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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

*Outgoing
C/007/0011
K*

November 23, 2009

Elliot Finley, Resident Agent
Hiawatha Coal Company
P.O. Box 1240
Huntington, Utah 84528

Subject: Exhibit "D" – Stipulation to Revise Reclamation Agreement, Revised Bond Amount, Hiawatha Mine, C/007/0011

Dear Mr. Finley:

The Division authorized a reduction in the bond amount for Hiawatha Mine as a result of the approval of the Chapter 8 Update (including the bond estimate and road agreement with ANR). Please sign the enclosed Exhibit "D" – Stipulation to Revise Reclamation Agreement (which reflects the new bond amount) and Affidavit of Qualification and return them to me as soon as possible.

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

Sincerely,

Angela Nance
Bond Coordinator

an
Enclosure
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EXHIBIT "D"

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

Mine Name: Hiawatha Mine
Permit Number: C/007/0011
Effective Date: _____
Bond Number: LOC #00336176

COAL
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)

The bond amount has been revised with the approval of Task ID #3364 – Chapter 8 Update. The total bond amount should now be \$2,128,000 (\$167,000 of this is held in the form of Treasury Securities). Therefore, the Letter of Credit can be reduced by \$312,464 for a new total amount of \$1,961,000.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.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.
- Rider added to existing Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ 2,273,464 to \$ 1,961,000

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.

