

PROPERTY TO BE SOLD

6. The Trustee proposes to sell all of the Property as set forth in the Purchase Agreement and in exhibits thereto to Penta Creeks or another Buyer.

TERMS AND CONDITIONS OF THE SALE

7. The terms and conditions of the sale to Penta Creeks are set forth in the Purchase Agreement. Some of the important terms and conditions of the Purchase Agreement are summarized as follows (the following summary is for convenient review by parties and is subject to the terms of the Purchase Agreement and in the event of any inconsistency between this summary and the Purchase Agreement, the terms of the Purchase Agreement govern):

a. Purchase Price. The total purchase price for the Property is \$2,440,000, payable as follows:

(1) a deposit of \$100,000 which the Trustee has already received from Penta Creeks plus an additional deposit of \$150,000 to be delivered at or prior to the auction contemplated by the Trustee;

(2) payment of \$150,000 at closing by wire transfer;

(3) delivery of three letters of credit at closing, payable as follows:

(a) \$680,000 payable on or before July 1, 1996;

(b) \$680,000 payable on or before October 1, 1996;

(c) \$680,000 payable on or before July 1, 1997.

b. Sale of Assets Free and Clear. As set forth in paragraph 3 of the Purchase Agreement, the Trustee has committed to obtain an Order of this Court authorizing the transaction contemplated by the Purchase Agreement and ordering the sale of the Property free and clear of liens and encumbrances as specified below in the section dealing with the sale free and clear. In summary the Property to be purchased by Penta Creeks includes (the following summary is for convenient review by parties and is subject to the terms of the Purchase Agreement and in the event of any inconsistency between this summary and the Purchase Agreement, the terms of the Purchase Agreement govern): all of the Debtor's land, mineral rights, and water rights in Emery and Carbon Counties, Utah, described in Attachment I to Exhibit C to the Purchase Agreement, subject to certain easements, access rights, reservations,

ownership interests and water rights and with the exception of property described as the "footprint" property, which is described in Exhibit A to the Purchase Agreement (the "Footprint Property"), and water rights 91-362 and 91-367 (the "Water Rights").

c. Trustee's Conveyance of the Water Rights. The Trustee is restricted to selling the Water Rights only to the party which acquires from the Trustee the Footprint Property (the "Footprint Purchaser") and the Trustee is further restricted to only selling to the Footprint Purchaser sufficient portions of Water Rights as are necessary for the uses of the Footprint Purchaser on the Footprint Property. Any portion of the Water Rights not conveyed to the Footprint Purchaser shall be conveyed to the Buyer at no cost. Until the Water Rights are conveyed to the Footprint Purchaser, the Buyer will be granted a nonexclusive license to utilize the Water Rights for its own benefit. To the extent that the Footprint Purchaser requires water in excess of the Water Rights to use the Footprint Property, the Buyer is required to provide such water to the Footprint Purchaser for a cost equivalent to the lowest commercial industrial use of water found in the State of Utah between an unrelated water provider and an industrial user. The Buyer also covenants to grant to the Trustee an easement in the Grassy Trail Creek for the delivery of the Water Rights from the Grassy Trail Reservoir to the Footprint Property.

d. Other Easement. The Buyer covenants to grant reasonable and necessary access to Utah Department of Oil, Gas, and Mining ("Utah DOGM") officials and contractors to undertake reclamation activities on the Property.

e. Means of Conveyance, Title Insurance, and Disclaimer of Any Warranty, Guaranty, or Representation. The Trustee will deliver to the Buyer at closing a quit claim deed to the Property. The Trustee will provide title insurance and any cost of title insurance in excess of \$10,000 shall be shared equally by the parties. The Property is sold "as is" and without warranty. The Trustee also disclaims any warranty, guaranty, or representation regarding the status of title, the nature and condition of the Property, compliance with governmental laws, ordinances, or regulations, or as to the amount of acreage. The Buyer waives and releases any and all claims it may have against the Trustee for any liabilities it may incur as a result of its purchase or ownership of the Property.

f. Reclamation of the Property. The Buyer will have no obligation with respect to reclamation obligations of the Debtor to the Utah DOGM.

g. Solicitation and Consideration of Competing Bids and Auction. Under the Purchase Agreement, the Trustee is permitted to advertise the sale of the Property and otherwise solicit bids for the Property from third parties in any manner the Trustee sees fit. The Trustee's obligation to sell the Property to Penta Creeks is subject to the Trustee receiving a higher and better offer at the auction, which in the Trustee's sole judgment produces a greater benefit to the Debtor's estate than the sale to Penta Creeks contemplated by the Purchase Agreement. The Trustee will follow the Bidding Procedures (Exhibit 2 hereto) with respect to solicitation of bids for the sale of the Property and with respect to the auction.

h. Reimbursement of Penta Creeks' Expenses in the event of a Sale to a Competing Bidder. If the Trustee sells the Property to a competing bidder for a sum in excess of \$2,440,000, Penta Creeks is to receive one-third of all such excess funds in a sum not to exceed \$150,000 to reimburse it for some of the expenses it has incurred in relation to its proposed purchase of the Property.

i. Closing Date. The Purchase Agreement contemplates that closing of the sale will occur fourteen days after the entry of an Order of the Court approving a sale of the Property, or on such other date as the parties agree.

j. Miscellaneous Provisions. The Purchase Agreement also includes representations, warranties, and covenants of Penta Creeks and various other matters.

SALE FREE AND CLEAR

Debtor seeks to sell the Property free and clear of all lien, encumbrance, or mortgage type interests in the Property. Debtor does not seek to sell the Property free and clear of any ownership type interest in the Property including deeded grants, easements, patents, rights-of-way, and the like. Debtor has obtained a title report to the Property and the title report shows several lien type interests. Specifically, Debtor proposes to sell the property free and clear of any interest asserted by the following entities:

(1) Tracy Collins Bank or its successor which might assert a trust deed or security agreement interest in the Property.

(2) Royal Land Company which might assert a financing lien.

(3) Utah State Tax Commission who filed a sales/use tax warrant against the Property.

(4) The Utah Department of Natural Resources, Division of Oil, Gas and Mining which asserts a deed of trust and security agreement encumbering the Property in the approximate amount of \$2,000,000.

(5) BXG, Inc., a Colorado corporation, who asserts a trust deed and security interest in the Property which is disputed by the Debtor and the Trustee.

(6) Great Lake Timber Company who might assert lien in certain mineral interests.

(7) Range Creek Partners LLC which has asserted a Lis Pendens interest in the Property.

(8) PDM Steel Service Center, Inc. which asserts an interest under a notice of lien in the amount of \$2,102.15.

(9) Rocky Mountain Bolt Company which might assert a mechanic's lien in the Property in the amount of \$17,852.24.

(10) O'Brien Plumbing & Heating which might assert a mechanic's lien in the Property in the amount of \$1,750.

(11) Triune Inc. & Tritronics which might assert a notice of lien in the Property.

(12) Mountainland Supply Company which might assert a judgment lien in the Property in the amount of \$16,506.63.

(13) Firemaster which might assert an unspecified lien interest in the Property.

(14) Mine Hydraulics Inc. which might assert an unspecified lien interest in the Property.

(15) Westinghouse Electric Supply which might assert an unspecified lien interest in the Property.

(16) Anixter Inc. which might assert an unspecified lien interest in the Property.

(17) First Security Bank which asserts a lien against fixtures of Sunnyside Congeneration Inc., a lessee of real property from the Debtor. Debtor does not believe that First Security asserts a lien in the Property sold hereunder, however, it is listed here in the event that it does.

(18) Environment Power Corporation which might assert a option interest in certain of parts of the real property being sold.

(19) John Does 1-100 which might assert a lien, encumbrance or secured interest in the Property.

Many of the above listed interests may have been released or satisfied. In any event, the valid lien of any of these entities shall attach to the sale proceeds of the Property. Debtor does not agree, at this time, that any of the above entities have a valid lien or encumbrance on the property and reserves the right to contest the amount, validity and priority of any lien so asserted.

Debtor relies upon Section 363(f)(3) and (f)(4) to effectuate the sale of the Property.

CONCLUSION

8. The Debtor believes that the proposed sale of the Property under the terms and conditions set forth in this Motion will realize for the Debtor's estate the maximum possible price for the Property and that the sale (with the associated competing bidding procedures) is otherwise in the best interests of creditors.

WHEREFORE, the Debtor prays that this Court enter an Order (1) approving a sale of the Property free and clear of liens and encumbrances as proposed by the Purchase Agreement or an alternative offer from a competing bidder consistent with the proposed bidding procedures set forth above and with valid liens to attach to the sale proceeds to the same extent, with the same validity, and in the same priority that the liens attached to the Property; (2) finding that the sale is in good faith; and (3) such other and further relief as the Court deems appropriate.

DATED this 26th day of January, 1996.

LeBOEUF, LAMB, GREENE & MacRAE
L.L.P.

By: 

Bart B. Burnett (#21258)
633 Seventeenth Street, #2800
Denver, Colorado 80202
Telephone (303) 291-2600

Steven J. McCardell (Utah Bar No. 2144)
Penrod W. Keith (Utah Bar No. 4860)
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone No: (801) 320-6700

Counsel for Kenneth A. Rushton,
Chapter 7 Trustee

EXHIBIT

1

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into this 21 day of December, 1995 by and between KENNETH A. RUSHTON, in his capacity as chapter 7 trustee of Sunnyside Coal Company ("Seller") the debtor in In re Sunnyside Coal Company, Case No. 94 12794 CEM (the "Bankruptcy Case") pending in the United States Bankruptcy Court for the District of Colorado (the "Court"), and PENTA CREEKS, L.L.C., a Utah limited liability company (the "Buyer").

1. Purchase and Sale. Subject to all the terms and conditions hereof, and for the consideration herein stated, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the land, mineral rights and water rights of Debtor in Emery County and Carbon County, Utah described herein and in Attachment I to Exhibit "C" attached hereto, subject to the easements, access rights, reservations and water rights described therein (the "Property"). Buyer and Seller agree that their intent is for Seller to convey all of its right, title, interest, and claim to the Debtor's property to Buyer with the exception of the "footprint" property, more particularly described in Exhibit "A" attached hereto (the "Footprint"), and water rights 91-362 and 91-367 (the "Water Rights"). The parties agree to sign any and all documents necessary to accomplish the intent of the parties and make corrections in the formal embodiment of this intent.

a. Seller shall convey all of its right, title, interest and claim to all water and mineral rights to Buyer, with the exception of Water Rights. These Water Rights are retained by Seller with the following restrictive covenants and conditions:

1. Seller shall convey the Water Rights only to the individual(s) or entity acquiring the Footprint property from Seller (the "Purchaser"). Seller shall convey these Water Rights with a restrictive covenant that they shall only be used on the Footprint property and shall not be conveyed, transferred, devised, or otherwise transferred from the Footprint property except to Buyer as hereinafter set forth. Seller also covenants that only those portions of the Water Rights shall be conveyed by Seller to Purchaser as are necessary for the uses of Purchaser on the Footprint property. Any portion of the Water Rights not conveyed by Seller to Purchaser with the conveyance of the Footprint property shall be contemporaneously conveyed by Seller to Buyer at no cost. As a condition of the conveyance of the Water Rights to Purchaser, Seller shall require the Purchaser to execute a right of first refusal in favor of Buyer, requiring, among other things, that in the event Purchaser receives an acceptable offer from a third party to purchase the Water Rights, Purchaser will notify Buyer and offer the Water Rights to Buyer for the same sum accepted from the third party. Until the Water Rights are conveyed to the Purchaser, Seller grants to Buyer a nonexclusive license to utilize the Water Rights for its own benefit.

2. Buyer covenants, to the extent allowable by law, to provide water to Purchaser in excess of the Water Rights, if necessary for Purchaser's use on the Footprint property, for a cost equivalent to the lowest commercial industrial cost of water found in the State of Utah between an unrelated water provider and industrial user. Buyer shall not be required to deliver to Purchaser more than 10% of the total amount of water acquired from

Seller in this transaction.

3. Buyer covenants to grant Seller an easement in the Grassy Trail Creek for the delivery of the Water Rights to the Footprint property from Grassy Trail Reservoir.

b. Buyer covenants to grant reasonable and necessary access to Department of Oil Gas & Mining officials and contractors to undertake reclamation activities on the Property.

2. Purchase Price; Payment; Deposit. The total purchase price (the "Purchase Price") for the Property shall be Two Million Four Hundred Forty Thousand Dollars (\$2,440,000.00) payable as follows:

a. Concurrently with Buyer's execution of this Agreement, Buyer shall deliver to the Seller or deposit into an escrow account (the "Escrow") with First American Title Company, Salt Lake City, Utah (the "Escrow Holder") One Hundred Thousand Dollars (\$100,000.00) in cash or certified funds (the "Deposit"). At or prior to the auction of the Property, Buyer shall deliver an additional sum of \$150,000.00 for a total delivery of \$250,000.00, the minimum required to bid at the auction. The Escrow shall be established pursuant to an Escrow Agreement (the "Escrow Agreement") in the form of Exhibit "B" hereto. If the sale of the Property is closed as provided in this Agreement, the Deposit shall be applied on account of the Purchase Price. If the sale of the Property does not close for any reason other than Buyer's breach of this Agreement, the Deposit shall be returned to Buyer. If the sale of the Property does not close by reason of Buyer's breach of this Agreement, the Deposit shall be retained by Seller as liquidated damages and not as a penalty. Seller and Buyer agree that the Deposit shall be the entire amount Seller is entitled to receive as damages on account of Buyer's breach of this Agreement and that such right to liquidated damages shall be Seller's sole remedy for such breach.

b. Buyer shall deliver One Hundred Fifty Thousand Dollars (\$150,000.00) at closing by wire transfer of funds to an account designated by Seller.

c. Buyer shall deliver to Seller three letters of credit (the "Letters of Credit") in form and substance acceptable to Seller providing for payments to Seller totalling Two Million Forty Thousand Dollars (\$2,040,000.00) each payable as follows:

(1) Six Hundred Eighty Thousand Dollars (\$680,000.00) payable on or before July 1, 1996.

(2) Six Hundred Eighty Thousand Dollars (\$680,000.00) payable on or before October 1, 1996.

(3) Six Hundred Eighty Thousand Dollars (\$680,000.00)
payable on or before July 1, 1997.

3. Bankruptcy Court Authorization. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated hereby are subject to Seller's having obtained an order from the Court authorizing the transaction contemplated by this Agreement and ordering the sale of the Property to Buyer free and clear of liens and encumbrances (the "Order"). Seller agrees to promptly file a motion seeking the Order (the "Motion") upon execution hereof by Buyer and upon confirmation of receipt of the Deposit by the Escrow Holder.

4. Condition of Title; Disclaimer; Waiver and Release.

a. Seller will deliver to Buyer, at closing, a quit claim deed (the "Deed") to the Property in the form of Exhibit C hereto. Seller shall provide title insurance acceptable to Buyer. Buyer and Seller shall equally share any Title Insurance cost exceeding \$10,000.00.

b. Buyer acknowledges and understands that Seller is a chapter 7 trustee in the Bankruptcy Case, that Sunnyside Coal Company itself acquired the Property through a bankruptcy proceeding, and that Seller has little, if any, knowledge of the actual status of title to the Property. Seller disclaims any warranty, guaranty or representation, oral or written, past, present or future, concerning:

(1) the nature and condition of the Property or the suitability thereof for any use which Buyer may elect to conduct thereon;

(2) the status of title to the Property or the nature and extent of the rights of way, leases, possessions, liens, encumbrances, licenses, reservations or conditions in connection with the Property;

(3) compliance with any laws, ordinances or regulations of any government or other body, including without limitation, compliance with environmental laws, rules, ordinances and regulations regarding the Property;

(4) actual amount of acreage or errors or discrepancies in legal descriptions.

c. The Property is sold by Seller and purchased by Buyer "as is" and without warranties of any nature, including, but not limited to, warranties of conditions, habitability, merchantability or fitness for a particular purpose.

d. Except for the specific exceptions set forth herein, Buyer hereby waives and releases any and all claims and causes of action that it has or may have, now or in the future, against Seller or any of its agents or attorneys, for any and all liabilities, obligations, losses, damages, fines, penalties or consequential damages it may incur as a result of or in relation to its purchase or subsequent ownership, operation, sale or disposal of the Property, including, but not limited to, those arising from environmental contamination of the Property.

5. Reclamation of Property. The State of Utah, Division of Oil, Gas and Mining currently holds a trust deed with respect to a portion of the Property which secures a reclamation obligation with respect to the Property (the "Reclamation Obligation"). Buyer shall have no obligation with respect to the Reclamation Obligation. The Order approving the sale of the Property shall provide that the Buyer is not liable for any reclamation of the Property.

6. Representations and Warranties of Buyer. Buyer represents and warrants to Seller as follows:

a. Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Utah, and has full power and authority to own, lease and operate its properties and to carry on its business as now conducted and as proposed to be conducted. Buyer has taken all action necessary to authorize its execution, delivery and performance of this Agreement, the Escrow Agreement and all other agreements and instruments reasonably necessary to complete the transactions contemplated by this Agreement and has full power and authority to enter into such agreements and carry out the terms hereof and thereof. Buyer has duly executed and delivered this Agreement and the Escrow Agreement, and this Agreement and the Escrow Agreement are the valid and binding obligations of Buyer enforceable in accordance with their terms, except as enforceability may be limited by or subject to any bankruptcy, insolvency, reorganization, moratorium or other similar laws, now or hereafter in effect, relating to creditors' rights generally or by the availability of equitable remedies.

b. The execution, delivery and performance of this Agreement and the Escrow Agreement by Buyer, the compliance by Buyer with the provisions of this Agreement and the Escrow Agreement and the consummation of the transactions described in such agreements will not conflict with or result in the breach of any of the terms or provisions of or constitute a default under: (a) the certificate of organization or operating agreement of Buyer; (b) any note, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which Buyer is a party or by which Buyer is bound; or (c) any statute or any order, rule or regulation or any decision of any court or regulatory authority or governmental body applicable to Buyer.

c. No consent, approval, authorization, order, designation or

declaration of any court or regulatory authority or governmental body, federal or other, or third person is required to be obtained by Buyer nor is any filing or registration required to be made therewith by Buyer for the consummation of the transactions described in this Agreement, the Escrow Agreement and all other agreements and instruments reasonably necessary to complete the transactions contemplated by this Agreement. Buyer has obtained, or shall have obtained prior to the Closing, all consents, authorizations or approvals of any third parties required in connection with the execution, delivery or performance of this Agreement and the Escrow Agreement. Buyer has made all registrations and filings with any governmental authority required for the execution or delivery of this Agreement and the Escrow Agreement and the consummation of the transactions contemplated hereby.

d. There are no claims, actions, suits, inquiries, investigations or proceedings pending against Buyer relating to the transactions contemplated hereby before any federal, state or local court or other governmental or regulatory body, United States or foreign

7. Solicitation of Bids and Bidding Procedure Nothing in this Agreement shall prohibit or restrict Seller in any manner from advertising the Property for sale or from soliciting bids for the Property from third parties. The obligation of Seller to sell the Property to Buyer for the Purchase Price is subject to Seller's receipt, no later than the date of the final hearing (the "Hearing") of the Court on the Motion of an offer which in Seller's sole judgment produces a greater benefit to the estate of Sunnyside Coal Company than Buyer's offer, from a third party (a "Qualified Bidder") who has proven to Seller's satisfaction that such third party has the capability of paying the offered purchase price. In the event of the receipt of such an offer, Seller shall have the right to accept such offer subject to Seller's causing an auction or some other form of bidding procedure designated by Seller (the "Auction") to be conducted in such manner and at such time and place as shall be designated by Seller (which time and place may be at the Hearing). The Buyer and each Qualified Bidder shall have the opportunity to increase its bid for the Property at the Auction. Seller shall have the right to select the bid which in Seller's sole judgment produces the greatest benefit to the estate of Sunnyside Coal Company and to sell the Property to the offeror of such bid pursuant to an order of the Court authorizing such sale. In the event the Property sells to another purchaser, other than Buyer or any related individual or entity, for a sum in excess of \$2,440,000, Buyer shall receive one-third of all such excess funds in a sum not to exceed \$150,000. Buyer represents that its expenses and costs in relation to the purchase of the Property exceed the sum of \$150,000.00 and Buyer will provide evidence to Seller of these expenses and costs.

8. Closing.

a. The closing of the transactions contemplated by this Agreement shall take place at the offices of Seller's counsel, LeBoeuf, Lamb, Greene & MacRae, L.L.P., 136 S. Main Street, Salt Lake City, Utah, unless any other location is agreed to in writing by the parties, 14 days after the entry of the Order of the Bankruptcy Court, that has not been

stayed, approving the sale of the Property to Buyer or such other date as shall be agreed to by the parties.

b. At the closing, Seller shall deliver or cause to be delivered the following documents, and take such other actions as are identified below:

(1) the Deed; and

(2) all other documents and instruments as may be necessary to consummate the transactions contemplated by this Agreement.

c. At the closing, Buyer shall deliver or cause to be delivered the following documents, and take such other actions as are identified below:

(1) the Deposit by wire transfer of funds to an account designated by Seller;

(2) \$150,000 by wire transfer of funds to an account designated by Seller;

(3) the Letters of Credit;

(4) an opinion of counsel to Buyer with regard to the matters set forth in Section 6 hereof in a form acceptable to Seller and the Seller's counsel; and

(5) all other documents and instruments as may be necessary to consummate the transactions contemplated by this Agreement.

9. Prorations and Closing Costs. All real property taxes shall be prorated as of the date of the closing. There will be no proration or adjustment for any assessments for water rights or mineral rights. Buyer shall pay costs of recording the Deed and the cost of the Escrow.

10. Access to Books and Records. After the closing, Buyer shall make available to the Seller and its attorneys, accountants and agents, during regular business hours, all business records, books of account, files, invoices, and other materials relating to the Property prior to the Closing (the "Business Records") that any such person reasonably requires in connection with any litigation, tax, insurance, employee, accounts, claims and other business matters relating to the Property prior to closing or for the purpose of winding up the business and affairs of Sunnyside Coal Company. Buyer agrees that Seller may make and keep copies of any or all of such Business Records. Buyer agrees to maintain, or release to Seller all Business Records until all proceedings in the Court with respect to Sunnyside Coal Company are

final.

11. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Seller.

12. **Notices.** All notices hereunder shall be deemed to have been duly given if mailed by United States registered or certified mail, with return receipt requested, postage prepaid, or by overnight express mail or courier service or wire or facsimile to the parties at the following addresses (or at such other addresses as shall be given in writing by either party to the other) and shall be deemed complete upon receipt or refusal to accept delivery as indicated in the return receipt or in the receipt of such express mail or courier service or in the confirmation of receipt of wire or facsimile:

To Seller: Kenneth A. Rushton
99 West Main Street #202
P.O. Box 212
Lehi, Utah 84043
Phone: 801-768-8316
Fax: 801-768-4153

with a copy to: Penrod Keith Esq.
LeBoeuf Lamb Greene & MacRae, L.L.P.
136 South Main, Suite 1000
Salt Lake City, Utah 84101
Phone: 801-320-6700
Fax: 801-389-8256

To Buyer: Penta Creeks, L.L.C.
c/o Ralph C. Petty
1000 Boston Building
9 Exchange Place
Salt Lake City, Utah 84111
Phone: 801-531-6686
Fax: 801-531-6690

13. **Attorneys' Fees.** If any suit or action is instituted to enforce the rights of either Seller or Buyer under this Agreement, the successful party shall be entitled to receive from the other reasonable attorneys' fees and court costs.

14. **Further Assurances.** Seller and Buyer shall execute, acknowledge and deliver such instruments, do such things and perform such acts as may be reasonably necessary to complete the purchase and sale of the Property in accordance with this Agreement.

15. **Brokerage Commission.** Buyer and Seller each warrants and represents that it has not dealt with any broker in connection with this Agreement, and that no broker negotiated this Agreement or is entitled to any commission in connection herewith. Buyer and Seller each shall indemnify and hold the other party harmless from and against all claims, demands, costs and expenses (including without limitation reasonable attorney's fees) incurred by the other party as a result of a breach of the foregoing representation and warranty.

16. **Survival.** All representations, warranties, covenants, waivers, releases and agreements of Buyer made in this Agreement or any agreement or document delivered in accordance with this Agreement shall survive the execution and delivery of this Agreement and the closing of the transactions contemplated hereby.

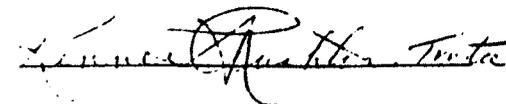
17. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

18. **Governing Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. The Court shall have exclusive jurisdiction with regard to all matters relating to the interpretation and enforcement of this Agreement for a period of two years following the closing. Thereafter, jurisdiction shall lie in any court of competent jurisdiction.

In witness whereof, the parties hereto have executed this Purchase and Sale Agreement as of the day and year— first above written.

"SELLER"

Kenneth A. Rushton, chapter 7 trustee for
Sunnyside Coal Company



"BUYER"

Penta Creeks, L.L.C.

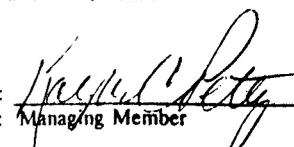
By: 
Its: Managing Member

EXHIBIT "A"

S 1/2 NW 1/4 SW 1/4 NE 1/4; SW 1/4 SW 1/4 NE 1/4;
W 1/2 NE 1/4 NW 1/4 SE 1/4; W 1/2 NW 1/4 SW 1/4 SE 1/4;
W 1/2 NW 1/4 SW 1/4 SE 1/4; S 1/2 SE 1/4 NE 1/4 SW 1/4
SE 1/4 SW 1/4; E 1/2 SE 1/4 SW 1/4 SW 1/4

Section 33, Township 14 South, Range 14 East, SLB&M:

S 1/2 SW 1/4 SW 1/4

Section 4, Township 15 South, Range 14 East, SLB&M:

N 1/2 NW 1/4 NW 1/4

Section 5, Township 15 South, Range 14 East, SLB&M:

NW 1/4 NW 1/4 NE 1/4; NE 1/4 NW 1/4 NE 1/4;
NW 1/4 NE 1/4 NE 1/4; N 1/2 NE 1/4 NE 1/4 NE 1/4;
W 1/2 NW 1/4 NE 1/4 NW 1/4; NE 1/4 NW 1/4 NW 1/4;
W 1/2 SE 1/4 NW 1/4 NE 1/4; W 1/2 SW 1/4 NW 1/4;
E 1/2 NW 1/4 SW 1/4 NW 1/4; SW 1/4 SW 1/4 NW 1/4;
W 1/2 E 1/2 NW 1/4 SW 1/4; W 1/2 NW 1/4 SW 1/4;
NW 1/4 SW 1/4 SW 1/4

EXHIBIT B

ESCROW AGREEMENT

This Escrow Agreement is entered into as of December __, 1995 by and among Penta Creeks, L.L.C., a Utah limited liability company ("Buyer"), Kenneth A. Rushton, in his capacity as chapter 7 trustee of Sunnyside Coal Company ("Seller") the debtor in in re Sunnyside Coal Company, Case No. 94 12794 CEM pending in the United States Bankruptcy Court for the District of Colorado (the "Court") and First American Title Company, Salt Lake City, Utah ("Escrow Holder") in connection with the purchase by Buyer of certain property of the Seller pursuant to a Purchase and Sale Agreement dated December __, 1995 (the "Agreement") between Buyer and Seller.

Buyer and Seller hereby establish an escrow (the "Escrow") with Escrow Holder, and Escrow Holder agrees to hold the Escrow pursuant to the following terms, conditions and instructions:

1. Escrow Deposit Buyer hereby deposits with Escrow Holder to be held in the Escrow the sum of One Hundred Thousand Dollars (\$100,000) (the "Escrow Funds") which constitutes the Deposit under the Agreement. By executing this letter Escrow Holder acknowledges receipt of the Escrow Funds. Immediately upon receipt of the Escrow Funds Escrow Holder shall deposit the Escrow Funds in one or more federally insured interest bearing accounts at First Security Bank of Utah in Salt Lake City, Utah.

2. Disbursement of Escrow Deposit Escrow Holder shall disburse the Escrow Funds from the Escrow as follows:

a. Upon Escrow Holder's receipt of a written request and instructions (the "Request") to disburse the Escrow Funds executed by either Buyer or the Company (the "Requesting Party"), Escrow Holder shall notify the other party (the "Nonrequesting Party") by facsimile, including a copy of the Request, and by telephonic communication (the "Notice") that it has received a Request. If Escrow Holder either (i) receives written authorization from the Nonrequesting Party to honor the Request, or (ii) does not receive a written objection to the Request from the Nonrequesting Party within 72 hours after it has given the Notice, then Escrow Holder shall disburse the Escrow Funds pursuant to the terms of the Request.

b. Upon Escrow Holder's receipt of a joint Request executed by both Buyer and Seller, Escrow Holder shall disburse the Escrow Funds pursuant to the terms of the Request.

3. Nondisbursement of Escrow Deposit. Subject to the time limitation set

forth in Paragraph 2(a)(ii) above, if at any time Escrow Holder receives written instructions from either Buyer or Seller to not disburse the Escrow Funds or to not honor a Request, Escrow Holder shall continue to hold the Escrow Funds in Escrow until Buyer and Seller jointly agree to the disbursement of the Escrow Funds or unless otherwise ordered by a court of competent jurisdiction pursuant to a final order. If the Escrow Funds have not been disbursed by _____, 1996, Escrow Holder shall interplead the Escrow Funds in the Court (the "Court") and request a determination of the proper disposition of the Escrow Funds.

4. Amendment. These instructions may be amended, modified, withdrawn or terminated at any time and from time to time by joint written instructions to you from Buyer and Seller.

5. Escrow Fee. As consideration for your establishing and managing the Escrow, Buyer will pay to you an escrow fee of Five Hundred Dollars (\$500.00).

6. Hold Harmless Buyer and Seller agree to hold you harmless from any damage or liability arising out of or relating to the Escrow, except such damage or liability resulting from your gross negligence or intentional acts.

7. Interpleader In the event of a disagreement or presentation of adverse claims or demands as described above, Escrow Holder, at its sole option and discretion, may file a suit in interpleader for the purpose of having the respective rights of the claimants adjudicated, may deposit with the Court all documents and property held hereunder, and the parties hereto agree to pay all costs, expenses, and attorney's fees incurred by Escrow Holder in such action, and said costs, expenses, and fees shall be included in any judgment rendered in any such action.

8. Indemnification. In the event that Escrow Holder is made a party to, or intervenes in, any litigation pertaining to this Escrow or the subject matter hereof, Escrow Holder shall be reimbursed for any and all costs, expenses and fees incurred by it under this agreement. Buyer and Seller agree, jointly and severally, to pay any and all costs, expenses and fees incurred by Escrow Holder hereunder, and to indemnify Escrow Holder from and against any and all liability or expense which may be incurred hereunder, provided that the Court may order one party or the other to make such payment.

9. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

10. Governing Law. This Escrow Agreement shall be governed by and interpreted in accordance with the local laws of the State of Utah.

ATTACHMENT I

T13E, R13E, SLBM

- Section 31: NE 1/4 SE 1/4,
EXCEPTING therefrom all oil, gas and other
minerals.
Section 36: All,
EXCEPTING therefrom all coal and other minerals.

T14E, R13E, SLBM

- Section 1: NE 1/4 NE 1/4 (Lot 1),
EXCEPTING therefrom all coal and other minerals.
Section 2: All,
EXCEPTING therefrom all coal and other minerals.
Section 12: All,
EXCEPTING therefrom all coal and other minerals.

T14E, R14E, SLBM

- Section 6: Lots 1, 2, 3, 4, 9 and 7,
S 1/2 NE 1/4; SE 1/4 NW 1/4; SE 1/4 SE 1/4;
W 1/2 SE 1/4; SE 1/4 SW 1/4.
Section 7: Lots 1 and 2; E 1/2 NW 1/4; SW 1/4 NE 1/4;
SE 1/4 SE 1/4; W 1/2 SE 1/4; E 1/2 SW 1/4.
Section 8: SE 1/4 SE 1/4,
EXCEPTING therefrom all coal and other minerals.
Section 9: W 1/2; W 1/2 E 1/2; E 1/2 SE 1/4; SE 1/4 NE 1/4.
EXCEPTING therefrom all coal and other minerals.
Section 17: NE 1/4; SE 1/4 NW 1/4; S 1/2 SE 1/4.
SW 1/4, less the surface only of the following
described portion thereof:
Beg. at a point on the West Right of Way line of an ex-
isting roadway in Whitmore Canyon, said point being
872.20 feet East and 755.80 feet North from the SW
corner of said Section 17, and running thence S 80 deg.
00' W 240.00 feet; thence N 15 deg. 20' W 147.96 feet;
thence N 11 deg. 00' E 200.55 feet; thence N 74 deg.
40' E 150.00 feet; thence S 15 deg. 20' E along said
road right of way line 350.00 feet to the point of
beginning.
Section 18: Lots 2, 3 and 4; E 1/2 SW 1/4; E 1/2.
Section 19: All.
Section 20: All.
Section 21: E 1/2,
EXCEPTING therefrom all coal.
W 1/2.

Order No. 26,146-C description cont.

- Section 22: All.
EXCEPTING therefrom all coal.
Section 23: W 1/2; SE 1/4; SW 1/4 NE 1/4,
EXCEPTING therefrom all coal.
N 1/2 NE 1/4; SE 1/4 NE 1/4.
Section 24: E 1/2 NE 1/4,
EXCEPTING therefrom all coal, petroleum, gas,
nitrogen and phosphate.
SW 1/4 NW 1/4; E 1/2 SE 1/4,
EXCEPTING therefrom all coal.
NW 1/4 NW 1/4; E 1/2 NW 1/4; SW 1/4 NE 1/4;
W 1/2 SE 1/4; E 1/2 SW 1/4; SW 1/4 SW 1/4.
Section 25: W 1/2 NE 1/4; NE 1/4 NW 1/4; S 1/2 NW 1/4;
W 1/2 SE 1/4; SW 1/4,
EXCEPTING therefrom all coal.
E 1/2 NE 1/4; E 1/2 SE 1/4.
Section 26: All,
EXCEPTING therefrom all coal.
Section 27: All,
EXCEPTING therefrom all coal.
Section 28: All.
Section 29: All.
Section 30: SE 1/4 NW 1/4; NE 1/4 SE 1/4; S 1/2 SE 1/4,
EXCEPTING therefrom all coal.
NE 1/4; NE 1/4 NW 1/4; NW 1/4 SE 1/4.
Section 31: NW 1/4 NE 1/4,
EXCEPTING therefrom all coal.
Lot 4, LESS the portion thereof within Ridgeway
Subdivision; NE 1/4 NE 1/4; S 1/2 NE 1/4;
SE 1/4; SE 1/4 SW 1/4.
Section 32: All.
LESS that portion of land conveyed to Sunnyside
City described as follows: Beginning at a po.
1114.51 feet North and 1629.87 feet East of the
corner of Section 32, T14E, R14E, SLBM; said
point also being on the North Right-of-Way line of
State Highway 123; and running thence N. 17 deg.
58' 31" E 117.11 feet; thence N. 77 deg. E 59.73
feet; thence S. 13 deg. E. 100.41 feet to the
North R/W line of said Highway; thence S. 77 deg.
W. 120.00 feet to the point of beginning.
Section 33: All.
Section 34: E 1/2,
EXCEPTING therefrom all coal.
W 1/2.
Section 35: All,
EXCEPTING therefrom all coal.
Section 36: W 1/2; S 1/2 NE 1/4; W 1/2 SE 1/4,
EXCEPTING therefrom all coal.
N 1/2 NE 1/4; E 1/2 SE 1/4.

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description cont.

T148, R15E, SLBM

Section 19: W 1/2 SW 1/4; SE 1/4 SW 1/4.
Section 30: W 1/2.
Section 31: NW 1/4 SW 1/4.
EXCEPTING therefrom all coal and other minerals.
NW 1/4.

T15S, R13E, SLBM

Section 1: Lot 3; Lot 1, LESS the portion thereof within Ridgeway Subdivision; SW 1/4 NE 1/4. LESS the following described portion thereof:
Beg. at the center of Section 1 and running thence N 0 deg. 15' W 266 feet; N 89 deg. 01' E 164 feet; S 0 deg. 15' E 266 feet; S 89 deg. 01' W 164 feet to beginning; SE 1/4 NW 1/4.
EXCEPTING therefrom all oil, gas and minerals.

Beginning at a point 516.4 feet S 89 deg. 01' W of the E 1/4 corner of Section 1; thence S 0 deg. 59' E 102.6 feet; thence S 89 deg. 01' W 75 feet along the N r/w of Denver Avenue; thence N 0 deg. 59' W 102.6 feet; thence N 89 deg. 01' E 75 feet to point of beginning.

LESS that portion conveyed to Sunnyside City for the Cemetery described as follows: A parcel of land situated in the SE 1/4 of the NE 1/4 and the NE 1/4 of the SE 1/4 of Section 1, T15S, R13E, SLB&M, more particularly described as follows: Beginning at the West 1/4 Corner of Sec. 6, T15S, R14E, SLB&M; running thence S. 89 deg. 05' 55" W., 510.90 feet; thence N. 01 deg. 01' 14" W., 158.19 feet; thence N. 77 deg. 40' 24" E., 527.19 feet; thence S. 0 deg. 18' 05" W., 262.68 feet to the point of beginning.

Section 2: N 1/2, LESS the D&RGWRR right of way, EXCEPTING therefrom all coal and other minerals.

Beg. at a point 435.60 feet west of the SE corner of the SW 1/4 and running thence N 100 feet; W 16 feet; N 417.50 feet; E 451 feet; N 556.50 feet; W 346 feet; N 246 feet; W 974 feet; S 1320 feet; E 884.40 feet to beginning; NW 1/4 SE 1/4, LESS that parcel beginning at a point 160 feet N of the SW corner of the NW 1/4 SE 1/4 and running thence N 150 feet; E 150 feet; S 150 feet; W 150 feet to beginning.

Section 3: E 1/2 NE 1/4; NE 1/4 SE 1/4; SW 1/4 SE 1/4, EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

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Section 10: N 1/2 NW 1/4; Those portions of the W 1/2 NE 1/4 and SE 1/4 NW 1/4 lying N of the State Highway right of way; E 1/2 NE 1/4, LESS the State Highway right of way and the following 3 parcels:

Beg. at a point which is 58 feet W and 867 feet S of the NE corner of Sec. 10, T15S, R13E, SLBM; thence running W along the State Highway r/w 208.7 feet; thence N 208.7 feet; thence E 208.7 feet; thence S 208.7 feet, m/1, to point of beginning. This description is tied to the resurvey made by the United States Land Office Engineers in 1942;

Commencing on the N boundary of Utah State Highway No. 123, 266.70 feet W and 867 feet S from the NE corner of Sec. 10, T15S, R13E, SLBM; thence N 458.70 feet; thence E 417.78 feet; thence S 376.86 feet to said highway boundary; thence S 78 deg. 55' W 425.72 feet along said highway boundary to beginning;

Commencing on the N boundary of Utah State Highway No. 123, 266.70 feet W and 906 feet S from the NE corner of Section 10, T15S, R13E, SLBM; thence S 80 deg. 24' W along said highway boundary 423.71 feet; thence N 453.09 feet; thence E 417d.78 feet; thence S 382.47 feet to beginning.
EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

All minerals lying below a depth of more than 500 feet below the surface of the following described tract:

Beg. at the SW corner of the SE 1/14 NW 1/4 of Section 10, said point being E along the 1/4 section line 1334 feet, m/1, from the W 1/4 corner of said Sec. 10 and running thence E along the 1/4 section line 2668 feet, m/1, to the SE corner of the SW 1/4 NE 1/4 of said Sec. 10; thence along the E line of the SW 1/4 NE 1/4 of said Sec. 10, N 1207 feet, m/1, to the southerly right of way line of U. S. Highway 123; thence S 80 deg. 13' W along said Southerly line 2707 feet, m/1, to the W line of the SE 1/4 NW 1/4 of said Sec. 10; thence along said W line S 747 feet, m/1, to the point of beginning.

Section 11: W 1/2 NW 1/4, NW 1/4 SW 1/4, LESS the State Highway right of way and the D&RGWRR right of way. Also, LESS that parcel beginning on the N boundary of Utah State Highway at a point 58 feet W and 867 feet S from the NE corner of Sec. 10; thence N 458.70 feet; E 417.78 feet; S 376.86 feet to said highway boundary; thence S 78 deg. 55' W 425.72 feet along said highway boundary to beginning. Also, LESS that parcel beginning at a point S 58 deg. 47' W 1420.46 feet from the quarter corner common to Sections 2 and 11 in T15S, R13E, SLBM; thence N 23 deg. 25' W 147.58 feet; S 58 deg. 47' W 148.96 feet; S 23' 25' E 147.57 feet; N 58 deg. 47' E 148.96 feet to beg. EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

T15S, R14E, SLBM

Section 1: Lots 3 and 4; SW 1/4 NE 1/4; SW 1/4 SW 1/4; EXCEPTING therefrom all coal.
 Lots 1 and 2; SE 1/4 NE 1/4; E 1/2 SE 1/4.

Section 2: All.
 EXCEPTING therefrom all coal.

Section 3: E 1/2.
 EXCEPTING therefrom all coal.
 W 1/2.

Section 4: All.

Section 5: All.
 EXCEPTING therefrom the portion thereof which is within Sunnyside No. 1 Plat, the State Highway #123, and the D&RGW Railroad Right of Way.

Section 6: Lots 1, 2, 3, 4, 5 and 7; S 1/2 NE 1/4; SE 1/4 NW 1/4; SE 1/4; E 1/2 SW 1/4.
 (* Option to Environmental Power Corporation)
 EXCEPTING therefrom the following described portions thereof labelled (a) through (k):

LESS: a) The following subdivisions:
 Sunnyside Subdivision - Plat "A".
 Sunnyside Subdivision - Plat "A" (Revised).
 Sunnyside Subdivision - Plat "B".
 Sunnyside Subdivision - Plat "C".
 Sunnyside No. 1 Plat.
 Sunnyside No. 2 Plat.
 Sunnyside No. 2 Plat (Revised).
 Ridgeway Subdivision.

LESS: b) Beg. at the SW corner of Lot 19, Blk. 7, SUNNYDALE Amended Plat, according to the official plat thereof and running thence N 1 deg. 08' W 100 feet to the NE corner of said Lot 19; thence 50.0 feet in an E'ly direction along the arc of a curve to the right whose radius is 377.18 feet; thence N 360 feet; thence W 770.0 feet; thence S 540.77 feet; thence E 399.53 feet to the NE corner of Lot 26, Block 4, SUNNYDALE; thence S 48 deg. 32' 55" E 100.0 feet to the SE corner of said Lot 26; thence 49.38 feet in an E'ly direction along the arc of a curve to the left whose radius is 615.00 feet; thence 251.69 feet in an E'ly direction along the arc of a curve to the right whose radius is 277.18 feet (which curve is the N side of Edgehill Dr.) to the point of beginning. (Carbon County School District).

LESS: c) Beg. at a point 2222 feet S and 1214 feet W of the NE corner of said Sec. 6, said point also lying on the S'ly r/w line of State Highway 123, and running thence S 18 deg. 00' E 59 feet; thence S 72 deg. 00' W 84 feet; thence N 18 deg. 00' W 50 feet to said highway r/w line; thence N 72 deg. 00' E along said r/w 84 feet to the point of beginning.

LESS: d) Beg. at a point on the W line of said SW 1/4 NW 1/4 of said Sec. 6, 261 feet N of the SW corner thereof, which point is the SE corner of that certain tract conveyed to Carbon County School District by Deed from Kaiser Steel Corp. dated Nov. 8, 1957, and filed for record Nov. 15, 1957 in the office of the Recorder of Carbon County and of record in Book 51 at pages 65, et seq., Official Records of said County, running thence along the E line of said tract N 3 deg. 31' W 331.13 feet to the true point of beginning of the tract herein conveyed, which point is also the SW corner of this tract; thence continuing along the E line of the aforementioned school tract N 3 deg. 31' W 157.2 feet; thence N 72 deg. 35' E 222.5 feet, m/l, to a point on the W'ly boundary line of an existing road known as Valley View; thence along the W'ly boundary of said existing road S 18 deg. 07' E 150 feet; thence S 72 deg. 35' W 271.4 feet, m/l, to the point of beginning, containing 0.85 acres, m/l. (Church of Jesus Christ of Latter-Day Saints).

LESS: e) Utah State Highway No. 123.

- LESS: f) Beg. at a point which is South 2605.18 feet and West 1102.67 feet of the NE corner of Sec. 6, T15S, R14E, SLBM; thence S 71 deg. 14' W 150.00 feet; thence S 18 deg. 46' E 150.00 feet; thence N 71 deg. 14' E 150.00 feet; thence N 18 deg. 46' W 150.00 feet to the point of beginning.
- LESS: g) Beg. at the E 1/4 corner of Sec. 6, T15S, R14E, SLBM and running thence S 0 deg. 13' 39" W 1818.48 feet along the E section line of Sec. 6 to the South right of way line of an existing railroad track; thence NW'ly along a curve to the right with a radius of 450.00 feet, through an angle of 83 deg. 37' 47", for a distance of 656.83 feet having a chord that bears N 40 deg. 27' 18" W 600.05 feet; thence N 1 deg. 21' 36" E 68.00 feet along the westerly right of way line of an existing railroad track; thence S 57 deg. 11' 02" W 338.86 feet to an existing 5/8 inch rebar; thence S 66 deg. 15' 45" W 220.11 feet to an existing 5/8 inch rebar; thence S 86 deg. 11' 30" W 261.34 feet to a metal fence post; thence N 4 deg. 41' 13" W 264.09 feet to a roof bolt on the west side of a gate in a fence line; thence N 10 deg. 54' 48" W 189.49 feet to a metal fence post; thence N 0 deg. 39' 10" W 334.39 feet to a metal fence post; thence N 10 deg. 09' 48" W 315.48 feet to metal fence post; thence N 6 deg. 32' 57" W 232.70 feet to a roof bolt in an existing fence line; thence N 6 deg. 32' 57" W 65.24 feet to the South right of way line of a Denver & Rio Grande Railroad as described in a certain deed dated July 29, 1912; thence N 71 deg. 27' 00" E 1209.07 feet along the South line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence NE'ly along a curve to the left with a radius of 979.93 feet, through an angle of 9 deg. 19' 48" for a distance of 159.57 feet, having a chord that bears N 66 deg. 47' 06" E 159.40 feet to the east line of said Sec. 6; thence S 0 deg. 13' 39" W 174.12 feet along the east line of Sec. 6, to the point of beginning; and
- LESS: h) Beg. at the SE corner of Sec. 6, T15S, R14E, SLBM which is a brass cap; and running thence N 89 deg. 57' 59" W 2646.97 feet along the south line of said Sec. 6 to the S 1/4 corner of said Sec. 6; thence S 89 deg. 27' 59" W 1321.87 feet along the south line of said Sec. 6 to the SW corner of the SE 1/4 SW 1/4 of said Sec. 6; thence N 59 deg. 40' 32" E 666.58 feet to a metal fence post; thence N 44 deg. 13' 50" E 430.53 feet to a roof bolt; thence

- h) cont. N 59 deg. 09' 24" E 167.86 feet to a metal fence post; thence N 63 deg. 51' 14" E 188.19 feet to a metal fence post; thence N 60 deg. 15' 43" E 335.60 feet to a metal fence post; thence N 21 deg. 00' 31" W 34.15 feet to an east brace post in a barbed wire fence; thence N 81 deg. 18' 59" E 1270.98 feet along an existing fence line to a roof bolt; thence N 36 deg. 40' 17" E 152.88 feet along a fence line to a roof bolt; thence S 4 deg. 41' 13" E 264.09 feet to a metal fence post; thence N 86 deg. 11' 30" E 261.34 feet to an existing 5/8 inch rebar; thence N 66 deg. 15' 45" E 220.17 feet to an existing rebar; thence N 57 deg. 11' 02" E 338.86 feet to the west right of way line of an existing railroad right of way; thence S 1 deg. 21' 36" W 68.00 feet along the westerly right of way line of an existing railroad track; thence SE'ly along a curve to the left with a radius of 450.00 feet, through an angle of 83 deg. 37' 47" for a distance of 656.83 feet having a chord that bears S 40 deg. 27' 18" E 600.05 feet to a point on the east line of said Section 6; thence S 0 deg. 13' 39" W 818.01 feet along the section line to the point of beginning.
- LESS: i) Beg. at the W 1/4 corner of Sec. 6, T15S, R14E, SLBM thence N 0 deg. 18' 05" E for a distance of 262.68 feet, thence N 89 deg. 05' 55" E for a distance of 75.0 feet, thence S 0 deg. 18' 15" W for a distance of 262.68 feet, thence S 89 deg. 05' 55" W for a distance of 75.0 feet to the beg. (LESS the Railroad Right of Way).
- LESS: j) Less that portion of Lot 7 of Sec. 6, T15S, R14E, SLBM, as disclosed in the Deed and Assignment to Intermountain Power Agency. Said portion is the Rail Road Right of Way.
- LESS: k) LESS that portion conveyed to Sunnyside City for the Cemetary described as follows: A parcel of land situated in the SE 1/4 of the NE 1/4 and the NE 1/4 of the SE 1/4 of Section 1, T15S, R13E, SLB&M, more particularly described as follows: Beginning at the West 1/4 Corner of Sec. 6, T15S, R14E, SLB&M; running thence S. 89 deg. 05' 55" W., 510.90 feet; thence N. 01 deg. 01' 14" W., 158.19 feet; thence N. 77 deg. 40' 24" E., 527.19 feet; thence S. 0 deg. 18' 05" W., 262.68 feet to the point of beginning.

Section 6: ALSO, beg. at the SW corner of the SE 1/4 SW 1/4 of Sec. 6, T15S, R14E, SLBM, which is a brass cap and running thence N 59 deg. 40'32" E 666.58 feet to a metal fence post; thence N 44 deg. 13' 50" E 430.53 feet to a roof bolt; thence N 59 deg. 09' 24" E 167.86 feet to a metal fence post; thence N 63 deg. 51'14" E 188.19 feet to a metal fence post; thence N 60 deg. 15' 43" E 335.60 feet to a metal fence post; thence N 21 deg. 00'31" W 34.5 feet to an east brace post in a barbed wire fence; thence N 81 deg. 18'59" E 1270.98 feet along an existing fence line to a roof bolt; thence N 36 deg. 40' 17" E 152.88 feet along a fence line to a roof bolt; thence N 10 deg. 54' 48" W 189.49 feet to a metal fence post; thence N 0 deg. 19' 10" W 244.19 feet to a metal fence post; thence N 10 deg. 09' 40" E 115.48 feet to a metal fence post; thence N 81 deg. 12' 51" W 222.70 feet to a roof bolt in an existing fence line; thence N 6 deg. 32' 47" W 21' 24 feet to the south right of way line of a Denver and Rio Grande Railroad as described in a certain deed dated July 29, 1912; thence S 71 deg. 11' 11" E 1411.72 feet along the south line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence S 0 deg. 50' 04" W 153.50 feet to the NW corner of the SE 1/4 SW 1/4 of said Section 6; thence S 0 deg. 50' 04" W 1326.02 feet along the west line of the SE 1/4 SW 1/4 of said Sec. 6 to the point of beginning.

ALSO, beginning at the NE corner of Lot 6, and running thence S 50 feet; thence N 89 deg. 57' W 133.7 feet; thence S 59 deg. 30' W 597.1 feet; thence S 46 deg. 37' W 800 feet, m/l, to the intersection with the range line between Ranges 13 East and 14 East; thence N 0 deg. 16' E along said range line 578 feet, m/l, to an intersection with the S'ly r/w line of Utah State Highway No. 123, said point being on the arc of a 1096.3 feet radius curve to the right; thence NE'ly 754.3 feet around the arc of said curve and along said r/w to an intersection with the E-W quarter section line of said Sec. 6; thence S 89 deg. 57' E 613 feet, m/l, along said quarter section line to the point of beginning, and containing 8.2 acres, m/l.

Sect. 6: All minerals lying below a depth of more than 500 feet below the surface of the follows described tract:

Beg. at a point 2222 feet S and 1214 feet W of the NE corner of Sec. 6, said point also lying on the S'ly r/w line of State Highway 123, and running thence S 18 deg. 00' E 59 feet; thence S 72 deg. 00' W 84 feet; thence N 18 deg. 00' W 50 feet along said highway r/w line; thence N 72 deg. 00' W along said r/w 84 feet to the point of beg.

Section 7: All that land comprising an area of 181.34 acres, m/l, in Lots 1, 2, 3 and 4 and E 1/2 W 1/2 and W 1/2 W 1/2 SE 1/4 of said Sec. 7, lying E of the Carbon County Railroad r/w, the E'ly boundary of said Railroad r/w being 100.0 feet distant from the centerline of said r/w, more particularly described as follows:

Commencing at the intersection of the S line of Sec. 7, T15S, R14E, SLBM, and the E'ly r/w line of the Carbon County Railroad, said point being more or less S 89 deg. 59' E 2053.10 feet from the South Closing Corner between Sec. 7 and 18 on the range line between Range 13 East and 14 East in T15S, SLBM, as established by the 1899 survey of the General Land Office; thence S 89 deg. 59' E 1233.70 feet to the SE corner of the W 1/2 W 1/2 SE 1/4 of said Sec. 7; thence N 2640.0 feet, m/l, to the NE corner of the W 1/2 W 1/2 SE 1/4 of said Sec. 7; thence N 89 deg. 59' W 660.0 feet, m/l, to the center of said Sec. 7; thence N along the quarter section line 2640.0 feet, m/l, to the NE 1/4 corner of said Sec. 7; thence along the section line S 89 deg. 27' E as established by the Dependent Resurvey of the N boundary of said Sec. 7 by the General Land Office in 1942 a distance of 1860.02 feet, m/l, to a point of intersection of said section line and the E'ly r/w line of the Carbon County Railroad said point being located on the arc of a 673.7 feet radius curve right and 100.0 feet E'ly from the centerline of said railroad; thence following S'ly around the arc of said 673.7 feet radius curve 490.0 feet, m/l, to a point located 100.0 feet at right angles to the E'ly from station 107+05.9 of the Carbon County Railroad, said station being at P.T. of a 10 deg. curve to the right; thence S 21 deg. 23' W 245.4 feet along a line 100.0 feet from the parallel to the centerline of said railroad to a point at right angles from Station 109+51.4, said station being the P.C. of an 8 deg. curve left; thence S'ly along and around the arc of a 616.8 feet

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Sect. 7: radius curve 100.0 feet from the parallel to the
cont. centerline of said railroad 305.0 feet to a point
located at right angles from Station 113+05.9 P.T.
of said railroad centerline; thence S 6 deg. 57' E
2782.6 feet along a line 100.0 feet from and
parallel to the centerline of said railroad to a
point at right angles from Station 140+88.2 said
station being the P.C. of a 4 deg. curve left;
thence along and around the arc of a 1332.7 feet
radius curve 100.0 feet from and parallel to the
centerline of said railroad 896.81 feet to a point
located at right angles from Station 150+50.7 P.T.
of said railroad centerline; thence S 45 deg. 27'
E 982.76 feet along a line 100.0 feet from and
parallel to the centerline of said railroad to a
point at right angles from Station 160+33.66 of
said railroad centerline and which point is a
point of intersection of said section line between
Sections 7 and 18 and the E'ly r/w line of said
railroad, said point being the point of beginning.

LESS the following described portions thereof:

Lot 1; NE 1/4 NW 1/4; W 1/2 S 1/2 NW 1/4.

Section 8: Lots 3 and 4.
EXCEPTING therefrom all coal and other minerals.
Lots 1 and 2; SE 1/4 NE 1/4; NE 1/4 SE 1/4;
S 1/2 SE 1/4.

Section 9: All.

Section 10: NE 1/4.
EXCEPTING therefrom all coal.
NW 1/4; S 1/2.

Section 15: W 1/2; N 1/2 NE 1/4.

Section 16: All,
EXCEPTING therefrom the following described
portion thereof:
Beg. at the SW corner of said Sec. 16, and
running thence N 500 feet; thence E 900 feet;
thence S 500 feet; thence W 900 feet to the
point of beginning, containing 10.3 acres,
more or less.

Section 17: E 1/2 NE 1/4; NE 1/4 SE 1/4.

Section 32: E 1/2 NE 1/4; E 1/2 SE 1/4; SW 1/4 SE 1/4,
EXCEPTING therefrom all coal.

T15S, R15E, SLBM.

Section 6: W 1/2; SW 1/4 SE 1/4,

EXCEPTING therefrom

Section 7: E 1/2 NW 1/4; NW 1/4 NE 1/4; S 1/2 NE 1/4;

N 1/2 SE 1/4; SE 1/4 SE 1/4,
EXCEPTING therefrom all coal.

Section 8: SW 1/4 SW 1/4.

EXCEPTING therefrom all coal.

Section 17: W 1/2 NW 1/4; SE 1/4 NW 1/4; SW 1/4,
EXCEPTING therefrom all coal.

Section 18: NE 1/4 NE 1/4,

EXCEPTING therefrom all coal.

Section 20: E 1/2 NW 1/4; NW 1/4 NW 1/4; NW 1/4 SE 1/4;
E 1/2 SW 1/4,

EXCEPTING therefrom all coal.

Section 29: E 1/2 SE 1/4; NW 1/4 SE 1/4,
EXCEPTING therefrom all coal.

All of Lot 18, Block 6, Plat B, SUNNYSIDE SUBDIVISION, as
per official plat thereof.

Said lands are located in EMERY COUNTY:

T17S, R16E, SLPM

Section 4: SE 1/4 NW 1/4; SW 1/4 NE 1/4; NW 1/4 SE 1/4,
EXCEPTING therefrom all coal and other
minerals.

Section 15: N 1/2 NW 1/4; SE 1/4 NW 1/4; NE 1/4 SW 1/4,
EXCEPTING therefrom all oil, gas and other
minerals.

LESS AND EXCEPTING therefrom the following described lands
located in Carbon County which is referred to as the "FOOTPRINT":

Section 32, Township 14 South, Range 14 East, SLB&M:

S 1/2 NW 1/4 SW 1/4 NE 1/4; SW 1/4 SW 1/4 NE 1/4;
W 1/2 NE 1/4 NW 1/4 SE 1/4; W 1/2 NW 1/4 SW 1/4 SE 1/4;
W 1/2 NW 1/4 SW 1/4 SE 1/4; S 1/2 SE 1/4 NE 1/4 SW 1/4
SE 1/4 SW 1/4; E 1/2 SE 1/4 SW 1/4 SW 1/4

Section 33, Township 14 South, Range 14 East, SLB&M:

S 1/2 SW 1/4 SW 1/4

Section 4, Township 15 South, Range 14 East, SLB&M:

N 1/2 NW 1/4 NW 1/4

Section 5, Township 15 South, Range 14 East, SLB&M:

NW 1/4 NW 1/4 NE 1/4; NE 1/4 NW 1/4 NE 1/4;
NW 1/4 NE 1/4 NE 1/4; N 1/2 NE 1/4 NE 1/4 NE 1/4;
W 1/2 NW 1/4 NE 1/4 NW 1/4; NE 1/4 NW 1/4 NW 1/4;
W 1/2 SE 1/4 NW 1/4 NE 1/4; W 1/2 SW 1/4 NW 1/4;
E 1/2 NW 1/4 SW 1/4 NW 1/4; SW 1/4 SW 1/4 NW 1/4;
W 1/2 E 1/2 NW 1/4 SW 1/4; W 1/2 NW 1/4 SW 1/4;
NW 1/4 SW 1/4 SW 1/4

ALSO LESS AND EXCEPTING therefrom the following described lands located in Carbon County known as the "REFUSE AREA":

Refuse area: T15S, R14E, SLB&M:

Section 5: S 1/2 SE 1/4 SE 1/4; S 1/2 N 1/2 SE 1/4 SE 1/4

Section 8: N 1/2 NE 1/4 NE 1/4

Section 4: S 1/2 SW 1/4 SW 1/4

ALSO TOGETHER WITH an Easement Estate over and across the following Access Road located in Carbon County and more particularly described as follows:

A 30 foot wide right of way over and across the present road, described as follows: Beginning at a gate on the Road Right of Way in the SE 1/4 SW 1/4 of Section 32, T14S, R14E, SLB&M; thence along the present road located in the NW 1/2 NW 1/4 NE 1/4; NE 1/4 NW 1/4 NE 1/4; NW 1/4 NE 1/4 NE 1/4; N 1/2 NE 1/4 NE 1/4 NE 1/4 of said Section 32.

...

Seller also conveys to Buyer all of its right, title, interest, and claim to all mineral rights owned by Debtor. Seller also conveys all water rights with the exception of the water rights embodied in state water permit numbers 91-362 and 91-367 which rights are specifically reserved in the Seller, which rights comprise in volume approximately 400 acre feet of water. The water rights conveyed include but are not limited to the following permit numbers:

	91-369
90-15	91-1635
91-11	91-1640
91-28	91-2655
91-33	91-3006
91-55	91-3169
91-81	91-3458
91-84	91-3459
91-89	91-3464
91-98	91-3465
91-100	91-3519
91-114	91-3520
91-125	91-3521
91-138	91-3523
91-144	91-3526
91-146	91-3530
91-178	91-3532
91-192	91-3533
91-231	91-3914
91-298	91-4270
91-368	

...

Seller also reserves an easement across the Property for the delivery of the retained water rights 91-362 and 91-367, which easement shall run along the general course of Grassy Trail Creek, running from the Grassy Trail Reservoir to the Footprint property for the use of the water on that property.

BIDDING PROCEDURESINTRODUCTION

The trustee, Kenneth A. Rushton, (the "Trustee"), of Sunnyside Coal Company, a debtor in a chapter 7 bankruptcy case (Debtor), hereby solicits bidders to participate in an auction, on March 12, 1996, as described below, for the purchase of certain assets of the Debtor's chapter 7 estate consisting of approximately 26,000 acres of land, appurtenant water rights (except as reserved), and mineral rights (to the extent owned by Debtor) (the "Sale Assets"). The Debtor's chapter 7 bankruptcy case is pending in the United States Bankruptcy Court for the District of Colorado (the "Bankruptcy Court"). The Sale Assets are described with particularity in the property description ("Property Description") attached to the sample Purchase and Sale Agreement ("Purchase Agreement") attached hereto. Kenneth A. Rushton shall act as the sales agent in the proposed sale. **IT WILL BE IN THE TRUSTEE'S SOLE DISCRETION TO SELECT FOR PRESENTATION TO THE BANKRUPTCY COURT THE BEST OFFER FOR THE SALE OF THE SALE ASSETS.** The Sale Assets are to be sold "as is where is with no warranty." The terms of the sale are generally included in the form of purchase agreement attached hereto; the Trustee expects the sale to be for cash, but he would consider payment over time if adequate security is posted and interest is paid. **THESE BIDDING PROCEDURES HAVE NOT BEEN APPROVED BY THE BANKRUPTCY COURT; HOWEVER THEY ARE THE PROCEDURES WHICH THE TRUSTEE WILL FOLLOW WITH RESPECT TO SELECTING A BID FOR THE SALE, SUBJECT TO COURT APPROVAL, OF THE "SALE ASSETS."** **THE TRUSTEE WILL REQUEST, IN CONNECTION WITH HIS MOTION TO SELL THE ASSETS,**

THAT THE BANKRUPTCY COURT APPROVE THESE PROCEDURES. THE TRUSTEE BELIEVES THAT THE BIDDING PROCEDURES ARE FAIR AND THAT THE BANKRUPTCY COURT WILL APPROVE THEM, BUT THERE IS NO ASSURANCE OF THAT.

Bidding ProceduresA. The Sales Process

The Trustee has commenced the sale process. The Trustee intends the sale process to culminate with an auction of the Sale Assets, as described in detail below, to be held on March 12, 1996, at 1:30 p.m. at the offices of his attorneys, LeBoeuf, Lamb, Greene & MacRae, L.L.P., 136 South Main Street, Suite 1000, Salt Lake City, Utah 84101.

Since his appointment as Trustee, the Trustee has spoken with entities showing interest in the purchase of the Sale Assets. The Trustee received several offers with respect to the purchase of the Sale Assets and has signed an agreement conditioned on court approval and other conditions to sell the Sale Assets to Penta Creek LLC. ("Penta Creek"). This agreement, however, is subject to higher and better offers which may be obtained by the Trustee. The Penta Creek offer is described in the following section.

Thus, the Trustee intends to continue to market the Sale Assets and to conduct an auction, as set forth below, to obtain the best price possible for the Sale Assets at the auction.

B. The "Penta Creek" Offer

The agreement to sell the Sale Assets to Penta Creek, LLC, has been presented to the Court in a motion ("Motion") to

approve the sale or to approve, in the alternative, any higher and better offer obtained at the auction. The hearing on the Motion has been set for March 13, 1996, at 9:30 a.m., in the Courtroom of the Honorable Charles E. Matheson located at U.S. Custom House, 721 19th Street, Denver, CO. At that time, the Trustee will seek approval of the Penta Creek offer or such other better offer that the Trustee obtains at the auction and determines, in his sole discretion, to be the best offer for the purchase of the Sale Assets.

C. Qualified Bidders and Due Diligence

Only qualified bidders ("Qualified Bidders") may participate at the auction. To be a qualified bidder, a party must, by cashier's check or wire transfer, deliver the sum of \$250,000 to the Trustee before the commencement of the auction. This sum is subject to forfeiture, as set forth below and in the Purchase Agreement, if the party submitting such deposit is the winning bidder and if the purchase of the Property is not timely closed.

Parties are expected to complete all due diligence with respect to the Sale Assets prior to the auction. Parties may, at their own expense, conduct due diligence with respect to the Sale Assets but the Trustee will cooperate as reasonably necessary to aid parties in completing due diligence.

D. The Auction and Selection of the Winning Bid

The auction shall be held on March 12, 1996, at the offices of his attorneys, LeBoeuf, Lamb, Greene & MacRae, L.L.P., 136 South Main Street, Suite 1000, Salt Lake City, Utah 84101. The auction shall commence at 1:30 p.m. The minimum opening bid

shall be \$100,000 above the value of the offer of Penta Creek LLP. Subsequent bidding increments shall be \$25,000 or greater. Penta Creek is permitted to participate in the bidding process.

Once the auction has commenced, it will run without interruption until completion. Qualified Bidders may either participate in person or by telephone conference, however, any Qualified Bidder participating by telephone conference must request to be included in the conference at least two days before the date scheduled for the auction and the Trustee must receive the cashier's check for \$250,000 by the beginning of the auction.

The winning bid shall be selected by the Trustee, from the bids of the Qualified Bidders. The best bid resulting from this auction, as determined by the Trustee, shall become the final and firm winning bid (the "Winning Bid," and the purchaser the "Winning Bidder") and the Trustee will not actively solicit any other offers or bids for the Sale Assets, however, the Winning Bid shall be subject to approval by the United States Bankruptcy Court, District of Colorado. The Winning Bidder must, at the Trustee's request, execute a Purchase Agreement similar to the sample one attached hereto.

After such auction, the Trustee shall promptly return the Purchase Deposits of the Qualified Bidders who are not the Winning Bidder, unless any such Qualified Bidder requests that its Qualified Bid remain in place as a backup offer in the event that a sale of the Sale Assets to the Winning Bidder is not closed. Such Purchase Deposit will be returned at such time that a sale of the Sale Assets is consummated to another entity.

parts of the Property to ensure that reclamation liability on the aforementioned disturbed property is met. Buyer hereby grants the Division or its agents and designees such access.

6. Representations and Warranties of Buyer. Buyer represents and warrants to Seller as follows:

a. Buyer is a _____, duly organized, validly existing and in good standing under the laws of the State of _____, and has full power and authority to own, lease and operate its properties and to carry on its business as now conducted and as proposed to be conducted. Buyer has taken all action necessary to authorize its execution, delivery and performance of this Agreement and all other agreements and instruments reasonably necessary to complete the transactions contemplated by this Agreement and has full power and authority to enter into such agreements and carry out the terms hereof and thereof. Buyer has duly executed and delivered this Agreement, and this Agreement is the valid and binding obligations of Buyer enforceable in accordance with their terms, except as enforceability may be limited by or subject to any bankruptcy, insolvency, reorganization, moratorium or other similar laws, now or hereafter in effect, relating to creditors' rights generally or by the availability of equitable remedies

b. The execution, delivery and performance of this Agreement by Buyer, the compliance by Buyer with the provisions of this Agreement and the consummation of the transactions described in such agreements will not conflict with or result in the breach of any of the terms or provisions of or constitute a default under: (a) the certificate of organization or operating agreement of Buyer; (b) any note, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which Buyer is a party or by which Buyer is bound; or (c) any statute or any order, rule or regulation or any decision of any court or regulatory authority or governmental body applicable to Buyer.

c. No consent, approval, authorization, order, designation or declaration of any court or regulatory authority or governmental body, federal or other, or third person is required to be obtained by Buyer nor is any filing or registration required to be made therewith by Buyer for the consummation of the transactions described in this Agreement and all other agreements and instruments reasonably necessary to complete the transactions contemplated by this Agreement. Buyer has obtained, or shall have obtained prior to the Closing, all consents, authorizations or approvals of any third parties required in connection with the execution, delivery or performance of this Agreement. Buyer has made all registrations and filings with any governmental authority required for the execution or delivery of this Agreement and the consummation of the transactions contemplated hereby.

d. There are no claims, actions, suits, inquiries, investigations or proceedings pending against Buyer relating to the transactions contemplated hereby before any federal, state or local court or other governmental or regulatory body, United States or foreign.

7. Closing.

a. The closing of the transactions contemplated by this Agreement shall take place at the offices of Seller's counsel, LeBoeuf, Lamb, Greene & MacRae, L.L.P., 136 South Main Street, Salt Lake City, Utah, unless any other location is agreed to in writing by the parties, within 14 business days after the effective date of the Order or such other date as shall be agreed to by the parties.

b. At the closing, Seller shall deliver or cause to be delivered the following documents, and take such other actions as are identified below:

(1) the Deed; and

(2) all other documents and instruments as may be necessary to consummate the transactions contemplated by this Agreement.

c. At the closing, Buyer shall deliver or cause to be delivered the following documents, and take such other actions as are identified below:

(1) \$ _____ by wire transfer of funds to an account designated by Seller;

(2) _____

(3) an opinion of counsel to Buyer with regard to the matters set forth in Section 6 hereof in a form acceptable to Seller and the Seller's counsel; and

(4) all other documents and instruments as may be necessary to consummate the transactions contemplated by this Agreement.

8. Prorations and Closing Costs. All real property taxes shall be prorated as of the date of the closing. There will be no proration or adjustment for any assessments for water rights or mineral rights. Buyer shall pay costs of recording the Deed and the cost of the Escrow.

9. Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Seller.

10. Notices. All notices hereunder shall be deemed to have been duly given if mailed by United States registered or certified mail, with return receipt requested, postage prepaid, or by overnight express mail or courier service or wire or facsimile to the parties at the following addresses (or at such other addresses as shall be given in writing by either party to the other) and shall be deemed complete upon receipt or refusal to accept delivery as indicated

in the return receipt or in the receipt of such express mail or courier service or in the confirmation of receipt of wire or facsimile:

To Seller: Kenneth A. Rushton

with a copy to: Penrod W. Keith Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
136 South Main, Suite 1000
Salt Lake City, Utah 84101

To Buyer: _____

11. Attorneys' Fees If any suit or action is instituted to enforce the rights of either Seller or Buyer under this Agreement, the successful party shall be entitled to receive from the other reasonable attorneys' fees and court costs

12. Further Assurances Seller and Buyer shall execute, acknowledge and deliver such instruments, do such things and perform such acts as may be reasonably necessary to complete the purchase and sale of the Property in accordance with this Agreement.

13. Brokerage Commission Buyer and Seller each warrants and represents that it has not dealt with any broker in connection with this Agreement, and that no broker negotiated this Agreement or is entitled to any commission in connection herewith. Buyer and Seller each shall indemnify and hold the other party harmless from and against all claims, demands, costs and expenses (including without limitation reasonable attorney's fees) incurred by the other party as a result of a breach of the foregoing representation and warranty.

14. Survival All representations, warranties, covenants, waivers, releases and agreements of Buyer made in this Agreement or any agreement or document delivered in accordance with this Agreement shall survive the execution and delivery of this Agreement and the closing of the transactions contemplated hereby.

15. Counterparts This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

16. Governing Law and Jurisdiction This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. The Court shall have exclusive jurisdiction with regard to all matters relating to the interpretation and enforcement of this

Agreement for a period of two years following the closing. Thereafter, jurisdiction shall lie in any court of competent jurisdiction.

In witness whereof, the parties hereto have executed this Purchase and Sale Agreement as of the day and year first above written.

"SELLER"

Kenneth A. Rushton, chapter 7 trustee for Sunnyside Coal Company

"BUYER"

By: _____
Its: _____

After the Trustee chooses the winning bid, he shall seek to obtain court approval of the winning bid at the Hearing on the Motion scheduled on March 13, 1996. The winning bidder must be present at the hearing to testify respecting its ability to complete the transaction within the time specified. The Trustee will seek approval for the winning bid and sale of the Sale Assets free and clear of all liens, interests and encumbrances, under section 363 of the Bankruptcy Code except those set forth in the Motion. The court may approve the Winning Bid at the hearing on March 13, 1996, or it may order an additional notice period or enter other orders governing the sale.

Within fourteen business days after the court enters an order approving the Winning Bid, the Winning Bidder shall be required to close the transaction for the purchase of the Sale Assets by paying the amount of the Winning Bid, less the initial deposit of \$250,000, to the Trustee either by wire transfer or by certified check. The Trustee shall in turn deliver the quit-claim deed to the Sale Assets. If the Winning Bidder fails to tender such amount timely, the initial deposit is considered forfeit and the Trustee may sell the Sale Assets to any "backup" offer approved by the Court.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into this ___ day of _____, 1996 by and between KENNETH A. RUSHTON, in his capacity as chapter 7 trustee of Sunnyside Coal Company ("Seller" or "Trustee") the debtor in In re Sunnyside Coal Company, Case No. 94 12794 CEM (the "Bankruptcy Case") pending in the United States Bankruptcy Court for the District of Colorado (the "Court"), and _____, (the "Buyer").

1. Purchase and Sale. Subject to all the terms and conditions hereof, and for the consideration herein stated, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, the land, easements, mineral rights and water rights in Emery County and Carbon County, Utah described in Attachment I to Exhibit A attached hereto, subject to the easements, access rights and reservations described therein (the "Property")

2. Purchase Price, Payment, Deposit. The total purchase price (the "Purchase Price") for the Property shall be _____ Dollars (\$ _____) payable as follows:

a. Before or concurrently with Buyer's execution of this Agreement, Buyer shall deposit with the Trustee the sum of Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Deposit"). If the sale of the Property is closed as provided in this Agreement, the Deposit shall be applied on account of the Purchase Price. If the sale of the Property does not close for any reason other than Buyer's breach of this Agreement, the Deposit shall be returned to Buyer. If the sale of the Property does not close by reason of Buyer's breach of this Agreement, the Deposit shall be retained by Seller as liquidated damages and not as a penalty. Seller and Buyer agree that the Deposit shall be the entire amount Seller is entitled to receive as damages on account of Buyer's breach of this Agreement and that such right to liquidated damages shall be Seller's sole remedy for such breach.

b. Buyer shall deliver _____ Dollars (\$ _____) at closing by wire transfer of funds to an account designated by Seller.

c. _____

3. Bankruptcy Court Authorization. Seller has filed a motion (the "Motion") with the Court seeking authorization to sell the Property to _____ a _____, or to a qualified entity which, in the Seller's sole judgment, makes a better offer for the Property pursuant to the bidding procedure (the "Bidding Procedure") set forth in the Motion. Seller has determined that Buyer's proposal regarding the purchase of the Property as set forth herein is the best offer for the Property which Seller obtained pursuant to the Bidding Procedure. Pursuant to the Motion, Seller will seek an order (the "Order") from the Court authorizing the transaction contemplated by this Agreement and ordering the sale of the Property to Buyer free and clear of liens and encumbrances. However, Buyer acknowledges

that its proposal regarding the purchase of the Property may be upset by a third party which proposes an even better offer and which successfully opposes the Motion.

4. Condition of Title; Disclaimer; Waiver and Release.

a. Seller will deliver to Buyer, at closing, a quit claim deed (the "Deed") to the Property in the form of Exhibit A hereto.

b. Buyer acknowledges and understands that Seller is a chapter 7 trustee in the Bankruptcy Case, that Sunnyside Coal Company itself acquired the Property through a bankruptcy proceeding, and that Seller has little, if any, knowledge of the actual status of title to the Property. Seller disclaims any warranty, guaranty or representation, oral or written, past, present or future, concerning:

(1) the nature and condition of the Property or the suitability thereof for any use which Buyer may elect to conduct thereon;

(2) the status of title to the Property or the nature and extent of the rights of way, easements, leases, possessions, liens, encumbrances, licenses, reservations or conditions in connection with the Property;

(3) compliance with any laws, ordinances or regulations of any government or other body, including without limitation, compliance with environmental laws, rules, ordinances and regulations regarding the Property;

(4) actual amount of acreage or errors or discrepancies in legal descriptions.

c. The Property is sold by Seller and purchased by Buyer "as is" and without warranties of any nature, including, but not limited to, warranties of conditions, habitability, merchantability or fitness for a particular purpose.

d. Buyer hereby waives and releases any and all claims and causes of action that it has or may have, now or in the future, against Seller or any of its agents or attorneys, for any and all liabilities, obligations, losses, damages, fines, penalties or consequential damages it may incur as a result of or in relation to its purchase or subsequent ownership, operation, sale or disposal of the Property, including, but not limited to, those arising from environmental contamination of or reclamation obligations with respect to the Property.

5. Reclamation of Property. The State of Utah, Division of Oil, Gas and Mining currently holds a trust deed with respect to the Property which secures a reclamation obligation with respect to the Property (the "Reclamation Obligation") used in connection with the Sunnyside mining operation. Buyer shall have no obligation with respect to the Reclamation Obligation except that the Utah Division of Oil Gas and Mining may require access over certain

ATTACHMENT I

T13S, R13E, SLBM

- Section 31: NE 1/4 SE 1/4,
EXCEPTING therefrom all oil, gas and other
minerals.
Section 36: All,
EXCEPTING therefrom all coal and other minerals.

T14S, R13E, SLBM

- Section 1: NE 1/4 NE 1/4 (Lot 1),
EXCEPTING therefrom all coal and other minerals.
Section 2: All,
EXCEPTING therefrom all coal and other minerals.
Section 12: All,
EXCEPTING therefrom all coal and other minerals.

T14S, R14E, SLBM

- Section 6: Lots 1, 2, 3, 4, 5 and 7;
S 1/2 NE 1/4; SE 1/4 NW 1/4; SE 1/4 SE 1/4;
W 1/2 SE 1/4; SE 1/4 SW 1/4.
Section 7: Lots 1 and 2; E 1/2 NW 1/4; SW 1/4 NE 1/4;
SE 1/4 SE 1/4; W 1/2 SE 1/4; E 1/2 SW 1/4.
Section 8: SE 1/4 SE 1/4,
EXCEPTING therefrom all coal and other minerals.
Section 9: W 1/2; W 1/2 E 1/2; E 1/2 SE 1/4; SE 1/4 NE 1/4.
EXCEPTING therefrom all coal and other minerals.
Section 17: NE 1/4; SE 1/4 NW 1/4; S 1/2 SE 1/4.
SW 1/4, less the surface only of the following
described portion thereof:
Beg. at a point on the West Right of Way line of an ex-
isting roadway in Whitmore Canyon, said point being
872.20 feet East and 755.80 feet North from the SW
corner of said Section 17, and running thence S 80 deg.
00' W 240.00 feet; thence N 15 deg. 20' W 147.96 feet;
thence N 11 deg. 00' E 200.55 feet; thence N 74 deg.
40' E 150.00 feet; thence S 15 deg. 20' E along said
road right of way line 350.00 feet to the point of
beginning.
Section 18: Lots 2, 3 and 4; E 1/2 SW 1/4; E 1/2.
Section 19: All.
Section 20: All.
Section 21: E 1/2,
EXCEPTING therefrom all coal.
W 1/2.

Order No. 26,146-C description cont.

- Section 22: All,
EXCEPTING therefrom all coal.
Section 23: W 1/2; SE 1/4; SW 1/4 NE 1/4,
EXCEPTING therefrom all coal.
N 1/2 NE 1/4; SE 1/4 NE 1/4.
Section 24: E 1/2 NE 1/4,
EXCEPTING therefrom all coal, petroleum, gas,
nitrogen and phosphate.
SW 1/4 NW 1/4; E 1/2 SE 1/4,
EXCEPTING therefrom all coal.
NW 1/4 NW 1/4; E 1/2 NW 1/4; SW 1/4 NE 1/4;
W 1/2 SE 1/4; E 1/2 SW 1/4; SW 1/4 SW 1/4.
Section 25: W 1/2 NE 1/4; NE 1/4 NW 1/4; S 1/2 NW 1/4;
W 1/2 SE 1/4; SW 1/4,
EXCEPTING therefrom all coal.
E 1/2 NE 1/4; E 1/2 SE 1/4.
Section 26: All,
EXCEPTING therefrom all coal.
Section 27: All,
EXCEPTING therefrom all coal.
Section 28: All.
Section 29: All.
Section 30: SE 1/4 NW 1/4; NE 1/4 SE 1/4; S 1/2 SE 1/4,
EXCEPTING therefrom all coal.
NE 1/4; NE 1/4 NW 1/4; NW 1/4 SE 1/4.
Section 31: NW 1/4 NE 1/4,
EXCEPTING therefrom all coal.
Lot 4, LESS the portion thereof within Ridgeway
Subdivision; NE 1/4 NE 1/4; S 1/2 NE 1/4;
SE 1/4; SE 1/4 SW 1/4.
Section 32: All.
LESS that portion of land conveyed to Sunnyside
City described as follows: Beginning at a point
1114.51 feet North and 1629.87 feet East of the
corner of Section 32, T14S, R14E, SLBM; sa-
point also being on the North Right-of-Way line of
State Highway 123; and running thence N. 17 deg.
58' 31" E 117.11 feet; thence N. 77 deg. E 59.73
feet; thence S. 13 deg. E. 100.41 feet to the
North R/W line of said Highway; thence S. 77 deg.
W. 120.00 feet to the point of beginning.
Section 33: All.
Section 34: E 1/2,
EXCEPTING therefrom all coal.
W 1/2.
Section 35: All,
EXCEPTING therefrom all coal.
Section 36: W 1/2; S 1/2 NE 1/4; W 1/2 SE 1/4,
EXCEPTING therefrom all coal.
N 1/2 NE 1/4; E 1/2 SE 1/4.

Order No. 26,146-C

description cont.

Order No. 25,412-C

T14S, R15E, SLBM

Section 19: W 1/2 SW 1/4; SE 1/4 SW 1/4.
Section 30: W 1/2.
Section 31: NW 1/4 SW 1/4.
EXCEPTING therefrom all coal and other minerals.
NW 1/4.

T15S, R13E, SLBM

Section 1: Lot 3; Lot 1, LESS the portion thereof within Ridgeway Subdivision; SW 1/4 NE 1/4, LESS the following described portion thereof:
Beg. at the center of Section 1 and running thence N 0 deg. 15' W 266 feet; N 89 deg. 01' E 164 feet; S 0 deg. 15' E 266 feet; S 89 deg. 01' W 164 feet to beginning; SE 1/4 NW 1/4.
EXCEPTING therefrom all oil, gas and minerals.

Beginning at a point 516.4 feet S 89 deg. 01' W of the E 1/4 corner of Section 1; thence S 0 deg. 59' E 102.6 feet; thence S 89 deg. 01' W 75 feet along the N r/w of Denver Avenue; thence N 0 deg. 59' W 102.6 feet; thence N 89 deg. 01' E 75 feet to point of beginning.

LESS that portion conveyed to Sunnyside City for the Cemetery described as follows: A parcel of land situated in the SE 1/4 of the NE 1/4 and the NE 1/4 of the SE 1/4 of Section 1, T15S, R13E, SLB&M, more particularly described as follows: Beginning at the West 1/4 Corner of Sec. 6, T15S, R14E, SLB&M; running thence S. 89 deg. 05' 55" W., 510.90 feet; thence N. 01 deg. 01' 14" W., 158.19 feet; thence N. 77 deg. 40' 24" E., 527.19 feet; thence S. 0 deg. 18' 05" W., 262.68 feet to the point of beginning.

Section 2: N 1/2, LESS the D&RGWRR right of way, EXCEPTING therefrom all coal and other minerals.

Beg. at a point 435.60 feet West of the SE corner of the SW 1/4 and running thence N 100 feet; W 16 feet; N 417.50 feet; E 451 feet; N 556.50 feet; W 346 feet; N 246 feet; W 974 feet; S 1320 feet; E 884.40 feet to beginning; NW 1/4 SE 1/4, LESS that parcel beginning at a point 160 feet N of the SW corner of the NW 1/4 SE 1/4 and running thence N 150 feet; E 150 feet; S 150 feet; W 150 feet to beginning.

Section 3: E 1/2 NE 1/4; NE 1/4 SE 1/4; SW 1/4 SE 1/4, EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

Section 10: N 1/2 NW 1/4; Those portions of the W 1/2 NE 1/4 and SE 1/4 NW 1/4 lying N of the State Highway right of way; E 1/2 NE 1/4, LESS the State Highway right of way and the following 3 parcels:

Beg. at a point which is 58 feet W and 867 feet S of the NE corner of Sec. 10, T15S, R13E, SLBM; thence running W along the State Highway r/w 208.7 feet; thence N 208.7 feet; thence E 208.7 feet; thence S 208.7 feet, m/l, to point of beginning. This description is tied to the resurvey made by the United States Land Office Engineers in 1942;

Commencing on the N boundary of Utah State Highway No. 123, 58 feet W and 867 feet S from the NE corner of Sec. 10, T15S, R13E, SLBM; thence N 458.70 feet; thence E 417.78 feet; thence S 376.86 feet to said highway boundary; thence S 78 deg. 55' W 425.72 feet along said highway boundary to beginning;

Commencing on the N boundary of Utah State Highway No 123, 266.70 feet W and 906 feet S from the NE corner of Section 10, T15S, R13E, SLBM; thence S 80 deg. 24' W along said highway boundary 423.71 feet; thence N 453.09 feet; thence E 417d.78 feet; thence S 382.47 feet to beginning. EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

All minerals lying below a depth of more than 500 feet below the surface of the following described tract:

Beg. at the SW corner of the SE 1/14 NW 1/4 Section 10, said point being E along the 1/4 section line 1334 feet, m/l, from the W 1/4 corner of said Sec. 10 and running thence E along the 1/4 section line 2668 feet, m/l, to the SE corner of the SW 1/4 NE 1/4 of said Sec. 10; thence along the E line of the SW 1/4 NE 1/4 of said Sec. 10, W 1207 feet, m/l, to the southerly right of way line of U. S. Highway 123; thence S 80 deg. 13' W along said Southerly line 2707 feet, m/l, to the W line of the SE 1/4 NW 1/4 of said Sec. 10; thence along said W line S 747 feet, m/l, to the point of beginning.

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Section 11: W 1/2 NW 1/4, NW 1/4 SW 1/4, LESS the State Highway right of way and the D&RGWRR right of way. Also, LESS that parcel beginning on the N boundary of Utah State Highway at a point 58 feet W and 867 feet S from the NE corner of Sec. 10; thence N 458.70 feet; E 417.78 feet; S 376.86 feet to said highway boundary; thence S 78 deg. 55' W 425.72 feet along said highway boundary to beginning. Also, LESS that parcel beginning at a point S 58 deg. 47' W 1420.46 feet from the quarter corner common to Sections 2 and 11 in T15S, R13E, SLBM; thence N 23 deg. 25' W 147.58 feet; S 58 deg. 47' W 148.96 feet; S 23' 25' E 147.57 feet; N 58 deg. 47' E 148.96 feet to beg. EXCEPTING therefrom an undivided 15/16 interest in all oil, gas and minerals.

T15S, R14E, SLBM

Section 1: Lots 3 and 4; SW 1/4 NE 1/4; SW 1/4 SW 1/4; EXCEPTING therefrom all coal.
Lots 1 and 2; SE 1/4 NE 1/4; E 1/2 SE 1/4.

Section 2: All.
EXCEPTING therefrom all coal.

Section 3: E 1/2.
EXCEPTING therefrom all coal.
W 1/2.

Section 4: All.

Section 5: All.
EXCEPTING therefrom the portion thereof which is within Sunnyside No. 1 Plat, the State Highway #123, and the D&RGW Railroad Right of Way.

Section 6: Lots 1, 2, 3, 4, 5 and 7*; S 1/2 NE 1/4; SE 1/4 NW 1/4; SE 1/4; E 1/2 SW 1/4.
(* Option to Environmental Power Corporation)
EXCEPTING therefrom the following described portions thereof labelled (a) through (k):

LESS: a) The following subdivisions:
Sunnyside Subdivision - Plat "A".
Sunnyside Subdivision - Plat "A" (Revised.)
Sunnyside Subdivision - Plat "B".
Sunnyside Subdivision - Plat "C".
Sunnyside No. 1 Plat.
Sunnyside No. 2 Plat.
Sunnyside No. 2 Plat (Revised).
Ridgeway Subdivision.

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LESS: b) Beg. at the SW corner of Lot 19, Blk. 7, SUNNYDALE Amended Plat, according to the official plat thereof and running thence N 1 deg. 08' W 100 feet to the NE corner of said Lot 19; thence 50.0 feet in an E'ly direction along the arc of a curve to the right whose radius is 377.18 feet; thence N 360.0 feet; thence W 770.0 feet; thence S 540.77 feet; thence E 399.53 feet to the NE corner of Lot 26, Block 4, SUNNYDALE; thence S 48 deg. 32'55"E 100.0 feet to the SE corner of said Lot 26; thence 49.38 feet in an E'ly direction along the arc of a curve to the left whose radius is 615.00 feet; thence 251.69 feet in an E'ly direction along the arc of a curve to the right whose radius is 277.18 feet (which curve is the N side of Edg Hill Dr.) to the point of beginning. (Carbon County School District).

LESS: c) Beg. at a point 2222 feet S and 1214 feet W of the NE corner of said Sec. 6, said point also lying on the S'ly r/w line of State Highway 123, and running thence S 18 deg. 00' E 59 feet; thence S 72 deg. 00' W 84 feet; thence N 18 deg. 00' W 50 feet to said highway r/w line; thence N 72 deg. 00' E along said r/w 84 feet to the point of beginning.

LESS: d) Beg. at a point on the W line of said SW 1/4 NW 1/4 of said Sec. 6, 261 feet N of the SW corner thereof, which point is the SE corner of that certain tract conveyed to Carbon County School District by Deed from Kaiser Steel Corp. dated Nov. 8, 1957, and filed for record Nov. 15, 1957 in the office of the Recorder of Carbon County and of record in Book 51 at pages 65, et seq., Official Records of said County, running thence along the E line of said tract N 3 deg. 31' W 331.13 feet to the true point of beginning of the tract herein conveyed, which point is also the SW corner of this tract; thence continuing along the E line of the aforementioned school tract N 3 deg. 31' W 157.2 feet; thence N 72 deg. 35' E 222.5 feet, m/l, to a point on the W'ly boundary line of an existing road known as Valley View; thence along the W'ly boundary of said existing road S 18 deg. 07' E 150 feet; thence S 72 deg. 35' W 271.4 feet, m/l, to the point of beginning, containing 0.85 acres, m/l. (Church of Jesus Christ of Latter-Day Saints).

LESS: e) Utah State Highway No. 123.

- LESS: f) Beg. at a point which is South 2605.18 feet and West 1102.67 feet of the NE corner of Sec. 6, T15S, R14E, SLBM; thence S 71 deg. 14' W 150.00 feet; thence S 18 deg. 46' E 150.00 feet; thence N 71 deg. 14' E 150.00 feet; thence N 18 deg. 46' W 150.00 feet to the point of beginning.
- LESS: g) Beg. at the E 1/4 corner of Sec. 6, T15S, R14E, SLBM and running thence S 0 deg. 13' 39" W 1818.48 feet along the E section line of Sec. 6 to the South right of way line of an existing railroad track; thence NW'ly along a curve to the right with a radius of 450.00 feet, through an angle of 83 deg. 37' 47", for a distance of 656.83 feet having a chord that bears N 40 deg. 27' 18" W 600.05 feet; thence N 1 deg. 21' 36" E 68.00 feet along the westerly right of way line of an existing railroad track; thence S 57 deg. 11' 02" W 338.86 feet to an existing 5/8 inch rebar; thence S 66 deg. 15' 45" W 220.17 feet to an existing 5/8 inch rebar; thence S 88 deg. 11' 30" W 261.34 feet to a metal fence post; thence N 4 deg. 41' 13" W 264.09 feet to a roof bolt on the west side of a gate in a fence line; thence N 10 deg. 54' 48" W 189.47 feet to a metal fence post; thence N 0 deg. 39' 10" W 254.19 feet to a metal fence post; thence N 10 deg. 09' 48" W 315.48 feet to metal fence post; thence N 6 deg. 32' 57" W 232.70 feet to a roof bolt in an existing fence line; thence N 6 deg. 32' 57" W 65.24 feet to the South right of way line of a Denver & Rio Grande Railroad as described in a certain deed dated July 29, 1912; thence N 71 deg. 27; 00" E 1209.07 feet along the South line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence NE'ly along a curve to the left with a radius of 979.93 feet, through an angle of 9 deg. 19' 48" for a distance of 159.57 feet, having a chord that bears N 66 deg. 47' 06" E 159.40 feet to the east line of said Sec. 6; thence S 0 deg. 13' 39" W 174.12 feet along the east line of Sec. 6, to the point of beginning; and
- LESS: h) Beg. at the SE corner of Sec. 6, T15S, R14E, SLBM which is a brass cap; and running thence N 89 deg. 57' 59" W 2646.97 feet along the south line of said Sec. 6 to the S 1/4 corner of said Sec. 6; thence S 89 deg. 27' 59" W 1321.87 feet along the south line of said Sec. 6 to the SW corner of the SE 1/4 SW 1/4 of said Sec. 6; thence N 59 deg. 40' 32" E 666.58 feet to a metal fence post; thence N 44 deg. 13' 50" E 430.53 feet to a roof bolt; thence

- h) cont. N 59 deg. 09' 24" E 167.86 feet to a metal fence post; thence N 63 deg. 51' 14" E 188.19 feet to a metal fence post; thence N 60 deg. 15' 43" E 335.60 feet to a metal fence post; thence N 21 deg. 00' 31" W 34.15 feet to an east brace post in a barbed wire fence; thence N 81 deg. 18' 59" E 1270.98 feet along an existing fence line to a roof bolt; thence N 36 deg. 40' 17" E 152.88 feet along a fence line to a roof bolt; thence S 4 deg. 41' 13" E 264.09 feet to a metal fence post; thence N 86 deg. 11' 30" E 261.34 feet to existing 5/8 inch rebar; thence N 66 deg. 15' 45" E 220.17 feet to an existing rebar; thence N 57 deg. 11' 02" E 338.86 feet to the west right of way line of an existing railroad right of way; thence S 1 deg. 21' 36" W 68.00 feet along the westerly right of way line of an existing railroad track; thence SE'ly along a curve to the left with a radius of 450.00 feet, through an angle of 83 deg. 37' 47" for a distance of 656.83 feet having a chord that bears S 40 deg. 27' 18" E 600.05 feet to a point on the east line of said Section 6; thence S 0 deg. 13' 39" W 818.01 feet along the section line to the point of beginning.
- LESS: i) Beg. at the W 1/4 corner of Sec. 6, T15S, R14E, SLBM thence N 0 deg. 18' 05" E for a distance of 262.68 feet, thence N 89 deg. 05' 55" E for a distance of 75.0 feet, thence S 0 deg. 18' 15" W for a distance of 262.68 feet, thence S 89 deg. 05' 55" W for a distance of 75.0 feet to the beg. (LESS the Railroad Right of Way).
- LESS: j) Less that portion of Lot 7 of Sec. 6, T15S, R14E, SLBM, as disclosed in the Deed and Assignment to Intermountain Power Agency. Said portion is the Rail Road Right of Way.
- LESS: k) LESS that portion conveyed to Sunnyside City for the Cemetary described as follows: A parcel of land situated in the SE 1/4 of the NE 1/4 and the NE 1/4 of the SE 1/4 of Section 1, T15S, R13E, SLB&M, more particularly described as follows: Beginning at the West 1/4 Corner of Sec. 6, T15S, R14E, SLB&M; running thence S. 89 deg. 05' 55" W., 510.90 feet; thence N. 01 deg. 01' 14" W., 158.19 feet; thence N. 77 deg. 40' 24" E., 527.19 feet; thence S. 0 deg. 18' 05" W., 262.68 feet to the point of beginning.

Section 6: ALSO, beg. at the SW corner of the SE 1/4 SW 1/4 of Sec. 6, T15S, R14E, SLBM, which is a brass cap and running thence N 59 deg. 40'32" E 666.58 feet to a metal fence post; thence N 44 deg. 13' 50" E 430.53 feet to a roof bolt; thence N 59 deg. 09' 24" E 167.86 feet to a metal fence post; thence N 63 deg. 51'14" E 188.19 feet to a metal fence post; thence N 60 deg. 15' 43" E 335.60 feet to a metal fence post; thence N 21 deg. 00'31" W 34.5 feet to an east brace post in a barbed wire fence; thence N 81 deg. 18'59" E 1270.98 feet along an existing fence line to a roof bolt; thence N 36 deg. 40' 17" E 152.88 feet along a fence line to a roof bolt; thence N 10 deg. 54' 48" W 189.49 feet to a metal fence post; thence N 0 deg. 39' 10" W 254.39 feet to a metal fence post; thence N 10 deg. 09' 48" W 315.48 feet to a metal fence post; thence N 6 deg. 32' 57" W 232.70 feet to a roof bolt in an existing fence line; thence N 6 deg. 32' 57" W 65.24 feet to the south right of way line of a Denver and Rio Grande Railroad as described in a certain deed dated July 29, 1912; thence S 71 deg. 21' 37" E 1811.72 feet along the south line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence S 0 deg. 50' 04" W 153.50 feet to the NW corner of the SE 1/4 SW 1/4 of said Section 6; thence S 0 deg. 50' 04" W 1326.02 feet along the west line of the SE 1/4 SW 1/4 of said Sec. 6 to the point of beginning.

ALSO, beginning at the NE corner of Lot 6, and running thence S 50 feet; thence N 89 deg. 57' W 133.7 feet; thence S 69 deg. 30' W 597.1 feet; thence S 46 deg. 37' W 800 feet, m/l, to the intersection with the range line between Ranges 13 East and 14 East; thence N 0 deg. 16' E along said range line 578 feet, m/l, to an intersection with the S'ly r/w line of Utah State Highway No. 123, said point being on the arc of a 1096.3 feet radius curve to the right; thence NE'ly 754.3 feet around the arc of said curve and along said r/w to an intersection with the E-W quarter section line of said Sec. 6; thence S 89 deg. 57' E 613 feet, m/l, along said quarter section line to the point of beginning, and containing 8.2 acres, m/l.

Sect. 6: All minerals lying below a depth of more than 500 feet below the surface of the follows described tract:

Beg. at a point 2222 feet S and 1214 feet W of the NE corner of Sec. 6, said point also lying on the S'ly r/w line of State Highway 123, and running thence S 18 deg. 00' E 59 feet; thence S 72 deg. 00' W 84 feet; thence N 18 deg. 00' W 50 feet (said highway r/w line); thence N 72 deg. 00' along said r/w 84 feet to the point of beg.

Section 7: All that land comprising an area of 181.34 acres, m/l, in Lots 1, 2, 3 and 4 and E 1/2 W 1/2 and W 1/2 W 1/2 SE 1/4 of said Sec. 7, lying E of the Carbon County Railroad r/w, the E'ly boundary of said Railroad r/w being 100.0 feet distant from the centerline of said r/w, more particularly described as follows:

Commencing at the intersection of the S line of Sec. 7, T15S, R14E, SLBM, and the E'ly r/w line of the Carbon County Railroad, said point being more or less S 89 deg. 59' E 2053.10 feet from the South Closing Corner between Sec. 7 and 18 on the range line between Range 13 East and 14 East in T15S, SLBM, as established by the 1899 survey of the General Land Office; thence S 89 deg. 59' E 1233.70 feet to the SE corner of the W 1/2 W 1/2 SE 1/4 of said Sec. 7; thence N 2640.0 feet, m/l, to the NE corner of the W 1/2 W 1/2 SE 1/4 of said Sec. 7; thence N 89 deg. 59' W 660.0 feet, m/l, to the center of said Sec. 7; thence N along the quarter section line 2640.0 feet, m/l, to the N 1/4 corner of said Sec. 7; thence along the section line S 89 deg. 27' E as established by Dependent Resurvey of the N boundary of said Sec. 7 by the General Land Office in 1942 a distance of 1860.02 feet, m/l, to a point of intersection of said section line and the E'ly r/w line of the Carbon County Railroad said point being located on the arc of a 673.7 feet radius curve right and 100.0 feet E'ly from the centerline of said railroad; thence following S'ly around the arc of said 673.7 feet radius curve 490.0 feet, m/l, to a point located 100.0 feet at right angles to the E'ly from station 107+05.9 of the Carbon County Railroad, said station being at P.T. of a 10 deg. curve to the right; thence S 21 deg. 23' W 245.4 feet along a line 100.0 feet from the parallel to the centerline of said railroad to a point at right angles from Station 109+51.4, said station being the P.C. of an 8 deg. curve left; thence S'ly along and around the arc of a 616.8 feet

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Sect. 7: radius curve 100.0 feet from the parallel to the
cont. centerline of said railroad 305.0 feet to a point
located at right angles from Station 113+05.9 P.T.
of said railroad centerline; thence S 6 deg. 57' E
2782.6 feet along a line 100.0 feet from and
parallel to the centerline of said railroad to a
point at right angles from Station 140+88.2 said
station being the P.C. of a 4 deg. curve left;
thence along and around the arc of a 1332.7 feet
radius curve 100.0 feet from and parallel to the
centerline of said railroad 896.81 feet to a point
located at right angles from Station 150+50.7 P.T.
of said railroad centerline; thence S 45 deg. 27'
E 982.76 feet along a line 100.0 feet from and
parallel to the centerline of said railroad to a
point at right angles from Station 160+33.66 of
said railroad centerline and which point is a
point of intersection of said section line between
Sections 7 and 18 and the E'ly r/w line of said
railroad, said point being the point of beginning.

LESS the following described portions thereof:

Lot 1; NE 1/4 NW 1/4; N 1/2 S 1/2 NW 1/4.

Section 8: Lots 3 and 4.
EXCEPTING therefrom all coal and other minerals.
Lots 1 and 2; SE 1/4 NE 1/4; NE 1/4 SE 1/4;
S 1/2 SE 1/4.

Section 9: All.

Section 10: NE 1/4.
EXCEPTING therefrom all coal.
NW 1/4; S 1/2.

Section 15: W 1/2; N 1/2 NE 1/4.

Section 16: All,
EXCEPTING therefrom the following described
portion thereof:
Beg. at the SW corner of said Sec. 16, and
running thence N 500 feet; thence E 900 feet;
thence S 500 feet; thence W 900 feet to the
point of beginning, containing 10.3 acres,
more or less.

Section 17: E 1/2 NE 1/4; NE 1/4 SE 1/4.

Section 32: E 1/2 NE 1/4; E 1/2 SE 1/4; SW 1/4 SE 1/4,
EXCEPTING therefrom all coal.

T15S, R15E, SLBM

Section 6: W 1/2; SW 1/4 SE 1/4,
EXCEPTING therefrom

Section 7: E 1/2 NW 1/4; NW 1/4 NE 1/4; S 1/2 NE 1/4;
N 1/2 SE 1/4; SE 1/4 SE 1/4,
EXCEPTING therefrom all coal.

Section 8: SW 1/4 SW 1/4.

Section 17: W 1/2 NW 1/4; SE 1/4 NW 1/4; SW 1/4,
EXCEPTING therefrom all coal.

Section 18: NE 1/4 NE 1/4,
EXCEPTING therefrom all coal.

Section 20: E 1/2 NW 1/4; NW 1/4 NW 1/4; NW 1/4 SE 1/4;
E 1/2 SW 1/4,

EXCEPTING therefrom all coal.
Section 29: E 1/2 SE 1/4; NW 1/4 SE 1/4,
EXCEPTING therefrom all coal.

All of Lot 18, Block 6, Plat B, SUNNYSIDE SUBDIVISION,
per official plat thereof.

Said lands are located in EMERY COUNTY:

T17S, R16E, SLBM

Section 4: SE 1/4 NW 1/4; SW 1/4 NE 1/4; NW 1/4 SE 1/4,
EXCEPTING therefrom all coal and other
minerals.

Section 15: N 1/2 NW 1/4; SE 1/4 NW 1/4; NE 1/4 SW 1/4,
EXCEPTING therefrom all oil, gas and other
minerals.

LESS AND EXCEPTING therefrom the following described lands
located in Carbon County which is referred to as the "FOOTPRINT":

Section 32, Township 14 South, Range 14 East, SLB&M:

S 1/2 NW 1/4 SW 1/4 NE 1/4; SW 1/4 SW 1/4 NE 1/4;
W 1/2 NE 1/4 NW 1/4 SE 1/4; W 1/2 NW 1/4 SW 1/4 SE 1/4;
W 1/2 NW 1/4 SW 1/4 SE 1/4; S 1/2 SE 1/4 NE 1/4 SW 1/4
SE 1/4 SW 1/4; E 1/2 SE 1/4 SW 1/4 SW 1/4

Section 33, Township 14 South, Range 14 East, SLB&M:

S 1/2 SW 1/4 SW 1/4

Section 4, Township 15 South, Range 14 East, SLB&M:

N 1/2 NW 1/4 NW 1/4

Section 5, Township 15 South, Range 14 East, SLB&M:

NW 1/4 NW 1/4 NE 1/4; NE 1/4 NW 1/4 NE 1/4;
NW 1/4 NE 1/4 NE 1/4; N 1/2 NE 1/4 NE 1/4 NE 1/4;
W 1/2 NW 1/4 NE 1/4 NW 1/4; NE 1/4 NW 1/4 NW 1/4;
W 1/2 SE 1/4 NW 1/4 NE 1/4; W 1/2 SW 1/4 NW 1/4;
E 1/2 NW 1/4 SW 1/4 NW 1/4; SW 1/4 SW 1/4 NW 1/4;
W 1/2 E 1/2 NW 1/4 SW 1/4; W 1/2 NW 1/4 SW 1/4;
NW 1/4 SW 1/4 SW 1/4

ALSO LESS AND EXCEPTING therefrom the following described lands located in Carbon County known as the "REFUSE AREA":

Refuse area: T15S, R14E, SLB&M:

Section 5: S 1/2 SE 1/4 SE 1/4; S 1/2 N 1/2 SE 1/4 SE 1/4
Section 8: N 1/2 NE 1/4 NE 1/4
Section 4: S 1/2 SW 1/4 SW 1/4

ALSO TOGETHER WITH an Easement Estate over and across the following Access Road located in Carbon County and more particularly described as follows:

A 30 foot wide right of way over and across the present road, described as follows: Beginning at a gate on the Road Right of Way in the SE 1/4 SW 1/4 of Section 32, T14E, R14E, SLB&M; thence along the present road located in the NW 1/2 NW 1/4 NE 1/4; NE 1/4 NW 1/4 NE 1/4; NW 1/4 NE 1/4 NE 1/4; N 1/2 NE 1/4 NE 1/4 NE 1/4 of said Section 32.

...

Seller also conveys to Buyer all of its right, title, interest, and claim to all mineral rights owned by Debtor. Seller also conveys all water rights with the exception of the water rights embodied in state water permit numbers 91-362 and 91-367 which rights are specifically reserved in the Seller, which rights comprise in volumn approximately 400 acre feet of water. The water rights conveyed include but are not limited to the following permit numbers:

	91-369
90-15	91-1635
91-11	91-1640
91-28	91-2655
91-33	91-3006
91-55	91-3169
91-81	91-3458
91-84	91-3459
91-89	91-3464
91-98	91-3465
91-100	91-3519
91-114	91-3520
91-125	91-3521
91-138	91-3523
91-144	91-3526
91-146	91-3530
91-178	91-3532
91-192	91-3533
91-231	91-3914
91-298	91-4270
91-368	

...

Seller also reserves an easement across the Property for the delivery of the retained water rights 91-362 and 91-367, which easement shall run along the general course of Grassy Trail Creek, running from the Grassy Trail Reservoir to the Footprint property for the use of the water on that property.