

From: "Semborski, Chuck" <Charles.Semborski@PacifiCorp.com>
To: "Pam Grubaugh-Littig" <PAMGRUBAUGHLITTIG@utah.gov>
Date: 7/1/2004 3:50:21 PM
Subject: FW: Rider Surety Bond No. 103771506 USFS Temporary Special UsePermit 7/1/04

Chuck Semborski
Manager of Geology/Permitting
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528
Phone:
Work - (435)687-4720
Cell - (435)650-5355

From: Child, Scott
Sent: Thursday, July 01, 2004 1:28 PM
To: Muriel M VanVeen; Reinhart, Kathie; Semborski, Chuck
Subject: FW: Rider Surety Bond No. 103771506 USFS Temporary Special Use Permit 7/1/04

Here you go.

Thanks,
Scott M. Child
PacifiCorp - Interwest Mining Company
201 South Main Street, Ste. 2100
Salt Lake City, UT 84111
Office: 801-220-4612
Cell: 801-554-2704
Fax: 801-220-4725
E-mail: scott.child@pacificorp.com <<mailto:scott.child@pacificorp.com>>

-----Original Message-----

From: Woodson, Sarah
Sent: Thursday, July 01, 2004 2:22 PM
To: Child, Scott
Subject: Rider Surety Bond No. 103771506 USFS Temporary Special Use Permit 7/1/04

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One Utah Center
201 South Main, Suite 2100
Salt Lake City, Utah 84140-0021
(801) 220-4140 • FAX (801) 220-4725



A Subsidiary of PacifiCorp

VIA TELEFAX 435-637-4940

4 pages - Originals to follow in overnight mail

July 1, 2004

Aaron L. Howe
United States Department of Agriculture
Manti-LaSal National Forest
599 Price River Drive
Price, Utah 84501

**RE: Rider Surety Bond No. 103771506 USFS Temporary Special Use Permit
PacifiCorp/Energy West Mining Company 2004 Helicopter Exploration Drilling
Mill Fork State Lease ML-48258, Emery County, Utah**

Dear Aaron:

Enclosed is Rider Bond No. 103771506 issued by Travelers Casualty and Surety Company of America in the amount of \$16,000 representing bonding coverage per the terms and conditions of the referenced Temporary Special Use Permit for the 2004 Mill Fork exploration project on Mill Fork State Coal Lease ML-48258.

The original of the referenced rider bond will follow by overnight mail. Your help to accommodate our drilling needs with this project is very much appreciated. Should you have any questions, please call me at 801-220-4612 or Chuck at 435-687-4720.

Sincerely,

Scott M. Child
Manager, Lands and Regulatory Affairs

Enclosures

SMC\EWEST\USFSML2004-01.wpd

cc: EWMC - C. Semborski w/copy encl.
PacifiCorp Risk Mgmt. LCT 1800 - K. Reinhart (B-SUR-974) w/copy encl.
Muriel M. van Veen - Marsh USA Inc., 111 S.W. Columbia, Suite 500, Portland, OR 97201
USFS Ferron District - JayLynn Pell (fax copy)
DOGM - Pamela Grubaugh-Littig (fax copy)

SPECIAL USE PERMIT: ML-48258
2002 MILL FORK STATE LEASE EXPL.
USFS SURFACE LANDS

RIDER

To be attached to Bond No. 103771506 issued by
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

(As Surety) in the amount of Sixteen Thousand and 00/100

----- (\$ 16,000.00)

Dollars, effective the 25th day of July, 2002

ON BEHALF OF PACIFICORP - ENERGY WEST MINING

IN FAVOR OF UNITED STATES OF AMERICA

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the Surety that: This bond is extended to cover continuing exploration under Permit ML-48258 as follows:

Four additional holes for 2004 permit.

All other items, limitations and conditions of said bond except as herein expressly modified shall remain unchanged.

This rider shall be effective as of the 30th day of June, 2004

Signed, sealed and dated this the 30th day of June, 2004

PACIFICORP - ENERGY WEST MINING Principal

BY: [Signature]
Dee W. Jense
President, Energy West Mining Company

MANTI-LASAL NATIONAL FOREST

By _____

Accepted:

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA Surety

BY: [Signature]
Muriel M. van Veen Attorney-in-Fact



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 26th day of March 2003.

STATE OF CONNECTICUT

}SS. Hartford

COUNTY OF HARTFORD

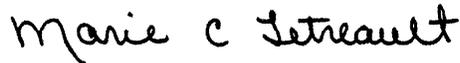
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By 
George W. Thompson
Senior Vice President

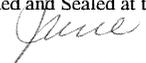
On this 26th day of March, 2003 before me personally came **GEORGE W. THOMPSON** to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of **TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY**, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



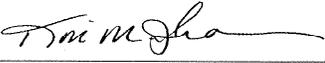

My commission expires June 30, 2006 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of **TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY**, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this  day of , 20 



By 
Kori M. Johanson
Assistant Secretary, Bond

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: **Edward M. Thompson, Muriel M. van Veen, Charlene Eason, Gail A. Flynn, Jill C. Goodhouse, Sheryl Crouse, of Portland, Oregon,** their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.