

Mine file

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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 28, 1993

Elk River Resources, Inc.
c/o Sun Company, Inc.
1801 Market Street
Philadelphia, Pennsylvania 19103

Attention: John J. DiRocco, Jr.
Legal Department

Re: ACT/007/018 - Soldier Canyon Mine, ACT/007/034 - Banning Loudout

Dear Mr. DiRocco:

By letter dated September 14, 1993, The Division of Oil, Gas and Mining approved the amendment of the above-described permits to reflect the new owner of all of the stock of Sage Point Coal Company, the parent corporation of Soldier Creek Coal Company, the permittee under both permits, as Coastal States Energy Company, effective with the closing of the stock sale.

The Division has now received satisfactory evidence that the stock sale has closed effective 12:00 p.m. (midnight) on Wednesday, September 15, 1993.

The Division has also received sufficient substitute bonds provided by Coastal States Energy Company.

Accordingly, the liability under the following bonds provided by Sun Company, Inc. or its subsidiaries is hereby released and discharged:

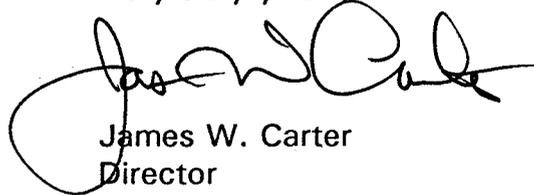


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Elk River Resources, Inc.
September 28, 1993

Bond No.: 8107-37-63
Amount: \$3,238,000
Surety: Federal Insurance Company
Permit: ACT/007/018
Site: Soldier Canyon Mine
Principal: Soldier Creek Coal Company

Bond No.: 8118-41-22
Amount: \$211,000
Surety: Federal Insurance Company
Permit: ACT/007/034
Site: Banning Loudout
Principal: Soldier Creek Coal Company

Very truly yours,



James W. Carter
Director

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