



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
0070038
4094
R

August 31, 2012

Dennis Ware, Controller
Plateau Mining Corporation
P.O. Box 30
Helper, Utah 84526-0030

Subject: Approval of Phase II Bond Release, Willow Creek Mine, Plateau Mining Corporation, C/007/0038, Task ID #4094

Dear Mr. Ware:

The Application for Phase II Bond Release for 95.40 acres is hereby approved. A bond release inspection was conducted on June 18, 2012. A Phase II Bond Release decision document was prepared by the Division of Oil, Gas & Mining and distributed on July 16, 2012.

The OSM, Denver Field Division, submitted a letter dated July 31, 2012 which agreed with the Division's findings and decision document and concurred with the bond release action. The BLM concurred in a letter received by the Division on June 29, 2012.

The Division conditionally approved the application for bond release on August 1, 2012 upon receipt of clean copies prepared for incorporation. We received the requested copies on August 23, 2012. Enclosed is a stamped incorporated copy for insertion into your Mining and Reclamation Plan.

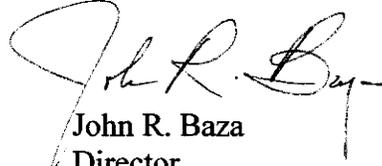
Approval of the Phase II Bond Release includes authorization to reduce the bond amount for the Willow Creek Mine. The current amount of surety posted is \$1,424,514. The updated surety amount that the Permittee must post in order to maintain adequate bond coverage is \$489,166. Therefore, the amount the surety can be reduced is \$935,348. This reduction will leave \$489,166 remaining for surety coverage for the disturbed areas. Please complete the enclosed Exhibit "D" to document this change in surety amount and return to the Division along with the surety rider.



Page 2
Dennis Ware
August 31, 2012

If you have any questions, please feel free to call Suzanne Steab at (801)538-5265 or Daron Haddock, Coal Program Manager at (801)538-5325.

Sincerely,



John R. Baza
Director

JRB/sqs
Enclosures
cc: Kenneth Walker, OSM
Jeff McKenzie, BLM
Fidelity & Deposit Company
Price Field Office
O:\007038.WIL\WG4094\FINAL APPROVAL.docx

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

7002 3410 0001 4203 2161

Postage \$

Certified Fee

(End) Fidelity & Deposit Company
(Res) of Maryland
(End) 3910 Keswick Road
Tot: Baltimore, MD 21211-2226

Sent

Street, Apt. No.,
or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
(Federal)**

Mine Name: Willow Creek
Permit Number: C/007/0038
Effective Date: _____
Bond Number: _____

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

Approval of Phase II Bond Release of 95.40 acres decreases the bond amount from \$1,424,514 to \$489,166 reducing the surety posted by \$935,348. This reduction will leave \$489,166 remaining for surety coverage for the disturbed areas.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

- Replace the Reclamation Agreement in its entirety.
- Replace Exhibit "A"- bonded area.
- Rider added to existing Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ \$1,424,514 to \$ \$489,166

The bonding type is changed from _____ to _____.

The surface disturbance is revised from _____ acre to _____ acres.

The expiration date is revised from _____ to _____.

The liability insurance carrier is changed from _____ to _____.

The amount of insurance coverage for bodily injury and property damage is changed from
from \$ _____ to \$ _____.

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHEREOF, _____ the PERMITTEE has hereunto set
its signature and seal this _____ day of _____, 20__.

PERMITTEE

By: _____

Title: _____

ACCEPTED BY THE STATE OF UTAH this ___ day of _____, 20__.

Director,
Division of Oil, Gas and 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 or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

