



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

November 26, 2001

Chuck Semborski, Environmental Supervisor
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528

Re: Signed Bond Rider, PacifiCorp, Deer Creek Mine, C/015/018, Outgoing File

Dear Mr. Semborski:

I have attached the signed Reclamation Bond Rider for your records. If you have any question, please call me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

sm

Enclosure

cc: Price Field Office w/o

O:\015018.DER\FINAL\bndTranRN00.doc

One Utah Center
201 South Main Street, Suite 2000
Salt Lake City, Utah 84140-0020
(801) 220-4616 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

HAND DELIVERED

December 12, 2000

Ms. Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas & Mining
Utah Department of Natural Resources
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-145801

Accepted
1/4/2001

RE: Reclamation Bond Increase, Five-Year Permit Renewal - Completeness Determination - Deer Creek Mine C/015/018-RN00

Dear Pam:

As partial response to the Division's letter dated November 15, 2000 addressed to Chuck Semborski of Energy West Mining Company, enclosed in triplicate is a rider to surety bond no. 400 JN 6140 (Exhibit "B" of the Deer Creek Mine Reclamation Agreement) in the amount of \$3,000,000.00 to cover the proposed amount of \$2,841,514.00 as stated in the referenced letter. This rider surety bond is accompanied with (1) a Power of Attorney for the Surety Company, together with (2) a completed Exhibit "D" to update the Deer Creek Mine Reclamation Agreement noting the bond adjustment.

Upon your acceptance, please have all 3 counterparts signed, retain one for your records and return the remaining two to my attention. Your help in this regard is very much appreciated.

Should you have any questions or need any additional information, please feel free to contact me at 801-220-4612.

Sincerely,

Scott M. Child
Property Management Administrator

Enclosures

SMCIEWESTUDOGM2K06.wpd

cc: D.W. Jense - Interwest OUC 2000 w/o copy encl.
Chuck Semborski - EWEST w/copy encl.
Margaret Reed - PacifiCorp NTO w/copy encl. (B-SUR-749)
Muriel M. van Veen - Marsh USA, Inc. w/copy encl. (B-SUR-749)

EXHIBIT "D"
STIPULATION TO REVISE
RECLAMATION AGREEMENT

Permit Number: ACT/015/018
Effective Date: _____
Deer Creek Mine

**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)

In accordance with DOGM letter dated November 15, 2000, Permittee hereby submits a Rider to Surety Bond no. 400 JN 6140 increasing the reclamation bond to meet the proposed escalated amount of \$2,841,514.00 (2006 dollars), plus an additional contingency to cover minor projects. Therefore, this Rider increases the bond amount from \$2,500,000 to \$3,000,000 for the five-year permit renewal period.

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.
(Note: This is a submission of an Increase Rider to the Existing Bond.)
- Replace Exhibit "C" - LIABILITY INSURANCE.

The BONDING amount is revised from (\$ 2,500,000.00) to (\$ 3,000,000.00).

The BONDING Type is changed from N/A to N/A.

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 the PERMITTEE has hereunto set its signature and seal
this 11th day of December, 2000.

PACIFICORP
PERMITTEE

By: *Ernest E. Wessman*
Ernest E. Wessman

Title: Vice President

ACCEPTED BY THE STATE OF UTAH
this 4th day of Jan, 2001.

Joseph P. Brant
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 of Attorney for 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.

INCREASE - DECREASE RIDER

Executed in 3 counterparts

To be attached to and made a part of Bond No. 400 JN 6140, issued by the St. Paul Fire and Marine Insurance Company, hereinafter called the Surety), on behalf of PacifiCorp, (hereinafter called the Principal), in favor of State of Utah, Division of Oil, Gas and Mining (DIVISION), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSM), (hereinafter called the Obligee),

dated the 2nd day of August, 1996.

In consideration of the premium charged for the attached bond and other good and valuable consideration it is understood and agreed that effective the 1st day of December, 2000, and subject to all the terms, conditions and limitations of the attached bond, the penal sum thereof shall be and the same is hereby (~~increased~~) (~~decreased~~) from the sum of Two Million Five Hundred Thousand and 00/100 Dollars, (\$ 2,500,000.00), to the sum of Three Million and 00/100 Dollars, (\$ 3,000,000.00).

It is further understood and agreed that subject to all the terms, conditions and limitations of the attached bond, the aggregate liability of the Surety for any loss occurring prior to said date shall not exceed the sum of Two Million Five Hundred Thousand and 00/100 Dollars, (\$ 2,500,000.00), or for any loss occurring subsequent to said date shall not exceed the sum of Three Million and 00/100 Dollars, (\$ 3,000,000.00). In no event, however, shall the aggregate liability of the Surety exceed the larger of the aforementioned sums, it being the intent hereof to preclude cumulative liability.

Signed, sealed and dated this 7th day of December, 2000.

The above is hereby agreed to and accepted:

PACIFICORP Ernest E. Wessman
Principal

By Ernest E. Wessman, Vice President

(Obligee) State of Utah, Division of Oil, Gas & Mining

St. Paul Fire and Marine Insurance Company
Surety

By: James P. Braxter
Director

By: Muriel M. van Veen
Attorney-in-Fact

Seaboard Surety Company
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company

United States Fidelity and Guaranty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.

Power of Attorney No. 21040

Certificate No. 73005

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, and 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, and that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, and 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

Daniel J. Sloan, Muriel M. Van Veen and Richard A. Stevens

of the City of Portland, State Oregon, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments 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 this 8th day of October, 1999

Seaboard Surety Company
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company

United States Fidelity and Guaranty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.



Michael B. Keegan

MICHAEL B. KEEGAN, Vice President

Michael R. McKibben

MICHAEL R. MCKIBBEN, Assistant Secretary

State of Maryland
City of Baltimore

On this 8th day of October, 1999, before me, the undersigned officer, personally appeared Michael B. Keegan and Michael R. McKibben, who acknowledged themselves to be the Vice President and Assistant Secretary, respectively, of Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance Company, and Fidelity and Guaranty Insurance Underwriters, Inc. and that they, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the names of the corporations by themselves as duly authorized officers.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 13th day of July, 2002.



Rebecca Easley-Onokala

REBECCA EASLEY-ONOKALA, Notary Public

One Utah Center
201 South Main Street, Suite 2000
Salt Lake City, Utah 84140-0020
(801) 220-4616 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

December 20, 2000

Ms. Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas & Mining
Utah Department of Natural Resources
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-145801

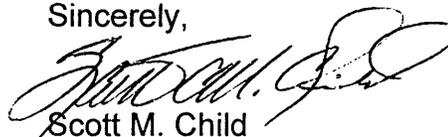
RE: Certificate of Authority to Accompany Increase Rider Bond - Deer Creek Mine C/015/018-RN00

Dear Pam:

In response to your telephone call on Monday, December 18, 2000, I have had our Assistant Corporate Secretary prepare the enclosed Certificate which verifies the authority of company Vice President Ernest E. Wessman to execute documents on the behalf of PacifiCorp. This Certificate is submitted to your office to accompany the increase rider bond (no. 400 JN 6140) in the amount of \$3,000,000 which was executed by Mr. Wessman and hand delivered to the Division of Oil, Gas & Mining on December 12, 2000.

Hopefully this meets your satisfaction. Should you have any questions or need any additional information, please feel free to contact me at 801-220-4612.

Sincerely,



Scott M. Child
Property Management Administrator

Enclosure

SMCIEWESTUDOGM2K07.wpd

cc: D.W. Jense - Interwest OUC 2000 w/o copy encl.
Chuck Semborski - EWEST w/copy encl.
Margaret Reed - PacifiCorp NTO w/copy encl. (B-SUR-749)
Muriel M. van Veen - Marsh USA, Inc. w/copy encl. (B-SUR-749)

RECEIVED

DEC 22 2000

**DIVISION OF
OIL, GAS AND MINING**

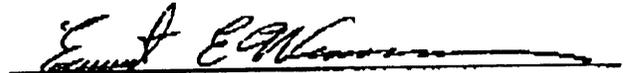
PACIFICORP

Certificate of Assistant Secretary

I, David A. Abercrombie, the duly elected and qualified Assistant Secretary of PacifiCorp, an Oregon Corporation (the "Company"), HEREBY CERTIFY that the following person is a duly elected officer of the Company, elected a Vice President on May 19, 1993, and is authorized under the Delegation of Authority resolutions adopted by the Board of Directors of the Company on February 11, 1998 to execute documents for and on behalf of the Company, and that he currently holds the position listed beside his name and that the signature appearing opposite his name is his genuine signature:

Ernest E. Wessman

Vice President



IN WITNESS WHEREOF, I have hereunto set my hand this 19 day of December, 2000.



Assistant Secretary



TELECOPY FORM

A Subsidiary of PacifiCorp

ONE UTAH CENTER

201 SOUTH MAIN • SUITE 2000 • SALT LAKE CITY, UTAH 84140-0020 • (801) 220-2000

Fixed

DATE: JAN. 3, 2001

PAGES: 4 + Cover Sheet

TO: Telecopy Phone # (801) 359-3940

Name: PAMELA GRUBAUGH-LITTLE

Dept: _____

Co: DOG M

FROM: Telecopy Phone # (801) 220-4725

Name: Scott Child

Phone: (801) 220-4612 —

City: Salt Lake City, Utah

Transmitted via XEROX 7032 (receiving 24 hours daily)

Confirmation: Sherice Larsen (801) 220-4140

Subject/Special Information: PER YOUR VOICE MAIL TO ME LAST WEEK.

1. CORPORATE RESOLUTIONS OF 2-11-98 3 PGS.
2. RESOLUTION OF ELECTED OFFICERS 5-19-93 1PG.
NAMING ERNEST E. WESSMAN AS VICE PRES.

HOPEFULLY THIS WORKS FOR YOU. ANY QUESTIONS, PLEASE CALL.

WHEREAS, the Board of Directors of PacifiCorp (the "Company") elects from time to time a slate of corporate officers of PacifiCorp (the "Corporate Officers"), and desires to authorize the President and Chief Executive Officer of the Company to appoint and prescribe the duties of certain Business Unit Vice Presidents (the "Business Unit Vice Presidents") and certain Assistant Vice Presidents (the "Assistant Vice Presidents") of the Company, who shall not be considered Corporate Officers for any purpose; and

WHEREAS, management of the Company has prepared a statement of fiscal controls, authorities and accountability (the "Policy Statement") and specific authorization guidelines (the "Guidelines") for transactions within the Corporate Finance Department, which Policy Statement and Guidelines have been reviewed by the Finance Committee of the Board of Directors; and

WHEREAS, it appears desirable for the Board of Directors to delineate the respective authorities of the Corporate Officers, the Business Unit Vice Presidents and the Assistant Vice Presidents in light of the Policy Statement and Guidelines; now, therefore, be it

Corporate Officers

RESOLVED, that pursuant to Article IV of the Bylaws, (1) the authority and duties of the President and Chief Executive Officer shall be those incident to the office and as prescribed and assigned from time to time by the Board of Directors, and (2) the authority and duties of any Vice President or other Corporate Officer of PacifiCorp shall be as prescribed and assigned from time to time by the Board of Directors or the President and Chief Executive Officer; and further

RESOLVED, that the President and Chief Executive Officer and any Vice President who is a Corporate Officer be, and each of them hereby is, authorized, in the name and on behalf of the Company, to negotiate, execute and deliver, and the Secretary and any Assistant Secretary of the Company be, and each of them hereby is, authorized to attest, with or without affixing its corporate seal, any agreement, lease, permit, license, grant, deed or other instrument entered into by the Company in the ordinary course of its business and within the scope of the duties assigned to such officer by the President and Chief Executive Officer, or the Board of Directors; provided, however, that the foregoing shall not

RESOLUTIONS RE DELEGATION
OF AUTHORITY TO OFFICERS

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PacifiCorp
Board of Directors Meeting
February 11, 1998
ATTACHMENT NO. 9, Page 1 of 3

authorize any such Corporate Officer to negotiate, execute or deliver any agreement or instrument involving the issuance of securities by the Company or a commitment by the Company in excess of \$5 million, except that contracts involving the purchase or sale of energy may involve commitments up to \$25 million; and further

RESOLVED, that the President and Chief Executive Officer, any Vice President to whom the responsibility shall be assigned, the Treasurer, and the Controller of the Company be, and each of them hereby is, authorized, in the name and on behalf of the Company, to execute and file documents to be filed by the Company with the Securities and Exchange Commission and tax returns of the Company; and further

Business Unit Vice Presidents and Assistant Vice Presidents

RESOLVED, that the President and Chief Executive Officer be and hereby is authorized to appoint and prescribe the duties of such Business Unit Vice Presidents and Assistant Vice Presidents as he shall deem necessary or advisable; and further

RESOLVED, that the Business Unit Vice Presidents and Assistant Vice Presidents shall report to the Corporate Officer having responsibility for the operations of the Company to which the Business Unit Vice Presidents and Assistant Vice Presidents is assigned unless otherwise determined by the President and Chief Executive Officer; and further

RESOLVED, that subject to any limitations or restrictions imposed by the President and Chief Executive Officer, the Business Unit Vice Presidents and Assistant Vice Presidents be, and each of them hereby is, authorized, in the name and behalf of the Company, to negotiate, execute and deliver, and the Secretary and any Assistant Secretary of the Company be, and each of them hereby is, authorized to attest, with or without affixing its corporate seal, any agreement, lease, permit, license, grant, deed or other instrument entered into in the ordinary course of the business of the Company and within the scope of the duties prescribed for such Business Unit Vice President or Assistant Vice President; provided, however, that the foregoing shall not authorize any Business Unit Vice President or Assistant Vice President to negotiate, execute or deliver any agreement or instrument involving the issuance of securities by the Company or a commitment by the Company in excess of \$5 million, except that contracts involving the purchase or sale of energy may involve commitments up to \$25 million; and further

RESOLUTIONS RE DELEGATION
OF AUTHORITY TO OFFICERS

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PacifiCorp
Board of Directors Meeting
February 11, 1998
ATTACHMENT NO. 9, Page 2 of 3

General

RESOLVED, that the Board of Directors hereby recommends and requests that each subsidiary of the Company implement the Policy Statement through the adoption of resolutions and controls consistent with the Policy Statement as revised from time to time at the direction of the Chief Executive Officer of the Company, subject to the limitations set forth in these resolutions; and further

RESOLVED, that the foregoing resolutions shall supersede the resolutions adopted by the Board of Directors on August 9, 1995 with respect to the same subject matter; provided, that nothing herein shall affect the validity of actions taken in reliance on such resolutions adopted August 9, 1995; and further

RESOLVED, that (1) the resolutions with respect to banking matters, (2) the resolutions with respect to the investment authority of the Corporate Officers (together with any resolutions adopted by the Finance Committee pursuant thereto), and (3) any other resolutions adopted by the Board of Directors authorizing officers to enter into specific agreements or transactions on behalf of the Company shall not be affected by the foregoing resolutions.

RESOLUTIONS RE DELEGATION
OF AUTHORITY TO OFFICERS

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PacifiCorp
Board of Directors Meeting
February 11, 1998
ATTACHMENT NO. 9, Page 3 of 3

RESOLVED, that each of the following individuals is hereby elected to the office opposite his or her name, to serve until the next annual meeting of the Board of Directors and until his or her successor is elected and qualified:

Officers of PacifiCorp

A. M. Gleason	President and Chief Executive Officer
Gerard K. Drummond	Executive Vice President
John A. Bohling	Senior Vice President
William J. Glasgow	Senior Vice President
Harry A. Haycock	Senior Vice President
Daniel L. Spalding	Senior Vice President
Robert F. Lanz	Vice President and Treasurer
Sally A. Nofziger	Vice President and Corporate Secretary
William C. Brauer	Vice President
Shelley R. Faigle	Vice President
Thomas J. Imeson	Vice President
Stan M. Marks	Vice President
Michael J. Pittman	Vice President
Dennis P. Steinberg	Vice President
Ernest E. Wegsman	Vice President
Jacqueline S. Bell	Controller
Marsha E. Carroll	Assistant Secretary
John Detjens, III	Assistant Secretary
Lenore M. Martin	Assistant Secretary
John M. Schweitzer	Assistant Secretary
John R. Stageberg	Assistant Treasurer
Bruce N. Williams	Assistant Treasurer

PacifiCorp
Board of Directors Meeting
May 19, 1993
ATTACHMENT NO. 9, Page 1 of 1

RESOLUTIONS RE ELECTIONS OF OFFICERS