

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

December 30, 2003

VIA FACSIMILE

Global Trade Services at Bank One
Fax Number: 312-954-5986

Subject: Request for Original Amendment #1 for Letter of Credit #STI20510, Hiawatha Coal Company, Hiawatha Mine, C/007/0011, Outgoing File

To Whom It May Concern:

The Division of Oil, Gas, and Mining is requesting an original amendment #1 to Letter of Credit #20510 (see copy attached). Please send this original to:

Pamela Grubaugh-Littig, Permit Supervisor
Division of Oil, Gas, and Mining
Coal Regulatory Program
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

If you have any questions, please call me at (801) 538-5268. Thank you.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

sm
Attachments (Amendment to Letter of Credit #STI20510 (2))
(Irrevocable Standby Letter of Credit # STI20510)
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2/007/011
Copy Done*

**BANK ONE, NA - 1717 MAIN STREET, 11TH FLOOR, DALLAS, TEXAS 75201
TELEPHONE 1-888-525-9395
AMENDMENT TO LETTER OF CREDIT NUMBER STI20510**

DATE: JUNE 11, 2003

**APPLICANT:
M.B.S.C., L.L.C. ON BEHALF OF HIAWATHA COAL COMPANY, INC.
3212 SOUTH STATE STREET
SALT LAKE CITY, UTAH 84105**

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

AMENDMENT NUMBER TWO (2)

GENTLEMEN:

PLEASE BE ADVISED THAT THE ABOVE REFERENCED LETTER OF CREDIT (THE "LETTER OF CREDIT") SHALL BE AMENDED AS FOLLOWS:

- **THE LETTER OF CREDIT NUMBER SHALL BE CHANGED FROM STI20510 TO 00336176**
- **THE LETTER OF CREDIT SHALL EXPIRE AT THE COUNTERS OF BANK ONE, NA AT THE ADDRESS INDICATED IN PARAGRAPH 4 BELOW.**
- **ALL DRAFTS AND DEMANDS, ARE TO BE DRAWN OR MADE ON BANK ONE, NA AND BEAR THE CLAUSE: "DRAWN UNDER IRREVOCABLE LETTER OF CREDIT NO. 00336176 ISSUED BY BANK ONE, NA".**
- **ALL DOCUMENTS AND OTHER COMMUNICATIONS TO BE DELIVERED OR MADE BY THE BENEFICIARY ON OR AFTER THE EFFECTIVE DATE SHALL BE PRESENTED TO:**

**HAND DELIVERY OR COURIER
BANK ONE, NA
ATTENTION: GTS - STANDBY LC UNIT
300 SOUTH RIVERSIDE PLAZA, 7TH FLOOR
MAIL CODE: IL 1-0236
CHICAGO, ILLINOIS 60606-0236**

**OR US MAIL
BANK ONE, NA
ATTENTION: GTS - STANDBY LC UNIT
1 BANK ONE PLAZA
MAIL CODE: IL 1-0236
CHICAGO, ILLINOIS 60670-0236**

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

RECEIVED

JUN 13 2003

DIV. OF OIL, GAS & MINING



BANK ONE, NA - 1717 MAIN STREET, 11TH FLOOR, DALLAS, TEXAS 75201
TELEPHONE 1-888-525-9395
AMENDMENT TO LETTER OF CREDIT NUMBER ST120510

DATE: APRIL 23, 2003

APPLICANT:
M.B.S.C., L.L.C. ON BEHALF OF HIAWATHA COAL COMPANY, INC.
3212 SOUTH STATE STREET
SALT LAKE CITY, UTAH 84105

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

AMENDMENT NUMBER ONE (1)

GENTLEMEN:

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

- *APPLICANT'S NAME IS AMENDED TO:
M.B.S.C., L.L.C. ON BEHALF OF HIAWATHA COAL COMPANY, INC.*
- *INSERT EVERGREEN LANGUAGE AS FOLLOWS:
IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY
EXTENDED WITHOUT AMENDMENT, FOR ADDITIONAL ONE-YEAR PERIODS FROM THE
PRESENT OR ANY FUTURE EXPIRATION DATE, UNLESS WE NOTIFY YOU IN WRITING BY
REGISTERED MAIL OR OVERNIGHT COURIER, AT LEAST THIRTY (30) DAYS PRIOR TO THE
THEN CURRENT EXPIRATION DATE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF
CREDIT FOR AN ADDITIONAL ONE-YEAR PERIOD.*

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.

*Needs approval
Needs*

BANK ONE, NA

Cathy Beamon

AUTHORIZED SIGNATURE
SS:

*e/007/011***BANK ONE, NA - 1717 MAIN STREET, 11TH FLOOR, DALLAS, TEXAS 75201****TELEPHONE: 1-888-525-9395****IRREVOCABLE STANDBY LETTER OF CREDIT NO. STI20510****PLACE AND DATE OF ISSUE:
DALLAS, TEXAS 12/23/2002****DATE AND PLACE OF EXPIRY:
12/18/2003 IN DALLAS, TEXAS****APPLICANT:
M.B.S.C., LLC.
3212 SOUTH STATE STREET
SALT LAKE CITY, UTAH 84105****ADVISING BANK:
NOT APPLICABLE****BENEFICIARY:
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 WEST NORTH TEMPLE, SUITE 1210
SALT LAKE CITY, UTAH 84114****AMOUNT: USD2,838,000.00
TWO MILLION EIGHT HUNDRED
THIRTY EIGHT THOUSAND AND
NO/100 U.S. DOLLARS**

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR AVAILABLE BY BENEFICIARY'S SIGHT DRAFT(S) DRAWN ON BANK ONE, NA WHEN ACCOMPANIED BY THE ORIGINAL OF THIS CREDIT AND THE FOLLOWING DOCUMENT(S):

- BENEFICIARY'S SIGNED AND DATED STATEMENT STATING THAT: QUOTE – PURSUANT TO R645-301-880,900, HIAWATHA COAL COMPANY, INC. IS IN VIOLATION OF THE SURFACE MINING CONTROL AND RECLAMATION ACT THE REGULATORY SYSTEM, THE PERMIT AND THE RECLAMATION PLAN. – UNQUOTE

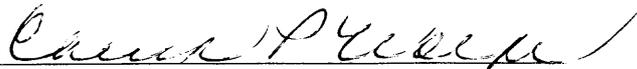
SPECIAL CONDITIONS:

PARTIAL DRAWINGS ARE PROHIBITED.

DRAFTS MUST BE MARKED: "DRAWN UNDER BANK ONE, NA CREDIT NO. STI20510."

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH ALL THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED IF DRAWN AND PRESENTED FOR PAYMENT TO BANK ONE, NA, ATTN: STANDBY LETTER OF CREDIT DEPARTMENT, AT 1717 MAIN STREET, 11TH FLOOR, DALLAS, TEXAS 75201 ON OR BEFORE THE EXPIRATION OF THIS LETTER OF CREDIT.

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

AUTHORIZED SIGNATURE
BANK ONE, NA
SS:**RECEIVED**

DIV. OF OIL, GAS & MINING

TRANSACTION REPORT

P. 01

DEC-30-2003 TUE 03:47 PM

FOR: OIL, GAS & MINING

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DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
DEC-30	03:45 PM	13129545986	1'23"	4	SEND	OK	988	
TOTAL :						1M 23S	PAGES:	4



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

December 30, 2003

VIA FACSIMILE

Global Trade Services at Bank One
Fax Number: 312-954-5986

Subject: Request for Original Amendment #1 for Letter of Credit #ST120510, Hiawatha Coal Company, Hiawatha Mine, C/007/0011, Outgoing File

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Pamela Grubaugh-Littig, Permit Supervisor
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