



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

OK

February 21, 2008

Mark Reynolds, Resident Agent
Hiawatha Coal Company
P.O. Box 1245
Huntington, Utah 84528

Subject: Bond Amount for Hiawatha Mine - \$3.7 Million, Hiawatha Coal Company, Hiawatha Mine, C/007/0011, Outgoing File

Dear Mr. Reynolds:

The Division was notified on February 19, 2008 that the expiration date for Letter of Credit #00336176 was extended to April 17, 2008 (see attached). Please be advised if adequate bond coverage in the amount of \$3.7 million is not posted by March 17, 2008, Letter of Credit #00336176 will be forfeited (R645-301-860.222).

Continuous bond coverage must be maintained by Hiawatha Coal Company.

If you have any questions, please call me at (801) 538-5264.

Sincerely,

Angela Nance
Engineering Technician

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Enclosure

cc: Price Field Office

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JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

FEB 19, 2008
OUR L/C NO.: 00336176
APPLICANT REF. NO.: 00336176
AMENDMENT NO.: 4

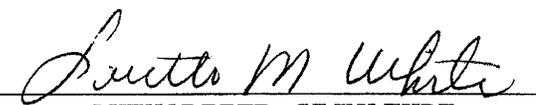
TO:
STATE OF UTAH, DEPT. OF NATURAL
RESOURCES - DIVISION OF OIL, GAS
AND MINING
1594 WEST NORTH TEMPLE, STE 1210
SALT LAKE CITY, UT 84114

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

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED, THE ABOVE REFERENCED STANDBY
LETTER OF CREDIT HAS BEEN AMENDED AS FOLLOWS:

RECEIVER'S REFERENCE: NONREF
NEW DATE OF EXPIRY: APRIL 17, 2008

ALL OTHER TERMS AND CONDITIONS OF THE CREDIT REMAIN UNCHANGED.


AUTHORIZED SIGNATURE