

0009



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

JK

*Outgoing  
8/007/0011*

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

## DIVISION OF OIL, GAS AND MINING FACSIMILE COVER SHEET

DATE: August 19, 2003  
FAX #: 801-637-1378  
ATTN: Elliott Finley  
COMPANY: Hiawatha  
DEPARTMENT: \_\_\_\_\_  
NUMBER OF PAGES: (INCLUDING THIS ONE) 4  
FROM: A. Nance

If you do not receive all of the pages, or if they are illegible, please call (801)538-5340.  
We are sending from a Sharp facsimile machine. Our telecopier number is (801)359-3940.

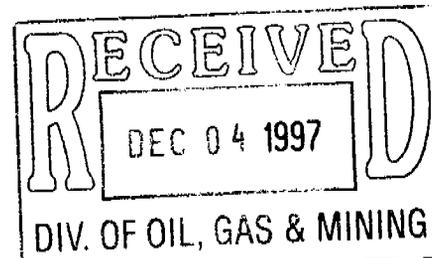
MESSAGE:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Important:** This message is intended for the use of the individual or entity of which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

Bank One, Arizona  
International Trade S  
AZI-1246  
PO Box 29529  
Phoenix AZ 85038 9529  
201 N Central Ave., 11th Floor  
Phoenix AZ 85004

SWIFT BOAZ US 55  
TELEX 673 4869



IRREVOCABLE STANDBY LETTER OF CREDIT NO. S005519

ISSUED IN PHOENIX, ARIZONA on 03 DEC 1997

**BENEFICIARY:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY, UT 84114

**APPLICANT:**

HIAWATHA COAL COMPANY, INC.  
3212 SO. STATE ST.  
SALT LAKE CITY, UT

*Final file  
Copy #4  
ACT 10071011*

AMOUNT: USD \*\*\*2,838,000.00  
TWO MILLION EIGHT HUNDRED THIRTY  
EIGHT THOUSAND AND 00/100 UNITED  
STATES DOLLARS

DATE AND PLACE OF EXPIRY:  
04 DEC 1998  
OUR COUNTERS

**CREDIT AVAILABLE WITH:**

BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA

BY: PAYMENT

**AVAILABLE BY DRAFTS AT SIGHT DRAWN ON:**

BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA

PERMIT NO. ACT-007-011

DRAFTS SUBMITTED MUST BE ACCOMPANIED BY THE FOLLOWING:  
BENEFICIARY'S SIGNED STATEMENT STATING THAT:

"PURSUANT TO R645-301-880,900, HIAWATHA COAL COMPANY, INC. IS IN VIOLATION OF THE SURFACE MINING CONTROL AND RECLAMATION ACT, THE REGULATORY PROGRAM, THE PERMIT AND THE RECLAMATION PLAN."

**OTHER OR SPECIAL CONDITIONS:**

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY SUCH DATE WE NOTIFY YOU IN WRITING BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY DRAW ON US AT SIGHT

Bank One, Arizona  
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L/C #: S005519  
PAGE 2

FOR THE THEN AMOUNT OF THIS LETTER OF CREDIT BY PRESENTATION OF YOUR DRAFT, THE ORIGINAL OF THIS LETTER OF CREDIT AND AMENDMENTS, IF ANY, AND YOUR STATEMENT SIGNED BY A BOND APPROVING OFFICER INDICATING NAME AND TITLE STATING THAT: "THE AMOUNT BEING DRAWN UNDER THIS LETTER OF CREDIT REPRESENTS FUNDS DUE US BECAUSE HIAWATHA COAL COMPANY, INC. HAS FAILED TO REPLACE THIS LETTER OF CREDIT BY OTHER SUITABLE BOND PURSUANT TO R645-301-860.222 AND R645-301-870."

DRAFTS DRAWN UNDER THIS CREDIT MUST BE ENDORSED AND CONTAIN THE CLAUSE: "DRAWN UNDER THE BANK ONE, ARIZONA, NA, LETTER OF CREDIT NO. S005519 DATED DECEMBER 3, 1997."

WE HEREBY AGREE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION TO US ON OR BEFORE DECEMBER 4, 1998, UNLESS AUTOMATICALLY EXTENDED AS ABOVE STATED AT BANK ONE, ARIZONA, NA, INTERNATIONAL TRADE SERVICES DIVISION, 241 N. CENTRAL AVENUE; PHOENIX, ARIZONA 85004, TOGETHER WITH THIS LETTER OF CREDIT.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 500.

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE (S)  




*Trueproof file  
9/007/011*

*Copy PAM  
for PFD*

BANK ONE, NA - 1717 MAIN STREET, 11TH FLOOR, DALLAS, TEXAS 75201

TELEPHONE 1-800-924-5435

AMENDMENT TO LETTER OF CREDIT NUMBER S005519

DATE: SEPTEMBER 20, 2002

APPLICANT:  
HIAWATHA COAL COMPANY, INC.  
3212 SO. STATES ST.  
SALT LAKE CITY, UT

BENEFICIARY:  
STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY, UT 84114

AMENDMENT NUMBER SIX (6)

GENTLEMEN:

PLEASE BE ADVISED THAT THE SUBJECT LETTER OF CREDIT HAS BEEN AMENDED AS FOLLOWS:

- *EXPIRATION DATE IS HEREBY EXTENDED TO NOVEMBER 20, 2002.*

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

ALL OTHER TERMS AND CONDITIONS OF THE CREDIT REMAIN UNCHANGED.

BANK ONE, NA

  
\_\_\_\_\_  
AUTHORIZED SIGNATURE  
dst

**RECEIVED**

SEP 23 2002

DIVISION OF  
OIL, GAS AND MINING

TRANSACTION REPORT

AUG-19-2003 TUE 03:48 PM

FOR: OIL, GAS & MINING

801 359 3940

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FAX #: 435-637-1378

ATTN: Elliott Finley

COMPANY: Hiawatha

DEPARTMENT: \_\_\_\_\_

NUMBER OF PAGES: (INCLUDING THIS ONE) 4

FROM: A. Name