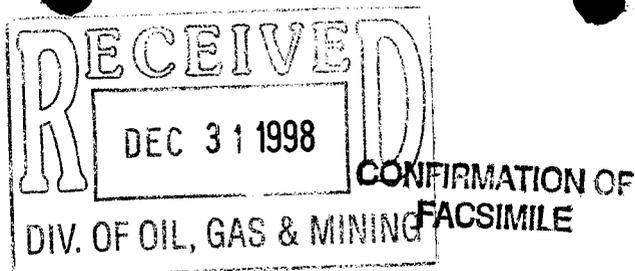


0001

Snell & Wilmer
L.L.P.
LAW OFFICES

111 East Broadway, Suite 900
Salt Lake City, Utah 84111
(801) 237-1900
Fax: (801) 237-1950



SALT LAKE CITY, UTAH
PHOENIX, ARIZONA
TUCSON, ARIZONA
IRVINE, CALIFORNIA

Denise A. Dragoo (801) 237-1998
Internet: ddragoo@swlaw.com

December 30, 1998

Via Facsimile & U.S. Mail

Richard W. Hatfield
Acordia of Kentucky - Lex
Lexington Green Two, Suite 410
220 Lexington Green Circle
Lexington, Kentucky 40503-3311

RE: Horizon Mining, LLC

ACT/007/020 # 2

Dear Richard:

Enclosed is the Certificate of Insurance dated November 19, 1998, for Horizon Mining, LLC. The Utah Division of Oil, Gas & Mining has requested that the cancellation clause for the certificate of insurance be amended to provide as follows:

Should any of the above-described policies be cancelled before the expiration date hereof, the issuing company will mail 45 days written notice to the certificate holder named to the left.

Also enclosed is the Division's mark-up of the cancellation clause for your information.

Please let me know if you need anything further.

Wishing you all the best in 1999.

Very truly yours,

A handwritten signature in black ink, appearing to read "Denise A. Dragoo".

Denise A. Dragoo

DAD:jmc:74002

cc: Pamela Grubaugh-Littig
Larry Jones