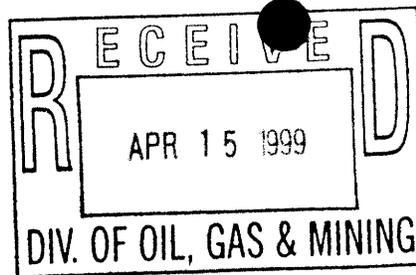


0084

Snell & Wilmer

LLP
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

April 14, 1999

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

RE: Horizon Mining, LLC - Mine Permit No. ACT/007/020

Handwritten initials consisting of a hash symbol followed by the number 4.

Dear Pam:

Enclosed are new certificates of liability insurance regarding Federal Insurance Company and National Union Fire Insurance Company of Pennsylvania issued for the new policy term to the Utah Division of Oil, Gas & Mining.

Please let me know if you need anything further regarding this matter.

Very truly yours,

A handwritten signature in black ink, appearing to be "D. Dragoo".

Denise A. Dragoo

DAD:jmc:
Enclosures
cc: Larry Jones
John Madison

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
4/01/99

PRODUCER
Acordia of Kentucky-Lex
Lexington Green Two, Suite 410
220 Lexington Green Circle
Lexington KY 40503-3311
(606) 273-6600

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
Horizon Mining, LLC
c/o Commonwealth Coal
5413 Patterson Drive, Ste. 200
Richmond, VA 23226

COMPANIES AFFORDING COVERAGE

COMPANY	A Federal Insurance Company
COMPANY	B Natl Union Fire Ins Co of PA
COMPANY	C
COMPANY	D

COVERAGES
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOT WITHSTANDING 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. 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	3710-46-32	4/01/99	4/01/00	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> Blasting				FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$ 10,000
	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 \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC720-56-32	4/01/99	4/01/00	WC STATUTORY LIMITS
	<input type="checkbox"/> INCL				OTHER
	<input checked="" type="checkbox"/> EXCL				EL EACH ACCIDENT \$ 1,000,000
					EL DISEASE-POLICY LIMIT \$ 1,000,000
	OTHER				EL DISEASE-EA EMPLOYEE \$ 1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
Permit #007/020, Horizon Mine #1, Certificate holder is listed as additional insured and lesser as their interest may appear. This policy includes coverage for Property Damage & Personal Injury resulting from use of explosives.

CERTIFICATE HOLDER
Utah Dept of Natural Resources
Div. of Oil, Gas & Mining
P.O. Box 195801
Salt Lake City, UT 84114-5801

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL (45) days written notice, except (10) days for non-payment of premium, to the certificate holder named to the left.
AUTHORIZED REPRESENTATIVE
Philip B. Gibson
Philip B. Gibson

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
4/01/99

PRODUCER
Acordia of Kentucky-Lex
Lexington Green Two, Suite 410
220 Lexington Green Circle
Lexington KY 40503-3311
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COMPANIES AFFORDING COVERAGE

- COMPANY
A Federal Insurance Company
- COMPANY
B Natl Union Fire Ins Co of PA
- COMPANY
C
- COMPANY
D

INSURED
Horizon Mining, LLC
c/o Commonwealth Coal
5413 Patterson Drive, Ste. 200
Richmond, VA 23226

COVERAGES

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A	GENERAL LIABILITY	3710-46-32	4/01/99	4/01/00	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> Blasting				FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$ 10,000
	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 \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC720-56-32	4/01/99	4/01/00	WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input checked="" type="checkbox"/> EXCL				EL EACH ACCIDENT \$ 1,000,000
					EL DISEASE-POLICY LIMIT \$ 1,000,000
					EL DISEASE-EA EMPLOYEE \$ 1,000,000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Workers Compensation operations in Utah

CERTIFICATE HOLDER

Utah Division of Oil, Gas and Mining
Suite 1210
Salt Lake City, UT 84114-5801

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AUTHORIZED REPRESENTATIVE

Philip B. Gibson
Philip B. Gibson

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