

Appendix 8-2

Certificate of Liability Insurance

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/06/2007

PRODUCER (724)349-1300 FAX (724)349-1446
Reschini Agency Inc
922 Philadelphia Street
P.O. Box 449
Indiana, PA 15701

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED UtahAmerican Energy, Inc.
375 Carbon Avenue
Price, UT 84501

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Federal Insurance Company	20281
INSURER B: Lexington/National Union Fire Ins. Co.	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>	37104410	06/01/2007	06/01/2008	EACH OCCURRENCE \$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
					MED EXP (Any one person) \$ 10,000
					PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/>				GENERAL AGGREGATE \$ 3,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS	73171037	06/01/2007	06/01/2008	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: EA ACC \$
					AGG \$
B	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE	3008743/ BE7250668	06/01/2007	06/01/2008	EACH OCCURRENCE \$ 25,000,000
					AGGREGATE \$ 25,000,000
					\$
					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
					E.L. EACH ACCIDENT \$
					E.L. DISEASE - EA EMPLOYEE \$
					E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

General Liability Coverage is inclusive of XCU Coverage.

Reference: Horse Canyon Mine MSHA ID# 42-00100 and Lila Canyon Mine MSHA ID#42-02241

Subsidence Coverage is included with \$500,000 property damage deductible per claim under the General Liability Policy.

CERTIFICATE HOLDER

State of Utah
Division of Oil, Gas, and Mining
Attn: Pam Grubaugh-Littig
1594 West North Temple
Suite 1210
Salt Lake City, UT 84114-5801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~NOTIFY~~ MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT,

AUTHORIZED REPRESENTATIVE

Karen Williams/KAREN

Karen Williams

Surety Bond Number ISM-2217

EXHIBIT "B"
SURETY BOND
(FEDERAL COAL)
--000000--

This **SURETY BOND** entered into and by and between the undersigned **PERMITTEE/PRINCIPAL** Utah American Energy, Inc and **SURETY** Rockwood Casualty Insurance Co. hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (hereafter referred to as the "**DIVISION**"), and the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (hereafter referred to as "**OSM**") in the penal sum of \$130,000.00 (\$) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the Permittee in the Bonded Area described in Exhibit "A" of that certain **RECLAMATION AGREEMENT**, dated the _____ day of _____, 20__ by and between the **DIVISION** and the **PERMITTEE/PRINCIPAL**.

This **SURETY BOND** shall remain in effect until all of the **PERMITTEE'S/PRINCIPAL'S** reclamation obligations have been met and released by the **DIVISION** with the concurrence of **OSM** and is conditioned upon faithful performance of all of the requirements of the Utah Coal Mining Reclamation Act, Utah Code Ad. §40-12-2 et. seq. (the **ACT**), the Surface Mine Control and Reclamation Act ("**SMCRA**"), and all lawful regulation adopted under the authority of those statutes, and the approved Permit (which is based upon the approved Permit Application Package).

The **SURETY** will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the **PERMITTEE/PRINCIPAL** during the period of liability.

The **SURETY** and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the **DIVISION** and **OSM** from any and all expenses which the **DIVISION** may sustain as a result of the **PERMITTEE'S/PRINCIPAL'S** failure to comply with the condition(s) of the reclamation obligation.

The **SURETY** will give prompt notice to the **PERMITTEE/PRINCIPAL**, the **DIVISION** and **OSM** of any notice received or action alleging the insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirements which could result in suspension or revocation of the **SURETY'S** license.

Upon incapacity of the **SURETY** by reason of bankruptcy, or suspension or revocation of license, the **PERMITTEE/PRINCIPAL** shall be deemed to be without Bond coverage in violation of state and federal law and subject to enforcement in accordance with **SMCRA**, the **ACT**, and the applicable regulations.

INCORPORATED
MAY 18 2007
Div. of Oil, Gas & Mining

INCORPORATED

MAY 18 2007

Exhibit "B"
Federal Surety Bond
Federal

Surety Bond Number ISM-2217
Mine Name/Number _____

Div. of Oil, Gas & Mining

The terms for release of this **BOND** are as written and agreed to by the **DIVISION** and the **PERMITTEE/PRINCIPAL** in the **RECLAMATION AGREEMENT**, incorporated by reference herein, to which this **SURETY AGREEMENT** has been attached as Exhibit "B".

In the event the Utah Cooperative Agreement is terminated, this **SURETY BOND** shall be payable only to the OSM to the extent that lands covered by the Federal Lands Program are involved and otherwise to the **DIVISION**.

IN WITNESS WHEREOF, the **PERMITTEE/PRINCIPAL** has hereunto set its signature and seal this 7th day of December, 2005.

Utah American Energy, Inc.
PERMITTEE/PRINCIPAL

By: [Signature]

Title: President

IN WITNESS WHEREOF, the **SURETY** has hereunto set its signature and seal this 10th day of November, 2005.

[Signature]
Kurt D. Tipton, SR. Vice President

Rockwood Casualty Insurance Company
SURETY

By: [Signature]
John P. Yediny

Title: President & Atty-in-Fact

SURETY BONDING AGREEMENT ACCEPTED BY THE STATE OF UTAH:

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 of Attorney for a company, such Power of Attorney must be filed with the Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

ROCKWOOD CASUALTY INSURANCE COMPANY

ISM-2217

654 Main Street
Rockwood, PA 15557

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the ROCKWOOD CASUALTY INSURANCE COMPANY, a Corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania and having its principal office in the Borough of Rockwood, PA does hereby nominate, constitute and appoint:

John P. Yediny

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship (NOT INCLUDING bonds without a fixed penalty or financial guarantee) provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Five hundred thousand and 00/100 (\$500,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of ROCKWOOD CASUALTY INSURANCE COMPANY:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the ROCKWOOD CASUALTY INSURANCE COMPANY, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, ROCKWOOD CASUALTY INSURANCE COMPANY has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer the 6th day of March, 2003.

ROCKWOOD CASUALTY INSURANCE COMPANY

By Philip S. Kijl, Vice President

STATE OF PENNSYLVANIA
COUNTY OF SOMERSET SS:

On this 6th day of March A.D. 2003, before me, a Notary Public of the Commonwealth of Pennsylvania, in and for the County of Somerset, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the Borough of Rockwood, the day and year first above written.

Notarial Seal
Kelly J. Geary, Notary Public
Rockwood Boro, Somerset County
My Commission Expires Mar. 6, 2007
Member, Pennsylvania Association of Notaries

Kelly J. Geary (Notary Public)

I, the undersigned Officer of the ROCKWOOD CASUALTY INSURANCE COMPANY, a Pennsylvania Corporation of Rockwood, PA, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 10th day of November, 2005.

Kurt D. Tipton, Sr. Vice President

INCORPORATED
MAY 10 2007
Div. of Oil, Gas & Mining

RIDER CONTAINING
CERTIFIED TERRORISM LOSS DISCLOSURE OF
PREMIUM AND FEDERAL SHARE OF INSURED LOSSES

Certified Terrorism Loss
Premium \$ -0-

Coverage for "certified terrorism loss", to the extent that such coverage is provided by this policy or Coverage Part, will be partially reimbursed by the United States Government, Department of Treasury, under a formula established by the Terrorism Risk Insurance Act of 2002. Under this formula, the United States pays 90% of the amount of the covered "certified terrorism loss" that exceeds the statutorily established deductible that we retain.

SIGNED AND SEALED THIS 10TH day of November, 2005.

BY



John P. Yediny, President

SURETY ROCKWOOD CASUALTY INSURANCE COMPANY

INCORPORATED

MAY 18 2007

Div. Of Oil, Gas & Mining