3)</td>
<td>Short circuit in pond</td>
<td>Assessment Conf. 11-1-84</td>
<td>Terminated</td>
<td>Repair pond</td>
</tr>
<tr>
<td>06-06-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-6-5(3)</td>
<td>Failure to divert</td>
<td>Assessment Conf. 11-1-84</td>
<td>Terminated</td>
<td>Repair ditch</td>
</tr>
<tr>
<td>06-06-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-6-5(4)</td>
<td>Contribution of sediment</td>
<td>Assessment Conf. 11-1-84</td>
<td>Terminated</td>
<td>Completed const.</td>
</tr>
<tr>
<td>06-06-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-6-5(5)</td>
<td>Failure to smooth topsoil</td>
<td>Assessment Conf. 11-1-84</td>
<td>Terminated</td>
<td>None</td>
</tr>
<tr>
<td>06-15-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-7-1</td>
<td>Failure to meet app. plan</td>
<td>None</td>
<td>Terminated</td>
<td>Repair barn</td>
</tr>
<tr>
<td>07-17-84</td>
<td>#2-7</td>
<td>DOG&amp;M</td>
<td>84-8-6-1</td>
<td>Plugged culvert</td>
<td>None</td>
<td>Terminated</td>
<td>Cleaned culvert</td>
</tr>
<tr>
<td>08-28-84</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>84-6-12-1</td>
<td>Plugged culvert</td>
<td>None</td>
<td>Terminated</td>
<td>Cleaned culvert</td>
</tr>
<tr>
<td>09-18-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-6-3-1</td>
<td>Fail to protect hyd. bal</td>
<td>Assessment Conf. 3-4-85</td>
<td>Terminated</td>
<td>Submit Plans</td>
</tr>
<tr>
<td>12-17-84</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>84-8-4-1</td>
<td>Fail to comply w/permit</td>
<td>Assessment Conf. 7-6-85</td>
<td>Terminated</td>
<td>Submit response</td>
</tr>
<tr>
<td>01-15-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>85-8-2-1</td>
<td>Fail to comply w/permit</td>
<td>Assessment Conf. 3-12-86</td>
<td>Terminated</td>
<td>Submit monitoring</td>
</tr>
<tr>
<td>02-26-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>85-8-4-1</td>
<td>Fail to comply w/permit</td>
<td>None</td>
<td>Terminated</td>
<td>Repair drainage</td>
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<tr>
<td>03-25-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>85-8-5-1</td>
<td>Sediment to stream</td>
<td>Assessment Conf. 2-20-86</td>
<td>Terminated</td>
<td>Clean ditch</td>
</tr>
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12/15/92
<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Agency</th>
<th>N.O.V.#</th>
<th>Description</th>
<th>Proceedings</th>
<th>Status</th>
<th>Abatement Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-12-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>C-85-8-2-1</td>
<td>Sediment to stream</td>
<td>Assessment Conf. 3-12-86</td>
<td>04-25-85</td>
<td>Clean structures</td>
</tr>
<tr>
<td>06-04-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>C-85-8-2-1</td>
<td>Failure to abate</td>
<td>Assessment Conf. 2-19-86</td>
<td>06-18-85</td>
<td>Repair drainage</td>
</tr>
<tr>
<td>06-18-85</td>
<td>C.V.</td>
<td>DOG&amp;M</td>
<td>85-8-9-1</td>
<td>Fail to protect hyd. ba.</td>
<td>None</td>
<td>06-18-85</td>
<td>Repair drainage</td>
</tr>
<tr>
<td>08-06-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>85-8-11-1</td>
<td>Pipe leak to sed. pond</td>
<td>None</td>
<td>08-23-85</td>
<td>Repair leak</td>
</tr>
<tr>
<td>09-26-85</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>85-8-17-1</td>
<td>Fail to comply w/permit</td>
<td>None</td>
<td>02-03-86</td>
<td>Permit disposal</td>
</tr>
<tr>
<td>10-02-85</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>85-8-18-1</td>
<td>Fail to protect topsoil</td>
<td>None</td>
<td>10-02-85</td>
<td>Repair Berm</td>
</tr>
<tr>
<td>03-12-86</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>86-4-2-1</td>
<td>Erosion on Class I road</td>
<td>Assessment Conf. 8-27-86</td>
<td>06-17-85</td>
<td>Repair, submit plans</td>
</tr>
<tr>
<td>04-07-86</td>
<td>#3/6</td>
<td>DOG&amp;M</td>
<td>86-8-7-1</td>
<td>Sediment pond outlet</td>
<td>None</td>
<td>04-29-86</td>
<td>Repair structure</td>
</tr>
<tr>
<td>08-06-87</td>
<td>#3/6</td>
<td>DOG&amp;M</td>
<td>87-26-5-1</td>
<td>Fail to monitor water</td>
<td>Assessment Conf. 11-18-87</td>
<td>08-06-87</td>
<td>Monitor per plan</td>
</tr>
<tr>
<td>08-06-87</td>
<td>#3/6</td>
<td>DOG&amp;M</td>
<td>87-26-6-1</td>
<td>Erosion control</td>
<td>Assessment Conf. 11-18-87</td>
<td>09-03-87</td>
<td>Repair outlets</td>
</tr>
<tr>
<td>08-06-87</td>
<td>#3/6</td>
<td>DOG&amp;M</td>
<td>87-26-7-1</td>
<td>Plugged culverts</td>
<td>Assessment Conf. 11-18-87</td>
<td>09-03-87</td>
<td>Repair culverts</td>
</tr>
<tr>
<td>01-07-88</td>
<td>#9</td>
<td>DOG&amp;M</td>
<td>88-27-3-1</td>
<td>Failure to Monitor Water</td>
<td>Assessment Conf. 4-12-88</td>
<td>01-11-88</td>
<td>Monitor per plan</td>
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<tr>
<td>01-25-88</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>88-22-1-1</td>
<td>Failure to Monitor Water</td>
<td>Assessment Conf. 4-12-88</td>
<td>01-25-88</td>
<td>Monitor per plan</td>
</tr>
<tr>
<td>05-09-88</td>
<td>#9</td>
<td>DOG&amp;M</td>
<td>88-19-1-1</td>
<td>Failure to Monitor</td>
<td>Assessment Conf. 9-27-88</td>
<td>08-18-88</td>
<td>Monitor per plan</td>
</tr>
<tr>
<td>06-22-88</td>
<td>#2/7</td>
<td>OSM</td>
<td>88-02-107-1</td>
<td>Inspections on Impoundments</td>
<td>None</td>
<td>06-22-88</td>
<td>Begin inspections</td>
</tr>
<tr>
<td>08-15-88</td>
<td>C.V.</td>
<td>DOG&amp;M</td>
<td>88-22-2-1</td>
<td>Failure to respond to approval</td>
<td>None</td>
<td>09-19-88</td>
<td>Submit response</td>
</tr>
<tr>
<td>09-14-89</td>
<td>#2/7</td>
<td>DOG&amp;M</td>
<td>89-33-2-1</td>
<td>Failure to comply with plan</td>
<td>None</td>
<td>Vacated</td>
<td>N/A</td>
</tr>
<tr>
<td>09-10-90</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>90-26-25</td>
<td>Sediment Pond Failure</td>
<td>Informal Hearing 4-14-91</td>
<td>06-14-92</td>
<td>Repair Pond</td>
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<tr>
<td>09-10-90</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>90-26-25-2</td>
<td>Diversion Erosion</td>
<td>Informal Hearing 4-14-91</td>
<td>11-27-90</td>
<td>Rip-rap Diversion</td>
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<td>11-20-90</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>C90-2-03-1</td>
<td>Failure to Abate</td>
<td>Informal Hearing 4-14-91</td>
<td>Vacated</td>
<td>Sediment Pond Drawing</td>
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<td>11-04-91</td>
<td>#4</td>
<td>DOG&amp;M</td>
<td>91-35-05-01</td>
<td>Failure to minimize erosion</td>
<td>Informal Hearing 3-19-92</td>
<td>06-16-92</td>
<td>Submit Maps</td>
</tr>
</tbody>
</table>

*Trail Mountain Mine - Sold to Pacificorp 9/30/92.

12/15/92
Mining and Reclamation Plan  
Gordon Creek No. 2/7 and 8 Mines

THUNDER BASIN COAL CO.  
COMPLIANCE HISTORY  
(1987 - 1992)

<table>
<thead>
<tr>
<th>DATE</th>
<th>LOCATION</th>
<th>NOV NO.</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
<td>10/1/90</td>
<td>Black Thunder Mine</td>
<td>100130</td>
<td>Failure to follow Mine Plan</td>
</tr>
</tbody>
</table>

WEST ELK COAL COMPANY  
(Now Part of Mountain Coal Company)

N/A - No NOV'S since 1986

12/15/92
APPENDIX 2-3

CERTIFICATE OF LIABILITY INSURANCE
(see accompanying Certificate of Insurance)
### Certificate of Insurance

This Certificate of Insurance neither affirmatively nor negatively modifies, extends or alters the coverage, limits, terms or conditions of the policies it certifies.

P. is to Certify to

State of Utah
Dept. of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

that the following described policy or policies, issued by the Company as coded below, providing insurance only for hazards checked by "X" below, have been issued to:

NAME AND ADDRESS OF INSURED: Atlantic Richfield Company, its Subsidiaries and subsidiaries thereof as now or hereinafter constituted, Atlantic Richfield Plaza, 515 So. Flower Street, Los Angeles, CA 90071

covering in accordance with the terms thereof, at the following location(s):

Including Mountain Coal Company and ARCO Coal Company

<table>
<thead>
<tr>
<th>TYPE OF POLICY</th>
<th>HAZARDOUS CODE</th>
<th>POLICY NUMBER</th>
<th>POLICY PERIOD</th>
<th>LIMITS OF LIABILITY</th>
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<tbody>
<tr>
<td>(a) Standard Workmen's Compensation &amp;</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Employers' Liability</td>
<td></td>
<td></td>
<td></td>
<td>Statutory W. C.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>One Accident and</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aggregate Disease</td>
</tr>
<tr>
<td>(b) General Liability</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Premises—Operations (including &quot;Incidental Contracts&quot; as defined below)</td>
<td>[X]</td>
<td>ISL G1 519134-A</td>
<td>01/01/93 to 01/01/96</td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Independent Contractors</td>
<td>[X]</td>
<td>ISL G1 519134-A</td>
<td>01/01/93 to 01/01/96</td>
<td>$*See Below Each Person Accident</td>
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<tr>
<td>Completed Operations/Products</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Contractual, (Specific type as</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>described in footnote below)</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Premises—Operations (including</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Incidental Contracts as defined</td>
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<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>(b)</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Independent Contractors</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Completed Operations/Products</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>Contractual, (Specific type as</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>described in footnote below)</td>
<td>[X]</td>
<td></td>
<td></td>
<td>$*See Below Each Person Accident</td>
</tr>
<tr>
<td>(c) Automobile Liability</td>
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<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Bodily Injury</td>
<td></td>
<td></td>
<td></td>
<td>Each Person</td>
</tr>
<tr>
<td>Property Damage</td>
<td></td>
<td></td>
<td></td>
<td>Each Person</td>
</tr>
<tr>
<td><strong>INCLUDES &quot;XCU&quot; COVERAGE</strong></td>
<td></td>
<td></td>
<td></td>
<td>$500,000 Combined Single Limit, per occurrence/aggregate where applicable.</td>
</tr>
</tbody>
</table>

In the event of cancellation of the policy or policies by the company, forty five (45) days' written notice of such cancellation will be given to you at the address stated above.

**NAME OF OTHER PARTY**

Gordon Creek #2, #7 & #8 ACT/007/016

**DESCRIPTION OR JOB**

Definitions: "Incidental contract" means any written (1) lease of premises (2) easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad, (3) undertaking to indemnify a municipality required by municipal ordinance, except in connection with work to the municipality, (4) subcontract agreement, or (5) elevator maintenance agreement.

**DATE (if applicable)**

**CONTRACT NO. (if any)**

<table>
<thead>
<tr>
<th>COMPANY CODES</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 CIGNA INSURANCE COMPANY</td>
</tr>
<tr>
<td>21 CIGNA INS. CO. OF TEXAS</td>
</tr>
<tr>
<td>31 PACIFIC EMPLOYERS INS. CO.</td>
</tr>
<tr>
<td>41 INSURANCE COMPANY OF NORTH AMERICA</td>
</tr>
<tr>
<td>51 CIGNA INS. CO. OF ILLINOIS</td>
</tr>
<tr>
<td>61 CIGNA INS. CO. OF OHIO</td>
</tr>
<tr>
<td>(OTHER:—SPECIFY)</td>
</tr>
</tbody>
</table>

**FOLED**
Mining and Reclamation Plan
Gordon Creek No. 2/7 and 8 Mines

APPENDIX 2-4
RECLAMATION PERFORMANCE BOND
FOR
GORDON CREEK NO. 2, 7 AND 8 MINES
RIDER to be attached to and form a part of Bond Number U-629965

on behalf of BEAVER CREEK COAL COMPANY

(Name)
555 SEVENTEENTH STREET, DENVER, COLORADO 80202
(Address)

as Principal, and in favor of STATE OF UTAH, DIVISION OF OIL, GAS AND MINING

as Obligee, executed by UNITED PACIFIC INSURANCE COMPANY as Surety,
in the amount of SIX HUNDRED FORTY-ONE THOUSAND FOUR HUNDRED
DOLLARS ($641,443.00) effective SEPTEMBER 13, 1990.

It is hereby understood and agreed that effective as of SEPTEMBER 5, 1991, the said bond has been amended as follows:

1) The Principal's Name has been changed from: BEAVER CREEK COAL COMPANY

   to: MOUNTAIN COAL COMPANY

2) Specific Language has been added:

   "In the event the Cooperative Agreement between the DIVISION and OSM is terminated, then the portion of the bond covering the Federal Lands will be payable only to the United States, Department of Interior, Office of Surface Mining."

Nothing herein contained shall vary, alter or extend any provisions or conditions of the bond other than as above stated.

SIGNED, SEALED AND DATED this 5TH day of SEPTEMBER, 1991.

MOUNTAIN COAL COMPANY

Principal

BY: Thomas H. Parker

Vice President

UNITED PACIFIC INSURANCE COMPANY

Surety

BY: Dorothy M. Yvanoff

ATTORNEY-IN-FACT
Date: September 25, 1990
Subject: Rider for State of Utah
Reclamation Bond #U-629965
Gordon Creek #2 and #7 Mine

From/Location: Kim Penoyer, DAT-2165
To/Location: Dick Pick, Grand Jct.

Please sign the attached Rider for the State of Utah Reclamation Bond for Gordon Creek #2 and #7 Mines. We were notified that our bond had an incorrect acreage figure which needed to be updated.

If you will return the signed document to me, I will obtain the proper seal and return it to the State Office.

KP:mjb
attachment
cc: Dan Guy, w/a
RIDER

RIDER to be attached to and form a part of Bond Number U-629965 on behalf of BEAVER CREEK COAL COMPANY (Name)

555 SEVENTEENTH STREET, DENVER, COLORADO 80202 (Address)

STATE OF UTAH

as Principal, and in favor of DIVISION OF OIL, GAS AND MINING

as Obligee, executed by UNITED PACIFIC INSURANCE COMPANY (Name) as Surety,
in the amount of SIX HUNDRED FORTY-ONE THOUSAND FOUR HUNDRED FORTY-TWO AND NO/100*** Dollars ($641,443.00***) effective JULY 30, 1987.

It is hereby understood and agreed that effective as of SEPTEMBER 13, 1990, the Acreage on said bond has been amended from: 2,286.05 acres of land to: 17.2 acres of land

Nothing herein contained shall vary, alter or extend any provisions or conditions of the bond other than as above stated.

CALIFORNIA
ACKNOWLEDGEMENT BY SURETY

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } ss.

On this 13TH day of SEPTEMBER in the year 1990, before me CORA V. RODRIGUEZ personally appeared CASSIE J. BERRISFORD personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as attorney-in-fact of UNITED PACIFIC INSURANCE COMPANY and acknowledged to me that the corporation executed it.

CORA V. RODRIGUEZ
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN LOS ANGELES COUNTY
My Commission Expiration March 24, 1999

Notary Public
HEAD OFFICE, FEDERAL WAY, WASHINGTON.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the UNITED PACIFIC INSURANCE COMPANY, a corporation duly organized under the laws of the State of Washington, does hereby make, constitute and appoint

CASSET J. BERRISFORD of LOS ANGELES, CALIFORNIA

to true and lawful Attorney-in-Fact to make, execute, seal and deliver for and on its behalf, and to act and deed

ANY AND ALL BONDS AND UNDERTAKINGS OF SURETYSHIP -------

and to bind the UNITED PACIFIC INSURANCE COMPANY thereby as fully and in the same manner as if such bonds and undertakings and other writings and instruments in the nature thereof were signed by an Executive Officer of the UNITED PACIFIC INSURANCE COMPANY and sealed and attested by one or more of such officers, and hereby ratifies and confirms all that its said Attorney-in-Fact may do in pursuance hereof.

This Power of Attorney is granted under and by authority of Article VII of the By-Laws of UNITED PACIFIC INSURANCE COMPANY which became effective September 7, 1976, which provisions are now in full force and effect, reading as follows:

ARTICLE VII — EXECUTION OF BONDS AND UNDERTAKINGS-

1. The Board of Directors, the President, the Chairman of the Board, any Senior Vice President, any Vice President or Assistant Vice President, or any officer designated by the Board of Directors shall have power and authority to (a) appoint Attorney-in-Fact and to authorize him to execute on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings and instruments in the nature thereof, and (b) remove any such Attorney-in-Fact at any time and revoke the power and authority given to him.

2. Attorney-in-Fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute and deliver on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings and instruments in the nature thereof. The corporate seal is not necessary for the validity of any bonds and undertakings, recognizances, contracts of indemnity and other writings and instruments in the nature thereof.

3. Attorney-in-Fact shall have power and authority to execute certificates required to be attached to bonds, recognizances, contracts of indemnity or other instruments in the nature thereof and they shall also have power and authority to certify the financial statement of the Company and to execute the By-Laws of the Company or any article or section thereof.

This power of attorney is signed and sealed by Casset J. Berrisford and by authority of the following Resolution adopted by the Board of Directors of UNITED PACIFIC INSURANCE COMPANY at a meeting held on the 6th day of June, 1976, at which a quorum was present, and said Resolution has not been amended or repealed.

IN WITNESS WHEREOF, the UNITED PACIFIC INSURANCE COMPANY has caused these presents to be signed by its Vice President, and its corporate seal to be hereunto affixed, this 7th day of May 1990.

UNITED PACIFIC INSURANCE COMPANY

STATE OF Washington
COUNTY OF King

On the 7th day of May 1990 personally appeared: Lawrence W. Carstens

[Signature]

Notary Public in and for State of Washington
Residing at Tacoma

Robert D. Ritzhaus, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and exact copy of a Power of Attorney executed by said UNITED PACIFIC INSURANCE COMPANY, which is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 13th day of September 1990.

[Signature]

Robert D. Ritzhaus, Assistant Secretary
September 4, 1990

Ms. Kim Penoyer
Lease Administrator
Arco Coal Company
555 Seventeenth Street
Denver, Colorado 80202

Dear Ms. Penoyer:

Re: Correcting Acreage, Beaver Creek Coal Company, Gordon Creek #2, #7 and #8 Mines, ACT/007/016. Folder #2, Carbon County, Utah

The bond currently posted for bond #U-629965 for the Gordon Creek #2, #7 and #8 Mines indicates an incorrect acreage on the bond form. Please complete the attached bond form and return it to the Division by September 28, 1990.

If you have any questions, please call me.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

djh
Attachment
cc: D. Guy, BCCC
    S. White, DOGM

SEP 10 1990

an equal opportunity employer
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84160-1203
(801) 538-5340

THE MINED LANDS RECLAMATION ACT

BOND

The undersigned Beaver Creek Coal Company
as principal, and United Pacific Insurance Company
as surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Office of Surface Mining in the penal sum of Six Hundred Forty-One Thousand Four Hundred Forty-Three and no/100 dollars ($641,443.00------------------). Such sum shall be payable to one, but not both, of the above-named agencies.

The principal estimated in the Mining and Reclamation Plan filed with the Division of Oil, Gas and Mining on the 2nd day of February, 1983, that 2,286.05 acres of land will be disturbed by this mining operation in the State of Utah. A description of the disturbed land is attached hereto as Exhibit "A."

When the Division has determined that the principal has satisfactorily reclaimed the above-mentioned lands affected by mining in accordance with the approved Mining and Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and the land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

The Division shall only accept the bond of a surety company if the bond is noncancellable by the surety at any time for any reason including, but not limited to nonpayment of premium or bankruptcy of the permittee during the period of liability.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officer.

Beaver Creek Coal Company
Principal (Company)

By

Date: August 14, 1987

United Pacific Insurance Company
Surety (Company)

By

DATE: AUGUST 4, 1987

APPROVED AS TO FORM!

By

Assistant Attorney General

(THIS BOND REPLACES FEDERAL INSURANCE COMPANY BOND NO. 8100-39-72)
AFFIDAVIT OF QUALIFICATION

W. C. DOYLE, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) ATTORNEY-IN-FACT of said Surety Company, and that he/she is duly authorized to execute and deliver the foregoing obligations; 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.

(Signed) ________________
Surety Company Officer - Position
W. C. DOYLE, ATTORNEY-IN-FACT

Subscribed and sworn to before me this 4th day of August, 1987.

My Commission Expires:

March 24, 1989.
GORDON CREEK NO. 2 & 7 MINES

Exhibit A

Affected Area

Federal Coal

Lease #U-8319

T. 13S., R.7E., Sec.12: Lots 1-4, NW¼ NE¼, S1NE¼, E1NW¼, NE1SW¼.

T. 13S., R.7E., Sec.13: EL¼, EL¼, NE¼, N¼NW¼, NE¼, N¼SW¼, NE¼, N¼SW¼.

Lease #U-47975

T. 13S., R.7E., Sec.13: S1SW¼, S1NE¼, S1NE¼, EL¼, EL¼, SE¼, SE¼.

Sec.24: N¼NE¼, NE¼NW¼.

T. 13S., R.7E., Sec.19: Lots 1 & 2, SE¼NW¼.

Permit to Mine (U.S.G.S.)

T. 13S., R.7E., Sec.7: W1SW¼, SE1SW¼.

Private Coal

Columbo Lease

T. 13S., R.7E., Sec.17: SW¼SW¼.

Sec.18: SE¼SW¼.

Sec.19: NE¼, NE¼NW¼, N¼SW¼, NW¼SE¼.
UNITED PACIFIC INSURANCE COMPANY
HOME OFFICE, FEDERAL WAY, WASHINGTON

POWER OF ATTORNEY

ALL MEN BY THESE PRESENTS, That the UNITED PACIFIC INSURANCE COMPANY, a corporation duly organized under the laws of the State of Washington, does hereby make, constitute and appoint

W. C. DOYLE of LOS ANGELES, CALIFORNIA-----

its true and lawful Attorney-in-Fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed

ANY AND ALL BONDS AND UNDERTAKINGS OF SURETYSHIP-----

and to bind the UNITED PACIFIC INSURANCE COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the UNITED PACIFIC INSURANCE COMPANY and sealed and attested by one or more such officers, and hereby ratifies and confirms all that its said Attorney-in-Fact may do in pursuance hereof.

This Power of Attorney is granted under and by authority of Article VII of the By-Laws of UNITED PACIFIC INSURANCE COMPANY which became effective September 7, 1978, which provisions are now in full force and effect, reading as follows:

ARTICLE VII - EXECUTION OF BONDS AND UNDERTAKINGS

1. The Board of Directors, the President, the Chairman of the Board, any Senior Vice President, any Vice President or Assistant Vice President or any other officer designated by the Board of Directors shall have power and authority to appoint Attorneys-in-Fact and to authorize them to execute in behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and to remove any such Attorney-in-Fact at any time and revoke the power and authority given to him.

2. Attorneys-in-Fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute, deliver and seal, in behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof. The corporate seal is not necessary for the validity of any bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

3. Attorneys-in-Fact shall have power and authority to execute affidavits required to be attached to bonds, recognizances, contracts of indemnity or other conditional or obligatory undertakings and they shall also have power and authority to certify the financial statement of the Company and officers of the By-Laws of the Company or any article or section thereof.

The Power of attorney is signed and sealed by facsimile under and by authority of the following Resolution adopted by the Board of Directors of the UNITED PACIFIC INSURANCE COMPANY at a meeting held on the 5th day of June, 1979, at which a quorum was present, and said Resolution has not been amended or repealed:

"Resolved, that the signatures of such directors and officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures 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."

N WITNESS WHEREOF, the UNITED PACIFIC INSURANCE COMPANY has caused these presents to be signed by its Vice President, and its corporate seal to be hereto affixed, this 1st day of March 1982.

UNITED PACIFIC INSURANCE COMPANY

Charles B. Schmalz
Vice President

STATE OF Washington

COUNTY OF King

On this 1st day of March, 1982, personally appeared Charles B. Schmalz, to me known to be the Vice-President of the UNITED PACIFIC INSURANCE COMPANY, and acknowledged that he executed and attested the foregoing instrument and affixed the seal of said corporation thereto, and that Article VII, Section 1, 2, and 3 of the By-Laws of said Company, and the Resolution, set forth therein, are still in full force.

My Commission Expires:

June 12, 1982

Nancy Stowers
Notary Public In and for State of Washington
Residing at Tacoma

Charles J. Falskow, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the foregoing is a true and correct copy of a Power of Attorney executed by said UNITED PACIFIC INSURANCE COMPANY, which is still in full force and effect.

WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 4TH day of AUGUST 1987.
APPENDIX 2-5

OTHER LICENSES AND PERMITS
# Mining and Reclamation Plan
Gordon Creek No. 2/7 and 8 Mines

## TABLE 2-4
BEAVER CREEK COAL COMPANY LICENSES & PERMITS

<table>
<thead>
<tr>
<th>TYPE</th>
<th>I.D. NUMBER</th>
<th>ISSUING AUTHORITY</th>
<th>APPROVAL DATE</th>
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<tr>
<td>Water Rights Permit</td>
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<td>State of Utah Division of Water Rights</td>
<td>5-19-69</td>
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<td>453 So. Carbon Ave. Price, Utah 84501</td>
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<td>Utah Pollutant Discharge Elimination System Permit (NPDES Permit)</td>
<td>UTG040004</td>
<td>Utah Department of Health P.O. Box 16690 Salt Lake City, Utah 84116-0690</td>
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<td>Spill Prevention Control &amp; Countermeasure Plan</td>
<td>NA</td>
<td>U.S. EPA Region VIII 999 18th Street, Suite 500 Denver, Colorado 80202-2405</td>
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<td>Sewage Treatment Permit</td>
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<td>Utah Department of Health 6 East Main Street Price, Utah 84501</td>
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<td>State Mining Permit</td>
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<td>355 West North Temple</td>
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<td>3 Triad Center, Suite 350</td>
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<td>Salt Lake City, Utah 84180-1203</td>
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<td>Federal Mining Permit</td>
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<td>U.S. Dept. Of Interior</td>
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<td>1020 15th Street</td>
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<td>Division of Oil Gas &amp; Mining</td>
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<td>Salt Lake City, Utah 84180-1203</td>
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<td>No.8 Mine Amendment</td>
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<td>State of Utah</td>
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<td>Salt Lake City, Utah 84180-1203</td>
<td></td>
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</tbody>
</table>
Mining and Reclamation Plan
Gordon Creek No. 2/7 and 8 Mines

APPENDIX 2-6
PUBLIC NOTICE
PERMIT REVISION

12/15/92
Mining and Reclamation Plan
Gordon Creek No. 2/7 and 8 Mines

Proposed Newspaper Advertisement

Public Notice

Mountain Coal Company has applied for approval of the revision of the Mining and Reclamation Permit for the Gordon Creek No. 2/7/8 Mines.

The applicant is:

Mountain Coal Company
P.O. Box 591
Somerset, Colorado 81434

The permit for which approval is being sought is Utah #ACT/007/016. This is a Mining and Reclamation Permit for the Gordon Creek No. 2, 7 and 8 Mines, which are located in the Bryner Canyon area of Carbon County, Utah in Sections 7, 17, 18, and 19, T. 13 S., R. 8 E., and Sections 1, 12, 13 and 24, T. 13 S., R. 7 E., S.L.B. & M.

Written comments on this application for transfer may be addressed to:

Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

12/15/92
STATE OF UTAH)

County of Carbon,

I, Dan Stockburger, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for Four ...(4) consecutive issues, and that the first publication was on the

....4th....day of...February........1993.

and that the last publication of such notice was in the issue of such newspaper dated the

25th...day of...February........1993.

Subscribed and sworn to before me this

25th...day of...February........1993.

My Commission expires January 10, 1995

Residing at Price, Utah

Publication fee, $.....64.00

Mountain Coal Company has applied for approval of the revision of the Mining and Reclamation Permit for the Gordon Creek No. 2/7/8 Mines. The applicant is:

Mountain Coal Company
P.O. Box 591
Somerset, Colorado 81434

The permit for which approval is being sought is Utah # Act/007/016. This is a Mining and Reclamation Permit for the Gordon Creek No. 2, 7 and 8 Mines, which are located in the Bingham-Ferron area of Carbon County, Utah in Sections 7, 17, 18, 21, 11, 16, 22, 1, and Sections 1, 12, 13 and 24, T. 13 S., R. 7 E., 6TH P.P.

Written comments on this application in written form may be addressed to:

Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 330
Salt Lake City, Utah 84111-1300

Published in the Sun Advocate February 17, 18, 19, and 25, 1993.
AFFIDAVIT OF PUBLICATION

STATE OF UTAH) County of Carbon.)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State of Utah a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and on the Utah legals.com website, the first publication was on the 8th day of August, 2013, and that the last publication of such notice was in the issue of such newspaper dated the 8th day of August 2013.

Richard Shaw – Publisher

Subscribed and sworn to before me this 8th day of August, 2013.

Linda Thayn

Notary Public My commission expires January 10, 2015 Residing at Price, Utah

Publication fee, $ 50.40
Appendix 2-7

Public Notice
for Phase I Bond Release

INCORPORATED
JAN 3 0 2003
DIV OF OIL GAS & MINING
STATE OF UTAH)  

COUNTY OF CARBON,)

I, Ken Larson, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 24th day of September, 2002, and that the last publication of such notice was in the issue of such newspaper dated the 15th day of October, 2002.

Ken G Larson - Publisher

Subscribed and sworn to before me this 15th day of October, 2002.

Linda Thayn  
Notary Public My commission expires January 10, 2003 Residing at Price, Utah

Publication fee, $ 501.76
**PUBLIC NOTICE**

Application for Phase I Bond Release

Gordon Creek No. 2/7/8 Mines
Permit #ACT/007/016

Mountain Coal Company, L.L.C.
P.O. Box 591
Somerset, Colorado 81434

Mountain Coal Company, P.O. Box 591, Somerset, Colorado, 81434, a wholly owned subsidiary of Arch Western Resources, L.L.C., has filed with the Division of Oil, Gas & Mining an application for partial release of the reclamation performance bond for its Gordon Creek No. 2/7/8 Mines.

The company has completed Phase I of the approved reclamation plan for the Gordon Creek No. 2/7/8 Mines. This is based upon the completion of backfilling, grading, topsoil replacement and drainage control in accordance with the approved plan. There were approximately 34.88 acres of disturbed area associated with this operation. Of this, approximately 1.63 acres were associated with the new sediment ponds (to be reclaimed at a later time) and 0.73 acres were associated with the Sweet's Canyon Pond, which will not be reclaimed. Phase I Bond Release is requested on all reclaimed area, exclusive of the above pond areas, or 32.52 acres.

The present bond posted for this site is $641,443.00. This is a surety bond. Mountain Coal Company is hereby applying for release of 60% of the original bond, or $384,865.00.

The Gordon Creek No. 2/7/8 Mines are located in Bryner Canyon, approximately 20 road miles northwest of Price, Utah. The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Utah
Sec. 17: SE ¼ SW ¼ SW ¼
Sec. 18: N ¼ SE ¼, N ¼ SW ¼ SE ¼, S ¼ NE ¼ SW ¼, ¼ SE ¼ SW ¼, SE ¼ SW ¼, SE ¼ SW ¼ SW ¼

The permit area is located on the Jump Creek, Utah, U.S. Geological Survey 7.5 minute quadrangle map.

Federal Coal Leases were #U-53159 and #U-8319.
The Gordon Creek No. 2/7/8 Mines have been operated and reclaimed under permit ACT/007/016. The existing permit was renewed and approved on August 28, 1999.


This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1997 and State and Federal regulations promulgated pursuant to said act.

A request for public hearings or informal conferences concerning this proposal may be made to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801. Comments or request must be made within 30 days of the last date of publication.
Appendix 2-8

Notarized Statement of Reclamation

INCORPORATED
JAN 30 2003
DIV OF OIL GAS & MINING
Statement of Reclamation

I, Chris Hansen, Project Representative and Authorized Representative for Mountain Coal Company, do hereby certify that all applicable reclamation activities described in the Gordon Creek No. 2/7/8 Bond Release Application have been accomplished in accordance with the requirements of the Act, the regulatory program and the approved reclamation program.

Signed - Name - Position - Date

Subscribed and sworn to before me this 2 day of Aug., 2002.

Notary Public

My Commission Expires: 3-20, 2004

Attest: STATE OF
COUNTY OF