

Canyon Fuel Company, LLC
Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542



August 18, 2005

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

C/007/018

RE: Revisions to General Chapter One – Addition of Insurance Certificates to Appendix 1-2.
Soldier Canyon Mine, Canyon Fuel Company, LLC, C/007/018, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find four copies of the 2005 – 2006 insurance certificates to be incorporated into Appendix 1-2 of the General Chapter One. A copy of this amendment has been delivered to the Price Field Office.

Thank you for your assistance and if you have any questions please call me at (435) 636-2869.

Sincerely yours,

Vicky S. Miller

cc: Dave Spillman
Pete Hess

RECEIVED

AUG 18 2005

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Soldier Canyon Mine

Permit Number: C/007/018

Title: Revisions to General Chapter 1 to Add Insurance Certificates- Canyon Fuel Company, LLC

Description, Include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

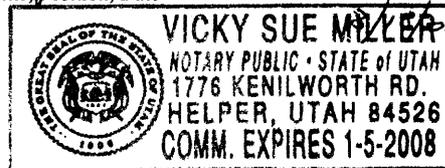
David Spillman
Print Name

David Spillman, Engineering Manager
Sign Name, Position, Date

Subscribed and sworn to before me this 18 day of August, 2005

Vicky Sue Miller
Notary Public

My commission Expires: _____, 2008
Attest: State of UTAH } ss:
County of CARBON



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="font-size: 1.5em; font-weight: bold;">RECEIVED</p> <p style="font-size: 1.2em; font-weight: bold;">AUG 18 2005</p> <p>DIV. OF OIL, GAS & MINING</p>
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MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER

PRODUCER

Marsh USA Inc.
800 Market Street, Suite 2600
St. Louis, MO 63101-2500
Attn: Renee L. Butler

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY

A ACE AMERICAN INSURANCE COMPANY

COMPANY

B

COMPANY

C

COMPANY

D

001950-state-GL8-05-06

Y

INSURED

Canyon Fuel Company, LLC
c/o Arch Western Bituminous Group, L.L.C.
225 N. 5th Street, Suite 900
Grand Junction, CO 81501

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY		07/31/05	07/31/06	GENERAL AGGREGATE	\$ * 500,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	*****\$500,000 general aggregate			PRODUCTS - COMP/OP AGG	\$ 500,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	****per location****			PERSONAL & ADV INJURY	\$ 300,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 300,000
	<input checked="" type="checkbox"/> Includes XCU				FIRE DAMAGE (Any one fire)	\$ 50,000
					MED EXP (Any one person)	\$ 5,000
					COMBINED SINGLE LIMIT	\$
	AUTOMOBILE LIABILITY				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				PROPERTY DAMAGE	\$
	<input type="checkbox"/> SCHEDULED AUTOS					
	<input type="checkbox"/> HIRED AUTOS					
	<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
					AGGREGATE	\$
	EXCESS LIABILITY				EACH OCCURRENCE	\$
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE	\$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTHER
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:	<input type="checkbox"/> INCL <input type="checkbox"/> EXCL			EL EACH ACCIDENT	\$
					EL DISEASE-POLICY LIMIT	\$
					EL DISEASE-EACH EMPLOYEE	\$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Permit Dug Out Canyon Mine C007039

INSURED HOLDER

Utah Dept. Of Natural Resources
Division of Oil, Gas and Mining
1594 W. North Temple
Suite 1210
Salt Lake City, UT 84114-5801

RANDUM NOTION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ~~ENDORSE~~ MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN.

MARSH USA INC.

BY: Alfred A. Peterfeso

Alfred A. Peterfeso

VALID AS OF: 08/01/05

MARSH

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COMPANIES AFFORDING COVERAGE

- COMPANY
A ACE AMERICAN INSURANCE COMPANY
- COMPANY
B
- COMPANY
C
- COMPANY
D

001950-state-GL8-05-06

Y

INSURED

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c/o Arch Western Bituminous Group, L.L.C.
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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	*****\$500,000 general aggregate ****per location****			GENERAL AGGREGATE \$ * 500,000	
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR		PRODUCTS - COMP/OP AGG \$ 500,000			
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT		PERSONAL & ADV INJURY \$ 300,000			
	<input checked="" type="checkbox"/> Includes XCU		EACH OCCURRENCE \$ 300,000			
			FIRE DAMAGE (Any one fire) \$ 50,000			
			MED EXP (Any one person) \$ 5,000			
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT \$
	<input type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS					PROPERTY DAMAGE \$
	<input type="checkbox"/> HIRED AUTOS					
<input type="checkbox"/> NON-OWNED AUTOS						
GARAGE LIABILITY						
<input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$		
				OTHER THAN AUTO ONLY:		
				EACH ACCIDENT \$		
				AGGREGATE \$		
EXCESS LIABILITY						
<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$		
<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$		
				\$		
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE:				WC STATUTORY LIMITS		
<input type="checkbox"/> INCL				OTHER		
<input type="checkbox"/> EXCL				EL EACH ACCIDENT \$		
				EL DISEASE-POLICY LIMIT \$		
				EL DISEASE-EACH EMPLOYEE \$		
OTHER						

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
Permit Banning Loadout C007034

Utah Dept. Of Natural Resources
Division of Oil, Gas and Mining
1594 W. North Temple
Suite 1210
Salt Lake City, UT 84114-5801

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL SEND BY MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN.

MARSH USA INC.

BY: Alfred A. Peterfeso

Alfred A. Peterfeso

VALID AS OF: 08/01/05

