

0005

James T. Jensen
Executive Vice President &
General Counsel

COPY

SAVAGE

Savage Services Corporation
6340 South 3000 East #600
Salt Lake City, UT 84121
(801) 944-6600
Fax (801) 944-6554

March 26, 2004

Pamela Grubaugh-Littig
Permit Supervisor
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

**RE: Permit Renewal
Savage Coal Terminal
C/007/002
Carbon County, Utah**

*Incoming
C/007/00220
#1902*

As a designated agent of Savage Services Corporation, formerly known as Savage Industries Inc., and in accordance with R645-301-230, I am herein applying for renewal for a period of 5 years.

Enclosed are a notarized C-1 Form, and 3 copies of the liability insurance, reclamation bond, a proposed public notice and a summary of enforcement actions over the last 5 years.

The public notice will be published once per week for 4 consecutive weeks, as required. Proof of publication will be submitted to the Division upon receipt.

If you have any questions, or need any further information, please let me know.

Sincerely,

James T. Jensen
James T. Jensen

cc: Boyd Rhodes
Dan Guy

RECEIVED
MAR 29 2004
DIV. OF OIL, GAS & MINING

File in:
 Confidential
 Shelf
 Expandable
Refer to Record No. *0005* Date *03262004*
In C/ *0070022004 Incoming*
For additional information

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input checked="" type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: C/007/022
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Title of Proposal: PERMIT RENEWAL.	Mine: Savage Coal Terminal
Permittee: Savage Services Corporation	

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

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? 13.3 acres <input checked="" type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO #
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV #
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: RENEWAL.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P27)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

X Attach 3 complete copies of the application.

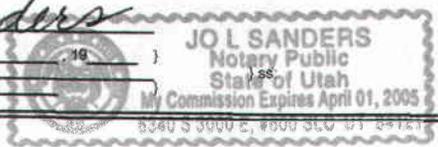
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations herein.

James T. Steiner, Esq. VP, 3/26/04
 Signed - Name - Position - Date

Subscribed and sworn to before me this 26 day of MAR, 2004

J. Sanders
 Notary Public

My Commission Expires: _____
 Attest: STATE OF _____ COUNTY OF _____



Received by Oil, Gas & Mining
RECEIVED
MAR 29 2004
 DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

LIABILITY INSURANCE

NYK-11-03 FRI 07:04 AM SAVAGE SLC

FAX NO. 801 944 8500

P. 02/02

MADSH

CERTIFICATE OF INSURANCE

North USA Risk & Insurance Services Inc.
 12700 W. CENTRAL EXPRESSWAY SUITE 1500
 DENVER, CO 80233
 Attn: Chris Brimhall 801-539-7413

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

COMPANIES DESCRIBED HEREIN ARE:

- COMPANY A DISCOVER PROPERTY & CASUALTY CO.
- COMPANY B DISCOVER SPECIALTY INSURANCE COMPANY
- COMPANY C FIDELITY & GUARANTY INS. CO.
- COMPANY D UNITED STATES FIDELITY AND GUARANTY COMPANY

ATTN: DEAN REEB
 2540 SOUTH 3000 EAST SUITE 200
 SALT LAKE CITY, UT 84109

IT IS TO BE NOTED THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICIES DESCRIBED HEREIN. THIS 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.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> OWNER'S & CONTRACTOR'S PILOT				PRODUCTS - COM/OP AGG \$ 5,000,000
				EACH OCCURRENCE \$ 5,000,000
				FIRE DAMAGE (Per occurrence) \$ 5,000,000
<input checked="" type="checkbox"/> AUTOS LIABILITY <input checked="" type="checkbox"/> ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	D003A0074	04/01/03	04/01/04	MED EXP (Per occurrence) \$
				COMBINED SINGLE LIMIT \$ 4,000,000
<input checked="" type="checkbox"/> STORAGE LIABILITY <input type="checkbox"/> PROPRIETOR'S LIABILITY	D003W00138	04/01/03	04/01/04	BODILY INJURY (Per occurrence) \$
				BODILY INJURY (Per accident) \$
				PROPERTY DAMAGE \$
<input type="checkbox"/> OTHER THAN AUTO ONLY				OTHER THAN AUTO ONLY \$
				AGGREGATE \$
<input type="checkbox"/> PROPRIETOR'S LIABILITY	D003W00138	04/01/03	04/01/04	ELEACH ACCIDENT \$ 1,000,000
				ELE DISEASE - POLICY LIMIT \$ 1,000,000

COAL SERVICE IN THE POLICY FORM RE: SAVAGE COAL TERMINAL PROCESS AND LOADOUT FACILITY ACT/007/R22.

CANCELLATION

THE INSURER AFFORDING COVERAGE WILL BE REQUIRED TO MAIL 30 DAYS WRITTEN NOTICE TO THE ASSURED AND TO THE STATE OF UTAH BEFORE CANCELLATION OF THIS POLICY.

BY STATE HOLDER
 STATE OF UTAH

BY: Chris Brimhall *Chris Brimhall*

RECLAMATION BOND

*orig. fireproof file
CC: 10070022*

SAVAGE

Savage Services Corporation

6340 South 3000 East #600

Salt Lake City, UT 84121

(801) 944-6600

Fax (801) 944-6500

L. Dean Rees
*Sr. V.P. - Finance &
Administrative Services*

February 26, 2004

Pamela Grubaugh-Littig
State of Utah
Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

*Fireproof
1/007/0022*

Dear Ms. Grubaugh-Littig:

Enclosed is a reclamation bond as required by the State of Utah in the amount of \$2,525,000 which covers the property at our coal handling terminal in Carbon County. This bond replaces the bond currently on file. Please return the previous bond so it may be appropriately cancelled by the Surety.

Thank you for your attention to this matter. If you have any questions you may call me at the above listed number.

Sincerely,



L. Dean Rees

RECEIVED

FEB 27 2004

DIV. OF OIL, GAS & MINING

EXHIBIT "B"

**Bonding Agreement
Surety Forms**

(Non-Federal Coal)

THIS BOND REPLACES NATIONAL FIRE INSURANCE COMPANY OF HARTFORD BOND NO. 1

Exhibit "B" Non-Federal Surety Bond Non-Federal

Bond Number: [redacted]

EXHIBIT "B" SURETY BOND (NON-FEDERAL COAL) --ooOOoo--

This SURETY BOND entered into by and between the undersigned PERMITTEE/PRINCIPAL SAVAGE SERVICES CORPORATION, and SURETY LIBERTY MUTUAL INSURANCE COMPANY, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas & Mining (DIVISION) in the penal sum of TWO MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,525,000.00) (\$ (Surety Bond Amount) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of the Reclamation Agreement.

This SURETY BOND will remain in effect until all of the PERMITTEE'S/PRINCIPAL'S reclamation obligation have been met and released by the DIVISION and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, the approved permit, and the DIVISION.

The SURETY will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability.

The SURETY and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the DIVISION from all expenses which the DIVISION may sustain as a result of the PERMITTEE'S/PRINCIPAL'S failure to comply with the condition(s) of the reclamation obligation.

The SURETY will give prompt notice to the PERMITTEE/PRINCIPAL and to the DIVISION of any notice received or action alleging the insolvency or bankruptcy of the SURETY, or alleging any violations or regulatory requirement which could result in suspension or revocation of the SURETY'S license.

Terms for release or adjustment of the BOND are as written and agreed to by the DIVISION and the PERMITTEE/PRINCIPAL in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

IN WITNESS WHEREOF, the PERMITTEE/PRINCIPAL has hereunto set it's signature and seal this 9TH day of DECEMBER, 2003.

SAVAGE SERVICES CORPORATION PERMITTEE/PRINCIPAL

[Signature] By:

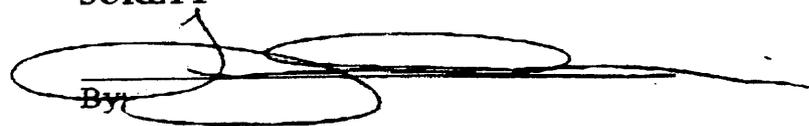
S.V.P. Title:

Exhibit "B"
Non-Federal Surety Bond
Non-Federal

Bond Number: 1 _____

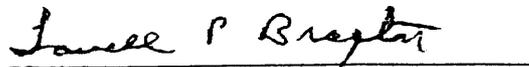
IN WITNESS WHEREOF, the SURETY has hereto set it's signature and seal
this 9TH day of DECEMBER, 2003.

LIBERTY MUTUAL INSURANCE
COMPANY
SURETY

By: 

TINA DAVIS, ATTORNEY-IN-FACT
Title:

ACCEPTED BY THE STATE OF UTAH:


Director,
Division of Oil, Gas & Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the PERMITTEE/PRINCIPAL is a corporation, the Agreement shall be executed by it's duly authorized officer.

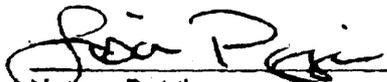
**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

-00000-

I, L. DEAN REES being first duly sworn under oath, deposes and says that he/she is the SR. VICE PRESIDENT of SAVAGE SERVICES CORPORATION, the **PERMITTEE**; and that he is duly authorized to execute and deliver the foregoing obligations; and that said **PERMITTEE** is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.



Subscribed and sworn to before me this 9TH day of DECEMBER, 2003



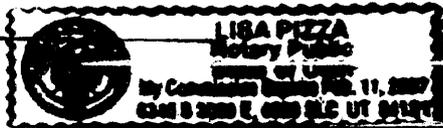
Notary Public

My Commission Expires:

Attest:

STATE OF UTAH)

COUNTY OF SALT LAKE)ss:



**AFFIDAVIT OF QUALIFICATION
SURETY COMPANY**

-oo00o-

I, TINA DAVIS, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) ATTORNEY-IN-FACT of LIBERTY MUTUAL INSURANCE COMPANY; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said SURETY COMPANY is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations herein.


~~Notary Company Officer~~
ATTORNEY-IN-FACT

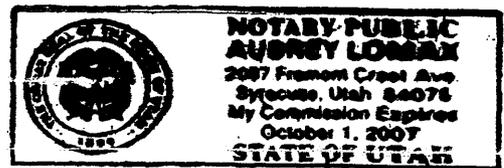
(Position)

Subscribed and sworn to before me this 9TH day of DECEMBER, ~~200~~ 2003


Notary Public

My Commission Expires: 10/1/07

Attest:
STATE OF UTAH)
COUNTY OF SALT LAKE)ss:



**NOTICE FROM SURETY REQUIRED BY
TERRORISM RISK INSURANCE ACT OF 2002**

In accordance with the Terrorism Risk Insurance Act of 2002 (referred to hereinafter as the "Act"), this disclosure notice is provided for surety bonds on which one or more of the following companies is the issuing surety: Liberty Mutual Insurance Company; Liberty Mutual Fire Insurance Company; LM Insurance Corporation; The First Liberty Insurance Corporation; Liberty Insurance Corporation; Employers Insurance Company of Wausau (formerly "EMPLOYERS INSURANCE OF WAUSAU A Mutual Company"); Peerless Insurance Company; and any other company that is a part of or added to the Liberty Mutual Group for which surety business is underwritten by Liberty Bond Services (referred to collectively hereinafter as the "Issuing Sureties").

NOTICE FORMS PART OF BOND

This notice forms part of surety bonds issued by any one or more of the Issuing Sureties.

DISCLOSURE OF PREMIUM

The premium attributable to any bond coverage for "acts of terrorism" as defined in Section 102(1) of the Act is Zero Dollars (\$0.00).

**DISCLOSURE OF FEDERAL PARTICIPATION
IN PAYMENT OF TERRORISM LOSSES**

The United States will reimburse the Issuing Sureties for ninety percent (90%) of any covered losses from terrorist acts certified under the Act exceeding the applicable surety deductible.

Fireproof File

CC: C0070022

Attachment to Pam



220 South 500 East Suite 400 Salt Lake City UT 84112

Thomas W. Kershaw

Underwriting Manager
Salt Lake City Branch

Telephone 801-321-4967
800-262-7873

Facsimile 801-364-7532

Internet tkershaw@cnasurety.com

March 2, 2004

Pamela Grubaugh-Littig, Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West Temple, Suite 1210
Salt Lake City, UT 84114-5801

Savage Industries, Inc.
Bond #158987108-Reclamation Bond

Dear Ms. Grubaugh-Littig,

It is our understanding that Liberty Mutual Insurance Company Bond Number _____ issued effective December 9, 2003 in the amount of \$2,525,000 for Savage Services Corporation, has replaced the captioned bond.

In as much as Liberty Mutual Insurance Company's bond now provides the surety guarantee for Savage's reclamation obligations under their Reclamation Agreement, we respectfully request that National Fire Insurance Company of Hartford be released effective December 9, 2003 from Bond # _____ either by the return of the original bond issued December 9, 1997, an unqualified written release of our liability issued on Division letterhead or acknowledging, accepting and returning the enclosed Request For Release.

Thank you for you cooperation in this matter and please advise if you will need additional information.

Regards,

Thomas W. Kershaw

Enc.

RECEIVED

MAR 08 2004

DIV. OF OIL, GAS & MINING

CNA SURETY

230 South 500 East, Suite 480, Salt Lake City, UT 84102 (801) 321-4971

MARCH 3, 2004

REQUEST FOR RELEASE

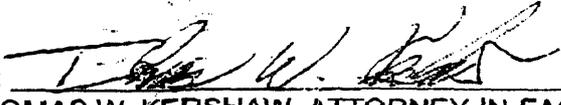
OBLIGEE:

STATE OF UTAH – DEPT. OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING
1594 WEST NORTH TEMPLE, SUITE 1210
SALT LAKE CITY, UT 84114-5801

Notice is hereby given of a Request for Release of this Company's Suretyship on behalf of SAVAGE INDUSTRIES, INC. (principal) located in MURRAY, UT for TWO MILLION FIVE HUNDRED TWENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$2,525,000.00) under Bond No. _____ originally issued on or about NOVEMBER 9, 1997.

Please accept notice of this Request for Release to be effective on December 9, 2003. This Reclamation is now held under Liberty Mutual Insurance Company bond effective December 9, 2003, in the name of Savage Services Corporation. Please sign below and return a copy of this notice in the envelope provided.

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD

By: 
THOMAS W. KERSHAW, ATTORNEY-IN-FACT

Type of Bond: **RECLAMATION BOND**

CC: AGENT
PRINCIPAL

OBLIGEE: The Oblgee hereby gives a complete and unqualified release of liability by acknowledging the receipt and acceptance of this Request for Release of liability.

Obligee
Accepted: _____ Date: _____

A copy of the Obligee's signed acceptance must be returned to the Surety.

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That Continental Casualty Company, an Illinois corporation, National Fire Insurance Company of Hartford, a Connecticut corporation, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania corporation (herein called "the CNA Companies"), are duly organized and existing corporations having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signatures and seals herein affixed hereby make, constitute and appoint

Jon S. Way, Thomas W. Kershaw, Ronald M. Mitchell, Individually

of their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their corporations and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the corporations.

In Witness Whereof, the CNA Companies have caused these presents to be signed by their Vice President and their corporate seals to be hereto affixed on this 28th day of July, 2003.



Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

Michael Gengler
Michael Gengler Senior Vice President

State of Illinois, County of Cook, ss:

On this 28th day of July, 2003, before me personally came Michael Gengler to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Chicago, State of Illinois; that he is a Senior Vice President of Continental Casualty Company, an Illinois corporation, National Fire Insurance Company of Hartford, a Connecticut corporation, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania corporation described in and which executed the above instrument; that he knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



My Commission Expires September 17, 2006

Eliza Price
Eliza Price Notary Public

CERTIFICATE

I, Mary A. Ribikawskis, Assistant Secretary of Continental Casualty Company, an Illinois corporation, National Fire Insurance Company of Hartford, a Connecticut corporation, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania corporation do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the corporations printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporations this

3rd day of March, 2004.



Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

Mary A. Ribikawskis
Mary A. Ribikawskis Assistant Secretary

1403395

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint JACE PEARSON, TINA DAVIS, DORIS MARTIN, KAREN HONE, VICKI SORENSEN, ALL OF THE CITY OF SALT LAKE CITY, STATE OF UTAH

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding SEVENTY-FIVE MILLION AND 00/100 DOLLARS (\$ 75,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 27th day of October 2003

LIBERTY MUTUAL INSURANCE COMPANY



By Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 27th day of October, 2003, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2005
Member, Pennsylvania Association of Notaries

By Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 9th day of DECEMBER 2003



By David M. Carey, Assistant Secretary

Not valid for mortgages, loans, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 801-359-3940 on any business day.

PUBLIC NOTICE

**PUBLIC NOTICE FOR PERMIT RENEWAL
SAVAGE COAL TERMINAL
SAVAGE SERVICES CORPORATION
6340 SO. 3000 E. #600
SALT LAKE CITY, UTAH 84121**

Savage Services Corporation has filed with the Utah Division of Oil, Gas & Mining, an application for renewal of its Mining and Reclamation Plan Permit for the Savage Coal Terminal.

The permit for which renewal is being sought is Utah #C/007/022. This is a Mining and Reclamation Permit for the Savage Coal Terminal, which is located in the Miller Creek area of Carbon County, Utah in Sections 2 and 11, Township 15 South, Range 10 East, Salt Lake Base & Meridian.

The permit area is further described as follows:

Township 15 South, Range 10 East, Salt Lake Base & Meridian

Sec. 11: W $\frac{1}{2}$ SW $\frac{1}{4}$ except 0.24 ac. in NW corner, E $\frac{1}{2}$ SW $\frac{1}{4}$ except East 100' and 5.42 ac. in SW corner.

Also included in the permit area is a 20' Right-of-Way for a pipeline across the SE $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11 (1.21 acres), and across the SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2 (3.97 acres). This area is located on the "Price Quadrangle", U.S. Geological Survey 7.5 minute map.

The permit is available for inspection at the Utah Division of Oil, Gas & Mining office in Price, College of Eastern Utah, 451 E. 400 N., Price, Utah, and the Utah Division of Oil, Gas & Mining office, 1594 West North Temple, Suite 1210, Salt Lake City, Utah.

The application for renewal is available for inspection at the Utah Division of Oil, Gas and Mining Office in Price, College of Eastern Utah, 451 E. 400 N., Price, Utah, and the Utah Division of Oil, Gas & Mining office, 1594 West North Temple, Suite 1210, Salt Lake City, Utah.

Written comments, objections or requests for informal conferences on the application may be submitted to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801.

COMPLIANCE HISTORY
(1999 - 2004)

**SAVAGE COAL TERMINAL
COMPLIANCE HISTORY**

There have been no Notices of Violation issued at the Savage Coal Terminal since 1997.