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JANUARY  
COSTS

# Fax

<b>To:</b> Pam Grubaugh-Littig	<b>From:</b> Kevin Hughes
<b>Fax:</b> 801-359-3940	<b>Pages:</b> 2
<b>Phone:</b> 801-538-5288	<b>Date:</b> 11/19/2004

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OFFICE OF THE ATTORNEY GENERAL



One Tower Square  
Hartford, CT 06183

Kevin Hughes  
Chief Compliance Officer  
Travelers Bond  
Phone: (860) 854-2646  
Fax: (800) 277-5722  
E-mail: khughes@travelers.com

December 1, 2004

Ms. Pam Grubaugh-Littig  
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, UT 84114-5801

VIA FACSIMILE 801-359-3940

Dear Pam:

I am following up on my fax to you sent November 19<sup>th</sup>. In response to your request seeking to verify the authenticity of Surety Bond Number \_\_\_\_\_ (the "Bond"), I indicated that St. Paul Travelers had no record of this bond and that we were commencing an investigation.

At this point, I can re-affirm that the Bond is not a valid bond. In fact, the entity purporting to be the principal on the bond, C&P Coal Corporation ("C&P"), does not own or operate the Emory Mine. The sale of the mine from Consol Energy to C&P was never consummated. Accordingly, a bond naming C&P was never required. Apparently the copy of the bond that you sent for verification (and which was clearly marked "COPY") was submitted as a sample in the event the Emory Mine was sold to C&P.

As the sale of the mine never occurred and no bond was needed by C&P, I would appreciate confirmation from your Department that you do not view the Bond as an authentic document that obligates Travelers Casualty and Surety Company of America in any manner.

Please contact me if you would like to discuss this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Hughes'.

Kevin Hughes

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BY [illegible]

