

0031

10 West Century Parkway
Salt Lake City, Utah 84115
801-484-6988

484-6988

Rachel O. Young

Fax

*Fireproof
c/007/0611*

To: *Sam Brubough - Lottig* From: Rachel Young *Mark Reynolds*
 Fax: *801-359-3940* Pages: *2*
 Phone: *801-538-5268* Date: *11-2-07*
 Re: *Hiawatha Coal LLC* CC:
Mark Reynolds
 Urgent For Review Please Comment Please Reply Please Recycle

• Comments: *Hiawatha Coal Letter of Credit will be moving to another bank. Please sign this attached letter. Send original signed copy to Celly at Chase and fax a copy to myself at 746-2625*

*Thanks
Rachel Young*

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NOV 02 2007
DIV. OF OIL, GAS & MINING

M.B.S.C., L.L.C.

10 West Century Parkway
Salt Lake City, Utah 84115

October 30, 2007

JPMorgan Chase Bank, NA
Cally Johnson
80 West Broadway, Suite 200
Salt Lake City, Utah 84101

Dear Cally:

Please amend our Letter of Credit # _____ in the name of M.B.S.C., L.L.C. in the amount of \$2,838,000.00, to show a final expiration date of March 17, 2008 and to delete the auto roll provision.

Sincerely,

M.B.S.C., L.L.C.

By: Meadowsprings, Inc., Manager

By: 
C.W. Benson, President

Accepted By:

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining

By: 

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DIV. OF OIL, GAS & MINING

BANK ONE

11-1-03
evergreen

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

TELEPHONE: 1-888-525-9395

IRREVOCABLE STANDBY LETTER OF CREDIT NO.

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. ST120510."

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.

Cassidy P. [Signature]
AUTHORIZED SIGNATURE
BANK ONE, NA
SS:

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DIV. OF OIL, GAS & MINING