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From: Charles Reynolds <charles.reynolds@cwmining.com>
To: <angelanance@utah.gov>, Mark Reynolds <mark.reynolds@cwmining.com>
Date: 5/27/2008 6:43 PM
Subject: Hiawatha Bond

Angela,

Hiawatha Coal Company is still working on an approval to increase the bond to a total of \$3.7 Million. They will be unable to make the June 16 deadline. To resolve this Hiawatha will be posting a cash bond for the difference between the Chase bond and \$3.7 million. They are trying to obtain the entire amount by the deadline, but may be unable to get the entire amount until around June 23rd. Would the Division be willing to work with them if they can post the majority of the bond by June 16th, and the remaining portion the following week? Also, Hiawatha Coal Company plans to work with Chase in converting the entire amount of the bond to cash within the next while, and prior to the Chase letter of credit expiring. If the Division is amenable to this, I will have Mark send a formal letter requesting the additional time. Again, the majority of the bond will be posted prior to the deadline.

Please let me know. Thanks.

Charles Reynolds