

0061

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



May 19, 2005

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

Heering
C/007/0039

RE: Submittal of Public Notices for Incorporation into Appendix 1-2 of M&RP, Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find one copy of the public notices and insurance certificates contained in Appendix 1-2 of the M&RP. The information provided was requested by Priscilla Burton and yourself to replace information which has been misplaced in the Salt Lake copy of the M&RP.

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

Sincerely yours,

Vicky S. Miller

Vicky S. Miller

cc: Dave Spillman

RECEIVED

MAY 20 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: Dugout Canyon Mine

Permit Number: C/007/039

Title: Submittal of Public Notices for Incorporation into Appendix 1-2 of M&RP

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

Information previously approved

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.

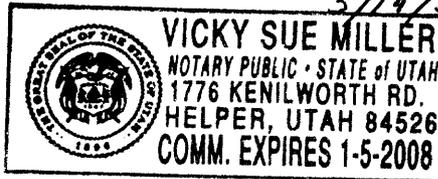
David Spillman
Print Name

David Spillman, Engineering Manager
Sign Name, Position, Date

Subscribed and sworn to before me this 19 day of MAY, 2005

Vicky Sue Miller
Notary Public

My commission Expires: 1-5, 2008
Attest: State of UTAH } ss:
County of CARBON



| | | |
|---|--|---|
| For Office Use Only: | Assigned Tracking Number: | Received by Oil, Gas & Mining <div style="text-align: center; font-size: 1.2em; font-weight: bold;">RECEIVED</div> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">MAY 20 2005</div> <div style="text-align: center;">DIV. OF OIL, GAS & MINING</div> |
|---|--|---|

Canyon Fuel Company, LLC
SCM/Dugout Canyon Mine

Mining and Reclamation Plan
September 1998

APPENDIX 1-2

Insurance and Proof of Publication

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 30th day of October, 1997 and that the last publication of such notice was in the issue of such newspaper dated the 20th day of November, 1997.

Kevin Ashby

Kevin Ashby - Publisher

Subscribed and sworn to before me this 20th day of November, 1997.

Linda Thayer

Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$349.20

**PUBLIC NOTICE
APPLICATION FOR MINING PERMIT
DUGOUT CANYON MINE**

Canyon Fuel Company, LLC hereby announces its Soldier Canyon Mine's intent to develop a Dugout Canyon Mine. A mining permit application has been submitted to the State of Utah Department of Natural Resources, Division of Oil, Gas and Mining. The Dugout Canyon Mine will be located in Dugout Canyon approximately 13 miles north east of Wellington, Utah. The Dugout Canyon Mine will be accessed from the Dugout county road that connects to the Nine Mile Road approximately 4 miles north of Wellington, Utah.

Legal Description

Lease ML 42648-(3640 acres)- Approved

T. 13 S., R. 12E., SLBM, Utah

Section 8: E 1/2

Section 10: S 1/2

Section 11: S 1/2

Section 14 and 15: All

Section 17: NE 1/4; E 1/2 SW 1/4; SE 1/4

Section 20: E 1/2 NW 1/4; SW 1/4 NW 1/4; N 1/2 NE 1/4

Section 21: N 1/2 NW 1/4; NE 1/4

Section 22: N 1/2; N 1/2 S 1/2

Section 23: W 1/2 NW 1/4

Lease ML 42649-(2212)- Approved

T. 13 s., R 12 E., SLBM, Utah

Section 3: Lots 1, 2, 3, 4, S 1/2 (all)

Section 4: Lots 1, 2, 3, 4, S 1/2 (all)

Section 5: Lots 1,2, SE 1/4

Section 9: All

Section 10: N 1/2

Section 11: N 1/2

Fee land owned by Canyon Fuel Company, (800) acres as described below:

T. 13S., R 12E, SLBM, Utah

Section 16: All

Section 23: E 1/2 NW 1/4; W 1/2 NE 1/4

The name and business address of the applicant is:

Canyon Fuel Company, LLC-Soldier Canyon Mine

6955 South Union Park Center, Suite 540

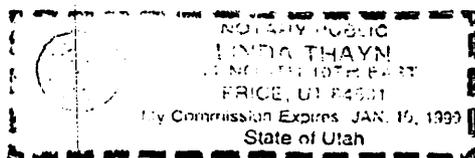
Midvale, Utah 84047

Phone (801) 569-4700

After filing, copies of the permit application will be available for inspection at the following locations: Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah, and Carbon County Recorders Office, Carbon County Courthouse, Price, Utah.

Written comments, objections or requests regarding this mining permit application must be made within 30 days of the last publication of this notice, and may be addressed to the Utah Division of Oil, Gas and Mining, Box 145801, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate October 30, November 6, 13 and 20, 1997.



AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and that the first publication was on the 19th day of November, 1996 and that the last publication of such notice was in the issue of such newspaper dated the 19th day of November, 1996.

Kevin Ashby

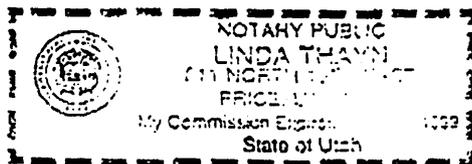
Kevin Ashby - Publisher

Subscribed and sworn to before me this 19th day of November, 1996.

Linda Thayer

Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$85.65



PUBLIC NOTICE

**Application for Permit Transfer
Canyon Fuel Company, LLC
Soldier Canyon Mine**

Notice is hereby given that Canyon Fuel Company, LLC, 555 Seventeenth Street, Denver, Colorado 80202, on or about November 19, 1996, submitted an Application for Permit Transfer for Permit No: ACT/007/018, covering operations for the Soldier Canyon Mine, to the State of Utah, Department of Natural Resources, Division of Oil, Gas, and Mining. The current permittee, Soldier Creek Coal Company, P.O. Box 1, Price, Utah 84501 will be merged into Canyon Fuel Company, LLC on or about December 20, 1996, in conjunction with the anticipated merger and change in the name of the owner of the mining operations, the Canyon Fuel Company, LLC filed the Application for Permit Transfer for the Soldier Canyon Mine permit in advance of closing to obtain approval for the transfer from the Division of Oil, Gas, and Mining.

Approval by the Division of Oil, Gas, and Mining will allow coal mining operations to continue in the permit area. The lands involving mining activities are located in Carbon County. The mine portals are located 12 miles northeast of Wellington, Utah in Soldier Canyon. The approximately 4,909.65 acre leasehold associate with the five-year plan involves all or part of the following coal lands:

LEGAL DESCRIPTION

The coal leases to be mined include State Lessees ML-42648 and ML-42649 described as follows:
Lease ML-42648

Township 13 S., Range 12 E., Salt Lake Base and Meridian

- Section 6: E 1/2
 - Section 10: S 1/2
 - Section 11: S 1/2
 - Section 14: All
 - Section 15: All
 - Section 17: NE 1/4; E 1/2 SW 1/4; SE 1/4
 - Section 20: E 1/2 NW 1/4; SW 1/4 NW 1/4; N 1/2 NE 1/4
 - Section 21: N 1/2; NW 1/4; NE 1/4
 - Section 22: N 1/2; N 1/2 S 1/2
 - Section 23: W 1/2 NW 1/4
- Containing 3640 acres

Lease ML-42649

Township 13 S., Range 12 E., Salt Lake Base and Meridian

- Section 3: Lots 1, 2, 3, 4; S 1/2
 - Section 4: Lots 1, 2, 3, 4; S 1/2
 - Section 5: Lots 1, 2; SE 1/4
 - Section 9: All
 - Section 10: N 1/2
 - Section 11: N 1/2
- Containing 2212 acres

All of Lease ML-42648 and the S 1/2 SE 1/4 of Section 9 of Lease ML-42649 will be permitted.

Copies of the complete application for transfer are available for public inspection at the Carbon County Clerk's Office, Carbon County Court House, 120 Main Street, Price, Utah 84501 and at the Utah Division of Oil, Gas, and Mining offices at 1594 West North Temple, Suite 1210, Salt Lake City, Utah 82114-5801.

Written comments, objections, and requests for informal conferences regarding the Application for Permit Transfer must be submitted, within 30 days of the date of the publication of this notice, to the Utah Division of Oil, Gas, and Mining, 1594 West North Temple, Suite 1210, Box 155801, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate November 19, 1996.

AFFIDAVIT OF PUBLICATION

PUBLIC NOTICE

STATE OF UTAH)

ss.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 8 (Eight) consecutive issues, and that the first publication was on the 4th day of June, 1998 and that the last publication of such notice was in the issue of such newspaper dated the 30th day of June, 1998.

Kevin Ashby

Kevin Ashby - Publisher

Subscribed and sworn to before me this 30th day of June, 1998.

Linda Mayr

Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$1104.00



My Commission Expires JAN 10, 1999
State of Utah

Canyon Fuel Company, LLC has filed a significant revision to the Dugout Canyon Mine approved Mining Reclamation Plan No. ACT / 007 / 039 with the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining. The revision includes expanding the currently approved disturbed area of the Dugout Canyon Mine from 10.4 acres to 22.1 acres. This acreage includes two acres for the storage of topsoil recovered during initial construction activities. The Dugout Canyon Mine will be located in Dugout Canyon approximately 13 miles northeast of Wellington, Utah. The Dugout Canyon Mine will be accessed from a county road that connects to the Nine Mile Road approximately 4 miles north of Wellington, Utah.

A portion of the mine facility and topsoil storage area would be located within 100 feet of the Carbon County public road. There are no plans to relocate or close the public road. The mine facilities will not interfere with public use of the county road.

At the conclusion of all mining activities, all surface facilities will be removed and the area regraded to approximate original contour. The disturbed area will be revegetated to promote successful growth as per the approved reclamation plan. The postmining use of the land will return to its current use as wildlife habitat, livestock grazing and recreational activities.

Legal Description

Lease ML 42648-(3640 acres)- Approved

T 13 S. R 12 E., SLBM, Utah
Section 3: Lots 1,2,3,4, S 1/2 (all)
Section 4: Lots 1,2,3,4, S 1/2 (all)
Section 5: Lots 1,2, SE 1/4
Section 9: All
Section 10: N 1/2
Section 11: N 1/2

Free land owned by Canyon Fuel Company, (800 acres) as described below:

T. 13S., R 12E., SLBM, Utah
Section 16: All
Section 23: E 1/2 NW1/4; W 1/2 NE 1/4

Bureau of Land Management, Right-of-Way (10 acres), approval pending:

T. 13S, R12E, SLBM, Utah
Section 23: NE1/4 NW1/4 NW1/4 SW1/4; N1/2 NE1/4 NW1/4 SW1/4;
SE1/4 NW1/4 NW1/4 SW1/4

Topsoil Storage Area - (2 acres)

T. 14S, R12E, SLBM, Utah
Section 8: W1/2 NW1/4 NE1/4

The name and business address of the applicant is:

Canyon Fuel Company, LLC-Soldier Canyon Mine
6955 South Union Park Center, Suite 540
Midvale, Utah 84047
Phone: (801) 569-4700

After filing, copies of the permit application will be available for inspection at the following locations: Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah, and Carbon County Records Office, Carbon County Courthouse, Price, Utah.

Written comments, objections or requests regarding this mining permit application must be made within 30 days of the last publication of this notice, and may be addressed to the Utah Division of Oil, Gas and Mining, Box 145801, Salt Lake City, Utah 84114-5801.

Published in Sun Advocate June 4, 9, 11, 16, 18, 23, 25 and 30, 1998.

IN ACCORDANCE WITH THE ABOVE TERMS AND CONDITIONS, and the Utah Code Annotated 40-10-1 et. seq., the Insurance Company hereby attests to the fact that coverage for said Permit Application is in accordance with the requirements of the State of Utah and agrees to notify the Division of Oil, Gas and Mining in writing of any substantive change, including cancellation, failure to renew, or other material change. No change shall be effective until at least (30) days after such notice is received by the Division. Any change unauthorized by the Division is considered a breach of the RECLAMATION AGREEMENT and the Division may pursue remedies thereunder.

UNDERWRITING AGENT:

(Agents Name)

J&h Marsh & McLennan
(Company Name)

(213) 346-5129
(Phone)

777 South Figueroa St.
(Mailing Address)

Los Angeles, CA 90017
(City, State, Zip Code)

The undersigned affirms that the above information is true and complete to the best of his/her knowledge and belief, and that he/she is an authorized representative of the above-named insurance company. (An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer).

Refer to attached Certificate of Insurance on ACORD format dated March 18, 1998.

(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn to before me by

this _____ day of _____, 1998.

(Signature)

My Commission Expires: _____
(Date)

AGORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)
03/18/98

J. MARSH & MCLENNAN
777 S FIGUEROA ST
LOS ANGELES, CA 90017

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.

COMPANIES AFFORDING COVERAGE

0659A-GL1M

COMPANY
A INDEMNITY INSURANCE COMPANY OF NORTH AMERICA

INSURED

ATLANTIC RICHFIELD COMPANY, ITS
SUBSIDIARIES AND SUBSIDIARIES
THEREOF AS NOW OR HEREINAFTER
CONSTITUTED
515 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071

COMPANY
B

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, NOTWITHSTANDING 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 | | 01-01-98 | 01-01-99 | BODILY INJURY OCC | \$ N/A | | |
| | <input checked="" type="checkbox"/> COMPREHENSIVE FORM | | | | BODILY INJURY AGG | \$ N/A | | |
| | <input checked="" type="checkbox"/> PREMISES/OPERATIONS UNDERGROUND EXPLOSION & COLLAPSE HAZARD | | | | PROPERTY DAMAGE OCC | \$ N/A | | |
| | <input checked="" type="checkbox"/> PRODUCTS/COMPLETED OPER | | | | PROPERTY DAMAGE AGG | \$ N/A | | |
| | <input checked="" type="checkbox"/> CONTRACTUAL | | | | BI & PD COMBINED OCC | \$ 1,000,000 | | |
| | <input checked="" type="checkbox"/> INDEPENDENT CONTRACTORS | | | | BI & PD COMBINED AGG | \$ *1,000,000 | | |
| | <input checked="" type="checkbox"/> BROAD FORM PROPERTY DAMAGE | | | | PERSONAL INJURY AGG | \$ N/A | | |
| | <input checked="" type="checkbox"/> PERSONAL INJURY | | | | | | | |
| | AUTOMOBILE LIABILITY | | | | | | BODILY INJURY (Per person) | \$ |
| | <input type="checkbox"/> ANY AUTO | | | | | | BODILY INJURY (Per accident) | \$ |
| <input type="checkbox"/> ALL OWNED AUTOS (Private Pass) | | | | PROPERTY DAMAGE | \$ | | | |
| <input type="checkbox"/> ALL OWNED AUTOS (Other than Private Passenger) | | | | BODILY INJURY & PROPERTY DAMAGE COMBINED | \$ | | | |
| <input type="checkbox"/> HIRED AUTOS | | | | | | | | |
| <input type="checkbox"/> NON-OWNED AUTOS | | | | | | | | |
| <input type="checkbox"/> GARAGE LIABILITY | | | | | | | | |
| EXCESS LIABILITY | | | | | EACH OCCURRENCE | \$ | | |
| <input type="checkbox"/> UMBRELLA FORM | | | | | AGGREGATE | \$ | | |
| <input type="checkbox"/> OTHER THAN UMBRELLA FORM | | | | | | \$ | | |
| WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | | | STATUTORY LIMITS | | | |
| <input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: | <input type="checkbox"/> INCL <input type="checkbox"/> EXCL | | | | EACH ACCIDENT | \$ | | |
| | | | | | DISEASE - POLICY LIMIT | \$ | | |
| | | | | | DISEASE - EACH EMPLOYEE | \$ | | |
| OTHER | | | | | | | | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS (LIMITS MAY HAVE BEEN REDUCED BY PAID CLAIMS AND MAY HAVE DEDUCTIBLES OR RETENTIONS)

*PRODUCTS/COMPLETED OPERATIONS. INSURED INCLUDES CANYON FUEL COMPANY, LLC (DUGOUT CANYON MINE).
PERMIT NO. PRO/007/039.

CERTIFICATE HOLDER

UTAH DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1584 WEST NORTH TEMPLE, SUITE 1210
P.O. BOX 145801
SALT LAKE CITY, UTAH 94114-5801
ATTENTION: MARY ANN WRIGHT

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~PROVIDE~~ **30** DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.

AUTHORIZED REPRESENTATIVE

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

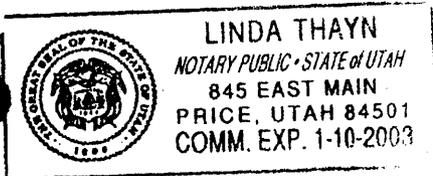
I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 2 (Two) consecutive issues, and that the first publication was on the 22nd day of May, 2001, and that the last publication of such notice was in the issue of such newspaper dated the 24th day of May, 2001.

Kevin Ashby
Kevin Ashby - Publisher

Subscribed and sworn to before me this 24th day of May, 2001.

Linda Thayne
Notary Public My commission expires January 10, 2003 Residing at Price, Utah

Publication fee, \$ 136.98



LEGAL NOTICE

Canyon Fuel Company, LLC, of Salt Lake City, Utah, hereby announces its intention to construct and operate a leach field and sewer pipeline within 10 feet of Dugout Canyon Road. As part of the construction, blasting will occur along the roadway. The currently approved mining permit is number ACT007039.

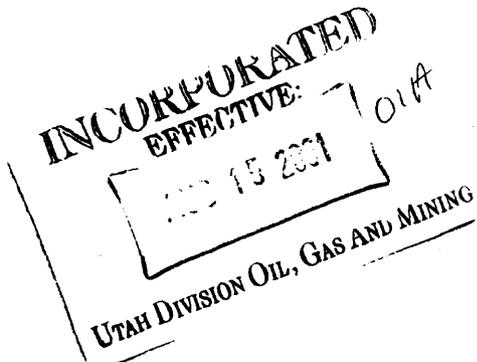
Canyon Fuel Company, LLC, operates the Dugout Canyon Mine which is located thirteen (13) miles northeast of Wellington, Utah, in Dugout Canyon, within the west half of Section 23, Township 13 South, Range 12 East, Salt Lake Base & Meridian.

Dugout Canyon Mine plans to install a sewer pipeline and leach field adjacent to Dugout Canyon Road. The installation of the pipeline will be in the road drainage ditch and will require a minimum amount of blasting for creation of the pipe trench. The blasting will take place during daylight hours and the necessary safety precautions will be enforced. All blasting will be done according to the blasting plan as approved in the Mining and Reclamation Plan. The area of the construction site has been submitted for approval.

The address of the applicant is: Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, Utah 84047
Phone: (801) 569-4700

Written comments or request for a hearing regarding the blasting for the pipe trench must be made within 30 days of the last publication of this notice, and may be addressed to the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate May 22 and 24, 2001.



MARSH USA INC

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER

PRODUCER

Marsh USA Inc.
800 Market Street, Suite 2600
St. Louis, MO 63101-2500

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 FEDERAL INSURANCE CO

COMPANY
B

COMPANY
C

COMPANY
D

001950-state-GL8-02-03

INSURED

Canyon Fuel Company, LLC
6955 Union Park Center
Suite 540
Midvale, UT 84047

COVERAGES

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

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. 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 | | 07/31/02 | 07/31/03 | 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 |
| | 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 | | | | 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 | | | | INCORPORATED |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS (LIMITS MAY BE SUBJECT TO DEDUCTIBLES OR RETENTIONS)

Permit Dug Out Canyon Mine ACT/007/039

MAR 03 2003

DIV OF OIL GAS & MINING

CERTIFICATE HOLDER

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

CANCELLATION

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

MM1(8/99)

VALID AS OF 07/16/02

Canyon Fuel Company, LLC
SCM/Dugout Canyon Mine

Mining and Reclamation Plan
December ~~November~~ 2002

CHAPTER 1, M&RP

APPENDIX 1-2

Insurance and Proof of Publication

INCORPORATED

MAR 03 2003

DIV OF OIL GAS & MINING

ADD TO THE BACK OF THE EXISTING INFORMATION IN

APPENDIX 1-2
INSURANCE AND PROOF OF PUBLICATION

INCORPORATED

MAR 03 2003

DIV OF OIL GAS & MINING

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Ken Larson, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 20th day of August, 2002, and that the last publication of such notice was in the issue of such newspaper dated the 10th day of September, 2002.

Ken G. Larson

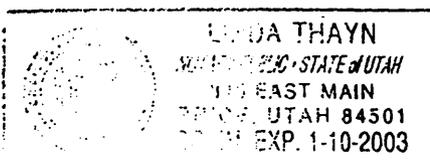
Ken G Larson - Publisher

Subscribed and sworn to before me this 10th day of September, 2002.

Linda Thayne

Notary Public My commission expires January 10, 2003 Residing at Price, Utah

Publication fee, \$ 470.40



LEGAL NOTICE

Canyon Fuel Company, LLC, of Salt Lake City, Utah, hereby announces its intention to construct and operate a wasterock storage facility. The facility will be constructed on a previously disturbed gravel pit.

Canyon Fuel Company, LLC, operates the Dugout Canyon Mine which is located thirteen (13) miles northeast of Wellington, Utah, in Dugout Canyon within the west half of Section 23, Township 13 South, Range 12 East, Salt Lake Base Meridian. The currently approved Dugout Canyon Mine mining permit number is C/007039.

The road accessing the storage facility will be within 100 feet of the Carbon County's Dugout Canyon Road. Use of the Carbon County's Dugout Canyon Road to access the wasterock storage facility will not require the county road to be relocated or closed. The wasterock facility will not be mined, therefore there will be no mining or storage within 100 feet of the outside right-of-way line of the county road.

The wasterock storage facility is located approximately 6.5 miles southwest of the Dugout Canyon Mine in portions of the NE1/4, SW 1/4 and SE 1/4 of the NE 1/4, in a portion of the NW 1/4 of the SE1/4, and in the NW1/4 of the NE 1/4 of Section 18, Township 14 South, Range 12 East, Salt Lake Base Meridian. The addition of this area will increase the permit area and disturbed area for the Dugout Canyon Mine by 15.6 acres.

Dugout Canyon Mine plans to store wasterock materials from the mine at this site. In addition, the mine intends to store supplies associated with the mining operations at the site. A plan has been submitted to the Division of Oil, Gas and Mining for approval.

A copy of the permit will be available for inspection at the following locations:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

Carbon County Courthouse
120 East Main Street
Price, Utah 84501

The address of the applicant is: Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, Utah 84047
Phone: (801) 569-4700

Written comments or request for a hearing regarding this application must be submitted within 30 days of the last publication date of this notice, to the Utah Division of Oil, Gas and Mining, Attention Coal Regulatory Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate August 20, 27, September 3 and 10, 2002.

INCORPORATED

MAR 03 2003

DIV OF OIL GAS & MINING

Canyon Fuel Company, LLC
SCM/Dugout Canyon Mine

Mining and Reclamation Plan
DecemberNovember 2002

A SECOND LEGAL NOTICE IS BEING PUBLISHED THROUGH DECEMBER 2002 AND INTO THE FIRST WEEK OF JANUARY 2003. THE AFIDAVIT OF PUBLICATION WILL BE INCLUDED IN THIS APPENDIX WHEN IT IS RECEIVED.

INCORPORATED

MAR 03 2003

DIV OF OIL GAS & MINING

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The wasterock storage facility is located approximately 6.5 miles southwest of the Dugout Canyon Mine in portions of the NE 1/4, SW 1/4 and SE 1/4 of the NE 1/4; in a portion of the NW 1/4 of the SE 1/4, and in the NW 1/4 of the NE 1/4 of Section 18, Township 14 South, Range 12 East, Salt Lake Base Meridian. The addition of this area will increase the permit area for the Dugout Canyon Mine by 26.8 acres.

A copy of the permit is available for inspection at the following locations: Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114 and Carbon County Courthouse, 120 East Main Street, Price, Utah 84501

The address of the applicant is:
Canyon Fuel Company, LLC, 6955 South Union Park Center, Suite 540, Midvale, Utah 84047

Written comments or request for a hearing regarding this application must be submitted within 30 days of the last publication date of this notice, to the Utah Division of Oil, Gas and Mining, Attention Coal Regulatory Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate December 19 and 26, 2002, January 2 and 9, 2003.

INCORPORATED

MAR 03 2003

DIV OF OIL GAS & MINING