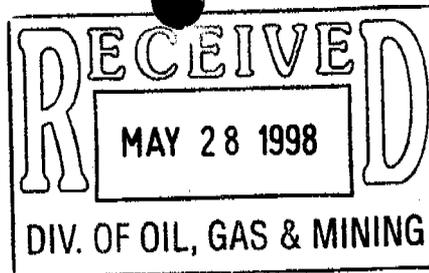


0026



Legal
555 Seventeenth Street
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Telephone 303 293 4246
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R. Kirk Mueller
Senior Attorney



May 28, 1998

VIA FEDERAL EXPRESS

Tam Grubaugh-Littig
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

ACT/007/016 #4
Copy ACT/007/017 #4
Copy ACT/015/004 #4

**RE: Replacement Bond No. 14-000-068-005-UT, Permit No. ACT-007/016;
Bond No. 14-000-68-006-UT, Permit No. ACT-007/017; Bond No. 14-
000-068-007-UT, Permit No. ACT-015/004**

Dear Ms. Grubaugh-Littig:

Enclosed herewith please find the executed replacement bonds identified above and executed on behalf of Mountain Coal Company, L.L.C. In addition, you will find enclosed three replacement Certificates of Liability Insurance for the following operations:

- Permit ACT-007/017, Mines 3 and 6
- Permit ACT-007/016, Gordon Creek Mines 2, 7 and 8
- Permit ACT-015/004, Huntington Mine No. 4

I understand that Virginia Forbes of Arch Coal Company, Inc. has been in contact with you and that you are expecting these documents. Should you have any questions or concerns, please do not hesitate to contact me or Ms. Forbes.

Thank you very much for your assistance in this matter.

Very truly yours,

R. Kirk Mueller
R. Kirk Mueller

Enclosures

cc: Virginia Forbes