

0010

*Outgoing
C/007/0011*

From: Angela Nance
To: efinley@efineley.com; mark.reynolds@hiawathacoal.com
Date: 2/3/2009 10:27 AM
Subject: Exhibit D for Hiawatha Bond Reduction
Attachments: Exhibit_D02032009.doc; PERMITTEEAFFIDAVIT OF QUALIFICATION.doc

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Hi Elliott/Mark,

Attached please find Exhibit "D" - Stipulation to Revise Reclamation Agreement and an Affidavit of Qualification for the Permittee. Please complete these documents as a result of the Phase I Bond Release at the Hiawatha Mine.

If you have an questions - please do not hesitate to contact me.

Thank you,
Angela
Bond Coordinator
angelanance@utah.gov

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
(Federal)**

Permit Number: C/007/0011
Effective Date: 01/13/2009
Bond Number: LOC #00336176

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STIPULATION TO REVISE RECLAMATION AGREEMENT
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This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

On January 13, 2009, the Division approved a bond release at the Hiawatha Mine in the amount of \$564,536. Therefore, Letter of Credit #00336176 is being reduced from \$2,838,000 to \$2,273,464.

The total bond amount for the Hiawatha Mine is now \$2,440,464 (Letter of Credit #00336176 in the new amount of \$2,273,464 plus the Escrow Agreement for \$167,000).

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

_____ Replace the Reclamation agreement in its entirety.

_____ Replace Exhibit "A"- bonded area.

_____ Replace Exhibit "B"- bonding agreement

_____ Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$3,005,000 to \$2,440,464.
(Letter of Credit #00336176 in the new amount of \$2,273,464 plus the Escrow Agreement for \$167,000).

The bonding type is changed from _____ to _____.

The surface disturbance is revised from _____ acre to _____ acres.

The expiration date is revised from _____ to _____.

The liability insurance carrier is changed from _____ to _____.

The amount of insurance coverage for bodily injury and property damage is changed
from
\$ _____ to \$ _____.

IN WITNESS WHEREOF, _____ the **PERMITTEE** has hereunto set
its signature and seal this _____ day of _____, 20__.

PERMITTEE

By: _____

Title: _____

ACCEPTED BY THE STATE OF UTAH this ___ day of _____, 20__.

Director,
Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

