



COPY

Incoming
C0150017
#3532
B

P.O. Box 310
15 North Main Street
Huntington, Utah 84528

April 14, 2010

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subj: Permit Renewal for the PacifiCorp, Des Bee Dove Mine, C/015/0017, Emery County, Utah

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits an application for permit renewal for the Des-Bee-Dove Mine. The current permit term expires August 30, 2010. The said application conforms to the requirements set forth in R645-300-120 and R645-303-230 of the State of Utah R645- Coal Mining Rules and Regulations, revised May 1, 1998.

As required in R645-303-232.250 and R645-301-830.300, the Means Historical Cost Index has been escalated to the year 2013 (Mid-Term Review). The appropriate table is enclosed with this application. Also enclosed with this application is a proposed public notice, certificate of liability insurance, and evidence of a performance bond in effect for the operation required by R645-300-232.

At the Division's determination of completeness, PacifiCorp will submit an amendment to update the Means Historical Cost Index to the year 2013. Enclosed are four (4) copies of the permit renewal application. If you have any questions or concerns regarding this application, please contact myself at (435) 687-4720 or Dennis Oakley at (435)687-4825.

Sincerely,

Kenneth S. Fleck

Kenneth Fleck
Geology and Environmental Affairs Manager

Enclosures - Bond Escalation Information
Proposed Public Notice
Certificates of Liability
Evidence of Performance Bond
C1 Form

Cc: Scott Child(IMC - w/enclosures)
File

File in:

Confidential

Shelf

Expandable

Date Folder 04/19/10 C/0150017

See Incoming For additional information

RECEIVED
APR 19 2010
DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

COPY

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: PacifiCorp

Mine: Des Bee Dove Mime

Permit Number: C/015/0017

Title: Permit Renewal for the PacifiCorp, Des Bee Dove Mine, C/105/0017, Emery County, Utah

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

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: _____ 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.

Kenneth Fleck
Print Name

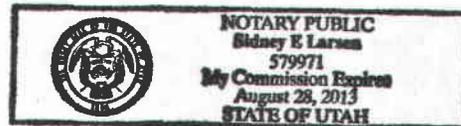
Kenneth S. Fleck
Sign Name, Position, Date

Manager of Environmental Affairs 4/14/10

Subscribed and sworn to before me this 14 day of April, 20 10

Sidney E. Larsen
Notary Public

My commission Expires: August 28, 2013
Attest: State of Utah County of Emery } ss:



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining RECEIVED APR 19 2010 DIV. OF OIL, GAS & MINING

Bond Escalation Information

**Des Bee Dove Mine
Bond Escalation Factors 2010 to 2015**

Bond Posted with UDOGM in 2005 \$ 1,837,712.00
 Phase I Bond Release (mine site) - Approved Feb 7, 2007 \$ 667,994.00

Bond Reduced in September 2007 \$ 1,169,718.00

Pending Releases (Letter submitted to UDOGM requesting release in April 2010):

Phase 3 Area - Phase I Bond Release Approved 2/7/2007 \$ 79,832.00
 Haul Road - Phase III Bond Release Approved 8/24/1998 \$ 591,334.00

Total 2010 Bond \$ 498,552.00

Escalation Factor = 0.005

Year	Dollar Increase	Reclamation Costs
2011	\$ 2,492.76	\$ 501,044.76
2012	\$ 2,505.22	\$ 503,549.98
2013	\$ 2,517.75	\$ 506,067.73

Total Bond for 2013 = \$ 506,100.00
 (rounded to nearest 100)

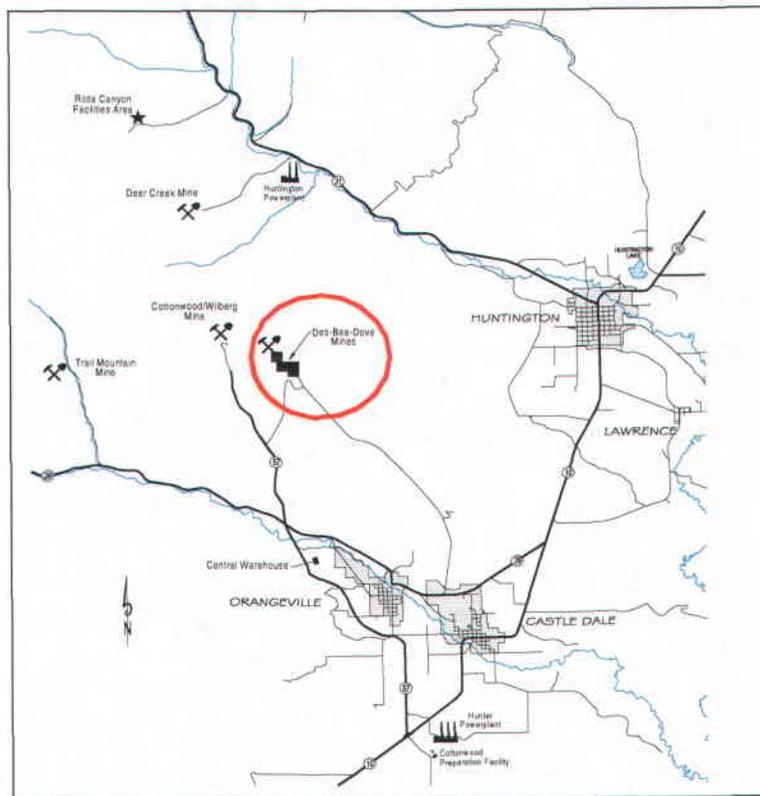
Proposed Public Notice

**PacifiCorp
Des-Bee-Dove Mine
C/015/0017**

Permit Renewal Application

**Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company (“Energy West”) as mine operator, hereby submits an application for a permit renewal. Final reclamation has been completed in all areas of the mine disturbed area. The permit area encompasses approximately 133.9 acres and is located on the area map below.



A surety bond is filed with the Division of Oil, Gas and Mining in the amount of \$1,169,718.00, and is payable to the State of Utah, Division of Oil, Gas and Mining (DOGM), and the Office of Surface Mining Reclamation and Enforcement (OSM).

A copy of the permit renewal application may be examined at the office of the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and also at the Recorders Office located in the Emery County Courthouse in Castle Dale, Utah.

Written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

Published in the Emery County Progress on May x, x, x, and June x, 2010.

Certificates of Liability

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Hamilton, Bermuda

CERTIFICATE OF INSURANCE

(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof modifies the policy of insurance identified below (the "Policy") in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED: PacifiCorp dba Pacific Power, Rocky Mountain Power and PacifiCorp Energy

PRINCIPAL ADDRESS: 825 NE Multnomah, #1800, Portland, Oregon 97232

POLICY NUMBER: X0720A1A09 **POLICY From:** August 28, 2009
PERIOD: To: August 28, 2010

DESCRIPTION OF COVERAGE: Claims-First-Made Excess Liability Policy covering claims for Bodily Injury, Property Damage and Personal Injury arising from the operations described below.

LIMIT OF LIABILITY: \$ 20,000,000 per occurrence and in the aggregate, where applicable.

ADDITIONAL INSURED: The Certificate Holder is an additional Insured under the Policy but only:
(i) to such extent and for such Limits of Liability (subject always to the terms and Limits of Liability of the Policy) as the Named Insured has agreed to provide insurance for the Certificate Holder under the following contract:
Des/Bee/Dove: C/015/0017
and (ii) with respect to the following operations:
Damage due to the use of explosives and subsidence is covered. Insurance Company will notify State of Utah of any changes or cancellation.

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 45 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: July 21, 2009

ISSUED TO: The State of Utah, Dept. of Natural Resources ("Certificate Holder")
Division of Oil, Gas & Mining

ADDRESS: 1594 West North Temple, Suite 1210, Salt Lake City, UT 84114-5801

Certified Original Copy
Signed by Steven E. Verbeski, Agent of Record

AEGIS INSURANCE SERVICES, INC.



BY:



At East Rutherford, New Jersey

CERTIFICATE OF LIABILITY INSURANCE

**Issued to:
State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining**

THIS IS TO CERTIFY THAT:

Associated Electric & Gas Insurance Services Limited
(Name of Insurance Company)

ARGUS Insurance Building, 12 Wesley St. P.O. Box BM 1064, Hamilton, Bermuda
(Home Office Address of Insurance Company)

HAS ISSUED TO:

PacifiCorp (Successor in interest to Utah Power & Light)
(Name of Permittee)

DES/BEE/DOVE
(Mine Name)

C/015/0017
(Permit Number)

CERTIFICATE OF INSURANCE:

X0720A1A09
(Policy Number)

8/28/2009– 8/28/2010
(Effective Date)

UNDER THE FOLLOWING TERMS AND CONDITIONS:

Per R645-301-890 Terms and Conditions for Liability Insurance:

- A. The DIVISION Shall require the PERMITTEE to submit as part of its permit application a certificate issued by an insurance company authorized to do business in the State of Utah certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operations for which the permit is sought. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any person's injury or property damage as a result of the surface coal mining and reclamation operations, including the use of explosives and who are entitled to compensation under the applicable provisions of state law. Minimum insurance coverage for bodily injury and property damage shall be \$300,000 for each occurrence and \$500,000 aggregate.
- B. The policy shall be maintained in full force during the life of the permit or any renewal thereof, including the liability period necessary to complete all reclamation operations under this chapter.

- C. The policy shall include a rider requiring that the insurer notify the Division whenever substantive changes are made in the policy including any termination or failure to renew.

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 changes, including cancellation, failure to renew, or other material change. No change shall be effective until at least thirty (30) days after such notice is received by the Division. Any change unauthorized by the Division is considered breach of the RECLAMATION AGREEMENT and the Division may pursue remedies thereunder.

UNDERWRITING AGENT:

Mel Butts
(Agent's Name)

201-508-2779
(Phone)

AEGIS Insurance Services
(Company Agent's Name)

1 Meadowlands Plaza
(Mailing Address)

East Rutherford, NJ 07073
(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 or 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 of officer).

Mel Butts 8/20/09
(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by Mel Butts

This 20th day of August, 2009

[Signature]
(Signature)

Ivette Brito
Notary Public, New Jersey
My Commission Expires 7-20-14

My commission Expires:

(Date)



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
08/21/2009

PRODUCER
Aon Risk Services Central, Inc.
Omaha NE Office
11213 Davenport
Suite 201
Omaha NE 68154 USA

PHONE: (402) 697-1400 FAX: (402) 697-1594

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
PacifiCorp
db Pacific Power, Rocky Mountain Power
and PacifiCorp Energy
825 NE Multnomah, #1800
Portland OR 97232 USA

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Assoc Electric & Gas Ins Serv Ltd -AEGIS	00152L
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

Holder Identifier :

COVERAGES

SIR applies per terms and conditions of the policy

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. LIMITS SHOWN ARE AS REQUESTED

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE(MM/DD/YYYY)	POLICY EXPIRATION DATE(MM/DD/YYYY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X0720A1A09 \$35M Excess Liability	08/28/2009	08/28/2010	EACH OCCURRENCE	\$2,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	
						MED EXP (Any one person)	
						PERSONAL & ADV INJURY	
						GENERAL AGGREGATE	\$2,000,000
						PRODUCTS - COMP/OP AGG	
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	
						BODILY INJURY (Per person)	
						BODILY INJURY (Per accident)	
						PROPERTY DAMAGE (Per accident)	
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	
						OTHER THAN AUTO ONLY : EA ACC	
						AGG	
A		EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION	X0720A1A09 \$35M Excess Liability	08/28/2009	08/28/2010	EACH OCCURRENCE	\$35,000,000
						AGGREGATE	\$35,000,000
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N <input type="checkbox"/> ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS	OTH-ER
						E.L. EACH ACCIDENT	
						E.L. DISEASE-EA EMPLOYEE	
						E.L. DISEASE-POLICY LIMIT	
		OTHER					

Certificate No : 570035845242

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
 Damage due to the use of explosives and subsidence is covered. Insurance Company will notify the State of Utah of any changes or cancellation.
 Re: DES/BEE/DOVE: C/015/0017

CERTIFICATE HOLDER
 State of Utah, Dept of Natural Resources, Division of Oil, Gas & Mining
 1594 W. North Temple, Ste. 1210
 Salt Lake City UT 84180-1203 USA

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE *[Signature]*

Evidence of Performance Bond

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA:

- Des-Bee-Dove Mine Reclamation Status Map
 (Drawing No.: CS1893C, Dated: June 28, 2007)
-

Legal description of BONDED AREA:

<u>Areas</u>	<u>Location</u>	<u>Surface Owner</u>	<u>Acreage</u>
1. Mine Complex Phase 1 reclamation completed May 2002; Phase 2 reclamation completed June 2003.	Located in an unnamed wash on the southeastern perimeter of East Mountain and situated within the NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 26, T17S, R7E, SLM	Private & USFS	27.0
2. Remote Portals			
➤ Deseret Mine Emergency Escapeway Remote Portal	A 20 ft. X 20 ft. area beginning at the SE corner of Section 14, T17S. R7E., SLM, to a point 1,798 feet, bearing N49°20'41"W. located within Maple Gulch.	USFS	0.01
➤ Beehive Mine Emergency Escapeway Remote Portal	A 20 ft. X 20 ft. area beginning at the SW corner of Section 13, T17S. R7E., SLM, to a point 292 feet, bearing N59°34'26"E. located within Maple Gulch.	USFS	0.01

3. Sediment Pond
Phase 3 reclamation completed January 2006. Situated within the W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 36, T17S, R7E, SLM State of Utah 9.0

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the SURETY has hereunto set its signature and seal this

7th day of June, 2007

**Travelers Casualty and Surety
Company of America**

SURETY

Claudia A. Rathbun
By: Claudia A. Rathbun

Attorney-in-Fact

Title:



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 217696

Certificate No. 001150861

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

John D. Diesing, Jr., James L. Arts, David B. McCue, Gary E. Lee, Patrick M. McCahill, S. P. Eberhart, Claudia A. Rathbun, and Barbara Lorimor

of the City of Omaha, State of Nebraska, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 5th day of September 2006

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
George W. Thompson, Senior Vice President

On this the 5th day of September 2006, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2011.



[Signature]
Marie C. Tetreault, Notary Public

EXHIBIT "B"

**Surety Bond
Des-Bee-Dove Mine**

(Federal Coal)

DECREASE CERTIFICATE

TRAVELERS CASUALTY AND SURETY COMPANY
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Hartford, Connecticut 06183

Bond No. 103771512

Amount of Bond \$ 1,837,712.00

Principal PACIFICORP

Hereby decreased to \$ 1,169,718.00

Obligee STATE OF UTAH

As of the 7th day of February, 2007, the amount of the above described bond is decreased from the sum of \$1,837,712.00 to the sum of \$ 1,169,718.00. The liability of the surety for any acts or defaults occurring after the effective date hereof, and for any acts or defaults occurring prior to the effective date hereof and not discovered after the effective date hereof, shall in no event exceed the sum last named. The aggregate liability of the surety for any and all acts and defaults, whenever committed, shall in no event exceed the sum first named, it being the intent hereof to preclude cumulative liability. This certificate, when signed by the Obligee (Employer, or Insured) shall become part of the said bond.

Signed, sealed and dated this 26th day of April, 2007

By: Claudia A. Rathbun
Claudia A. Rathbun, Attorney-in-Fact

This certificate was executed by the surety pursuant to my (our) request, and in consideration of a reduced premium I (we) hereby formally consent to the decrease.

Signed, sealed and dated this 26th day of April, 2007

(Witness)

STATE OF UTAH _____ (Seal)
(Obligee, Employer, or Insured)

Attest Jeffrey E. Bab
JEFFREY E. BAB
ASSISTANT GEN. COUNSEL

By William J. Fenman
William J. Fenman
President, PacifiCorp Energy

INSTRUCTIONS TO AGENTS — IMPORTANT

Do not deliver this certificate to the Obligee (Employer, or Insured) until that party has signed, sealed and dated it. In case of individual, schedule, or specific excess indemnity, execution on behalf of the Obligee (Employer, or Insured) by the person whose bond is being decreased is not acceptable.

One signed copy must be returned to the surety.



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 215904

Certificate No. 000360591

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

John D. Diesing, Jr., James L. Arts, David B. McCue, Gary E. Lee, Patrick M. McCahill, S. P. Eberhart, Claudia A. Rathbun, and Diane Gavin

of the City of Omaha, State of Nebraska, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 1st day of May, 2006

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
George W. Thompson, Senior Vice President

On this the 1st day of May, 2006, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal. My Commission expires the 30th day of June, 2006.



[Signature]
Marie C. Tetreault, Notary Public

EXHIBIT "D"

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

Mine Name: Des -Bee Dove Mine

Permit Number: C/015/017

Effective Date: _____

Bond Number: 103771512

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STIPULATION TO REVISE RECLAMATION AGREEMENT
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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)

In accordance with DOGM letter dated February 13, 2007, Permittee hereby submits a Rider to Surety Bond Number 103771512 decreasing the reclamation bond in the amount of \$667,994.00. This Rider decreases the total reclamation bond amount from \$1,837,712.00 to \$1,169,718.00.

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"- permit area.
- Replace Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ 1,837,712.00 to \$ 1,169,718.00.

The bonding type is changed from N/A to N/A.

The surface disturbance is revised from N/A acres to N/A acres.

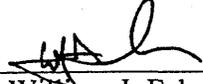
The expiration date is revised from N/A to N/A.

The liability insurance carrier is changed from N/A to N/A.

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

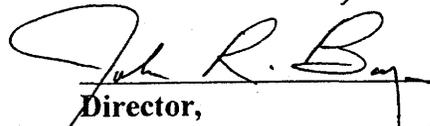
IN WITNESS WHEREOF, PacifiCorp the PERMITTEE has hereunto set its
signature and seal this 11th day of June, 2007.

PacifiCorp
PERMITTEE

By: 
William J. Fehrman

Title: President, PacifiCorp Energy

ACCEPTED BY THE STATE OF UTAH this 16th day of July, 2007.


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 on 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.