Appendix 2-1

BLM Lease Assignment

Appendix 2-2

Violations

Revised 9/16/92

Appendix 2-1

BLM Lease Assignment

GENWAL COAL COMPANY

March 26, 1991

Ms. Pricilla Burton
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, UT 84180-1203

RECEIVED
APR 03 1991
DIVISION OF
OIL GAS & MINING

RE: Permit # ACT 015-032
Genwal Coal Company
Updated Lease Area Map

Dear Ms. Burton:

Enclosed please find the updated Lease Area map that reflects the BLM decision document which states:

> "It has come to this office's attention that a resurvey of Sec. 5 was accepted on March 10, 1981. Therefore, the land in SL-050655 is now described as follows:
>
> T16S, R7E, SLM, Utah, Sec. 5, lots 5 (39.89 acres) and 6 (43.64 acres) Sec. 6, lot 1 SE 1/4 NE 1/4."

This map reflects the change from Lot 4 to 5 on Genwal Coal Company's lease SL-062648. Will you please distribute these copies to the appropriate agencies and/or individuals.

Should you have any questions or need additional information, please feel free to contact me at 687-9813.

Sincerely,

GENWAL COAL COMPANY

Randal

Randal J Ralphs
Surface Foreman/Project Coordinator

tr

Enclosures

P.O. Box 1201 • Huntington, Utah 84528 Telephone (801) 687-9813

SERIAL REGISTER PAGE

GE STATE: UTAH SERIAL NO: UTSL 0062648

* CONTINUED * * CONTINUED *

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
03/01/1984	238	LEASE MODIFIED-AMENDED		
05/22/1984	913	CONFORMED TO SURVEY		
10/14/1984	078	RIDER FILED	INCR TO $43000;	
10/14/1984	079	RIDER ACCEPTED		
02/14/1989	477	BOND ADJUSTMENT REQUIRED	DEC TO $5000;	
11/13/1989	376	BOND FILED	$10000;	
11/13/1989	378	BOND PERIOD TERMINATED	$43000/UT0555;	
11/13/1989	909	BOND ACCEPTED	UT0755;	
01/11/1990	622	READJUSTMENT NOTICE		
01/16/1990	910	REPORT REQUESTED	FOREST SERVICE EA	
02/05/1990	465	BOND REVIEWED		
03/12/1990	910	REPORT REQUESTED	MOAB DO	
01/03/1992	623	READJUSTMENT DUE		

STATE	ENTITY	ACRES
	MOAB DISTRICT USDI-BLM-UTAH	
	SAN RAFAEL RA	
UT	EMERY COUNTY UTAH	161.170

CASE DISPOSITION: 01/03/1942 AUTHORIZED

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DIVISION OF
OIL GAS & MINING

SERIAL REGISTER PAGE

GEN STATE: UTAH SERIAL NO: UTSL 0062648
CASE TYPE: 343001 COAL-LEASE (PREF PD)
LEGAL REF: COAL-LEASE PREF PD: ACT 2/25/1920, 30U COMMODITY: COAL

NAME	ADDRESS	% INTRST	INTEREST
GENWAL COAL CO	BOX 1201 HUNTINGTON, UT 84528	100.00000	LESSEE

M_	TOWN	RANGE	SEC	SUBDIVISION	SURFACE MGMT AGENCY
26	16-0S	7-0E	5	LOT 5,6	
			6	SENE	
			6	LOT 1	

***** TOTAL ACRES: 161.170 *****

ACTN DATE	CODE	ACTION	ACTION REMARKS	PEND ACT
0[illegible]/27/1939	124	APLN RECD		
0[illegible]/27/1939	276	PMT-LIC ISSUED	2 YR PERMIT	
08/13/1940	285	PREF RIGHT EXERCISED		
01/03/1942	286	PREF RIGHT GIVEN		
01/03/1942	868	EFFECTIVE DATE	JAMES L PETERSON	
01/27/1947	140	ASGN FILED		
03/17/1947	139	ASGN APPROVED		
04/01/1947	898	ASGN EFFECTIVE	JOHN L SANDERS	
12/29/1958	312	RELQ (PARTIAL) FILED		
02/25/1959	890	RELQ (PARTIAL) ACCEPTED		
03/28/1962	321	LEASE READJUSTED	EFF 01/03/62;	
08/26/1970	015	MOD APLN FILED		
04/20/1971	238	LEASE MODIFIED-AMENDED	EFF 05/01/71;	
05/18/1975	015	MOD APLN FILED	REQT CONSOLIDATION	
04/24/1980	140	ASGN FILED	GENT FLYING ENTERPRS	
09/24/1980	139	ASGN APPROVED		
09/24/1980	940	NAME CHANGE RECOGNIZED	HEIRS OF J F SANDERS	
10/01/1980	898	ASGN EFFECTIVE	GENT FLYING ENTERPRS	
11/05/1980	015	MOD APLN FILED		
12/08/1981	622	READJUSTMENT NOTICE		
12/09/1981	910	REPORT REQUESTED	EA FROM FOREST SVC	
04/18/1983	911	REPORT RECEIVED	EA FROM FOREST SVC	
07/14/1983	393	DECISION ISSUED	PROP TERMS & CONDS	
08/19/1983	940	NAME CHANGE RECOGNIZED	GENWAL COAL CORP	
10/01/1983	321	LEASE READJUSTED	DEC DTD 01/17/84;	

* CONTINUED * * CONTINUED *

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
136 E. SOUTH TEMPLE
SALT LAKE CITY, UTAH 84111

3400
SL-062648
(U-942)

Document f.

MAY 31 1984

DECISION

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84528	: : :	Coal Lease SL-062648

Decision Dated May 22, 1984, Amended

On May 22, 1984, this office issued a decision amending the acreage of a coal lease due to a resurvey of the lease area.

That decision mistakenly referred to lease SL-050655. The correct serial number for the lease affected is SL-062648.

Chief, Minerals
Adjudication Section

ITEM F

RECEIVED
APR 03 1991
DIVISION OF
OIL GAS & MINING

Document f.

Bureau of Land Management
Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

3400
SL-062648
(U-942)

AUG 17 1984

SR/PR Rec'd AUG 20 1984

DECISION

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84528	: : :	Coal Lease SL-062648

Decision Dated May 22, 1984 Amended

On May 22, 1984, this office issued a decision amending the acreage of coal lease SL-062648 due to a resurvey of the lease area.

In the first paragraph of the decision it was stated that a modification of the lease effective March 1, 1984 added 75.23 acres to the lease acreage. This figure was in error. The correct acreage added by the modification is 77.53 acres. The total acreage in lease SL-062648 is therefore 161.17 acres. The annual rental $486.00.

ROBERT LOPEZ

Chief, Minerals
Adjudication Section

cc: Accounts
Moab District Office
Alan Vance, Price Area Office ✓

ITEM F

IN REPLY REFER TO
3400
SL-050655
(U-942)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
136 E. SOUTH TEMPLE
SALT LAKE CITY, UTAH 84111

Documents

MAY 22 1984

DECISION

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84528	: : :	Coal Lease SL-050655

see last page

Lease Acreage Conformed to Survey

Coal lease SL-050655 was issued effective January 3, 1984, for 80 acres of land in Emery County, Utah. This lease was modified effective March 1, 1984, to include an additional 75.23 acres.

It has come to this office attention that a resurvey of Sec. 5 was accepted on March 10, 1981. Therefore, the land in SL-050655 is now described as follows:

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lots 5 (39.89 acres) and 6 (43.64 acres);
Sec. 6, lot 1, SE¼NE¼.

The acreage in the subject lease is hereby conformed to the resurvey. The lease acreage is now 161.17 acres and the annual rental is $486.

Bill No. a 301334 in the amount of $20 is enclosed for additional rentals for the periods from January 3, 1982, through January 2, 1985.

William D. Berger

ACTING Chief, Minerals
Adjudication Section

Enclosure
Bill No. A 301334

Item E

Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

3400
SL-~~050655~~
(U-942)

SL-062648

Document e.

See also Division of 8/17/84

MAY 22 1984

SR/PR Rec'd MAY 23 1984

DECISION

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84528	:	Coal Lease SL-~~050655~~ 062648

Wrong lease number - should be SL-062648

Lease Acreage Conformed to Survey

Coal lease SL-050655 was issued effective January 3, 1984, for 80 acres of land in Emery County, Utah. This lease was modified effective March 1, 1984, to include an additional 75.23 acres.

It has come to this office attention that a resurvey of Sec. 5 was accepted on March 10, 1981. Therefore, the land in SL-050655 is now described as follows:

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lots 5 (39.89 acres) and 6 (43.64 acres);
Sec. 6, lot 1, SE¼NE¼.

The acreage in the subject lease is hereby conformed to the resurvey. The lease acreage is now 161.17 acres and the annual rental is $436.

Bill No. a 301334 in the amount of $20 is enclosed for additional rentals for the periods from January 3, 1982, through January 2, 1985.

/S/ WILLIAM D. BUGE'

ACTING Chief, Minerals
Adjudication Section

Enclosure
Bill No. A 301334

cc: Accounts
Moab District Office
Allen Vance, Price Area Office

37.64
39.89
77.53

37.64 Lot 1
39.89 Lot 5
43.64 Lot 6
40.00 SE¼NE¼
161.17

524-3094

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APR 03 1991
DIVISION OF
OIL GAS & MINING

Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

3400
SL-062648
SL-050655
(U-942)

Document C.

MAR 1 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SR/PR Rec'd APR 20 1984

Genwal Coal Company
P. O. Box 1201
Huntington, Utah 84528

DECISION

Coal
SL-062648 and
SL-050655

Lease Modified
Lease Relinquishment Accepted

An application for modification of coal lease Salt Lake 062648 was received in this office on November 3, 1980. The requirements of the regulations have been met. Therefore, coal lease Salt Lake 062648 is hereby modified on March 1, 1984 to include lot 4 Sec. 5 and lot 1 Sec. 6, T. 16 S., R. 7 E., SLM, Utah totaling 75.23 acres.

A rider to the existing $5,000 lease bond No. S239729 was filed on January 9, 1984. The rider consents to the coverage of the additional modified lands by the existing coal lease bond. The rider has been examined, found to be satisfactory, and is hereby accepted effective the date of filing.

Finally a relinquishment of coal lease Salt Lake 050655, filed on January 9, 1984 is hereby accepted effective March 1, 1984, the date of approval of the modification.

Chief, Minerals
Adjudication Section

cc: Branch of Solid Minerals
Moab District
Royalty Management MMS, Denver

AFILMS Data Entry: 9/17/84
SL-050655 → e35 = 19840301
SL-062648 : e154 = 19840301
e155 = 75.23
250 = 155.23
e156 = 3.00
e157 = 87.92
e2 = 1186

RECEIVED
APR 03 1991
DIVISION OF
OIL GAS & MINING

ITEM C

3400-12
1 1984)
3520-1)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Number

U-54762

COAL LEASE

I. LE[illegible] RIGHTS GRANTED

lease, entered into by and between the UNITED STATES OF AMERICA, hereinafter called lessor, through the Bureau of Land Management, and
ne and Address)

Genwal Coal Company
P.O. Box 1201
Huntington, Utah 84528

inafter called lessee, is effective *(date)* DEC 1 1986, for a period of 20 years and for so long thereafter as coal is produced in commercial
tities from the leased lands, subject to readjustment of lease terms at the end of the 20th lease year and each 10-year period thereafter.

1. This lease is issued pursuant and subject to the terms and provisions of the:

Mineral Lands Leasing Act of 1920, Act of February 25, 1920, as amended, 41 Stat. 437, 30 U.S.C. 181-287, hereinafter referred to as the Act;

Mineral Leasing Act for Acquired Lands, Act of August 7, 1947, 61 Stat. 913, 30 U.S.C. 351-359;

to the regulations and formal orders of the Secretary of the Interior which are now or hereafter in force, when not inconsistent with the express specific provisions herein.

2. Lessor, in consideration of any bonuses, rents, and royalties to be paid, and the conditions and covenants to be observed as herein set forth, by grants and leases to lessee the exclusive right and privilege to drill for, mine, extract, remove, or otherwise process and dispose of the coal osits in, upon, or under the following described lands:

T. 15 S., R. 7 E., SLM, Utah
Sec. 31, SE¼SE¼;
Sec. 32, S½SW¼, SW¼SE¼.

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lots 2, 3, and 8.

taining 256.49 acres, more or less, together with the right to construct such works, buildings, plants, structures, equipment and appliances d the right to use such on-lease rights-of-way which may be necessary and convenient in the exercise of the rights and privileges granted, subject to conditions herein provided.

RT II. TERMS AND CONDITIONS

c. 1. (a) RENTAL RATE - Lessee shall pay lessor rental annually and advance for each acre or fraction thereof during the continuance of lease at the rate of $ 3.00 for each lease year.

RENTAL CREDITS - Rental shall not be credited against either oduction or advance royalties for any year.

c. 2. (a) PRODUCTION ROYALTIES - The royalty shall be 12½ & 8 per-nt of the value of the coal as set forth in the regulations. Royalties are e to lessor the final day of the month succeeding the calendar month which the royalty obligation accrues.

ADVANCE ROYALTIES - Upon request by the lessee, the authorized ficer may accept, for a total of not more than 10 years, the payment of vance royalties in lieu of continued operation, consistent with the ulations. The advance royalty shall be based on a percent of the e of a minimum number of tons determined in the manner blished by the advance royalty regulations in effect at the time the see requests approval to pay advance royalties in lieu of continued eration.

c. 3. [illegible]DS - Lessee shall maintain in the proper office a lease bond the amount of $ 5,000. The authorized officer may require an crease in this amount when additional coverage is determined propriate.

Sec. 4. DILIGENCE - This lease is subject to the conditions of diligent development and continued operation, except that these conditions are excused when operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The lessor, in the public interest, may suspend the condition of continued operation upon payment of advance royalties in accordance with the regulations in existence at the time of the suspension. Lessee's failure to produce coal in commercial quantities at the end of 10 years shall terminate the lease. Lessee shall submit an operation and reclamation plan pursuant to Section 7 of the Act not later than 3 years after lease issuance.

The lessor reserves the power to assent to or order the suspension of the terms and conditions of this lease in accordance with, inter alia, Section 39 of the Mineral Leasing Act, 30 U.S.C. 209.

Sec. 5. LOGICAL MINING UNIT (LMU) - Either upon approval by the lessor of the lessee's application or at the direction of the lessor, this lease shall become an LMU or part of an LMU, subject to the provisions set forth in the regulations.

The stipulations established in an LMU approval in effect at the time of LMU approval will supersede the relevant inconsistent terms of this lease so long as the lease remains committed to the LMU. If the LMU of which this lease is a part is dissolved, the lease shall then be subject to the lease terms which would have been applied if the lease had not been included in an LMU.

Feb. 10, 1988

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Number

SL-062648

MODIFIED COAL LEASE

This lease, is entered into on MAR 1 1984, by the United States of America, the lessor, through the Bureau of Land Management, and

Gent Flying Enterprises, Inc.
P. O. Box 38
Orangeville, Utah 84537

, the lessee, and shall become effective on , (effective date).

Sec. 1. STATUTES AND REGULATIONS--This lease is issued pursuant and subject to the terms and provisions of the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sections 181-263, hereafter referred to as the Act; and of the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. Section 1201, et seq., the Federal Coal Leasing Amendments Act of 1976, as amended, 90 Stat. 1083-1092, and, in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of September 7, 1947, as amended, 30 U.S.C. 351-359, et seq. This lease is also subject to all regulations of the Secretary of the Interior (including but not limited to, 30 CFR Part 211 and Chapter VII and 43 CFR Group 3400), and to all regulations which are now in force or (except as expressly limited herein) hereafter in force, and all of such regulations are made a part hereof.

WITNESSETH:

Sec. 2. RIGHTS OF LESSEE--The lessor, in consideration of any bonus paid (or to be paid if deferred), rents and royalties and other conditions hereinafter set forth, hereby grants and leases to the lessee the exclusive right and privilege to mine and dispose of all coal in

Tract 1

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, SW¼NW¼;
Sec. 6, SE¼NE¼.

Containing 80.00 acres

Tract 2

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lot 4;
Sec. 6, lot 1.

Containing 75.23 acres

MAR 5 1984
SALT LAKE CITY
BRANCH OF COAL STUDIES

containing 155.23 acres, more or less, and subject to the conditions, limitations and prohibitions provided in this lease and in applicable acts and regulations, the right to construct all works, buildings, structures, equipment, and appliances which may be necessary and convenient for the mining and preparation of the coal for market, and, subject to the conditions herein provided, to use so much of the surface as may reasonably be required in the exercise of the rights and privileges herein granted for a period of 20 years and so long thereafter as the condition of continued operation is met.

ITEM D

TOWNSHIP 16 SOUTH RANGE 7 EAST OF THE SALT LAKE MERIDIAN, UTAH

MOAB DISTRICT 060
EMERY COUNTY

STATUS OF PUBLIC DOMAIN
LAND AND MINERAL TITLES

OG PLAT

INDEX TO SEGREGATED TRACTS				
RESURVEY	ORIGINAL SURVEY			
TRACT NO	T	R	SEC	SUBDIVISION

FOR ORDERS EFFECTING DISPOSAL OR USE OF UNIDENTIFIED LANDS WITHDRAWN FOR CLASSIFICATION, MINERALS, WATER AND/OR OTHER PUBLIC PURPOSES, REFER TO INDEX OF MISCELLANEOUS DOCUMENTS.

U 081578, Dei Area PL 167
Sec 1: All
Sec 3-22: All
Sec 24: All
Sec 25: E½
Sec 27: W½
Sec 28-31: All
Sec 33: All
Sec 34: W½, SE¼

U 50223, R/W KV Line
Sec. 26

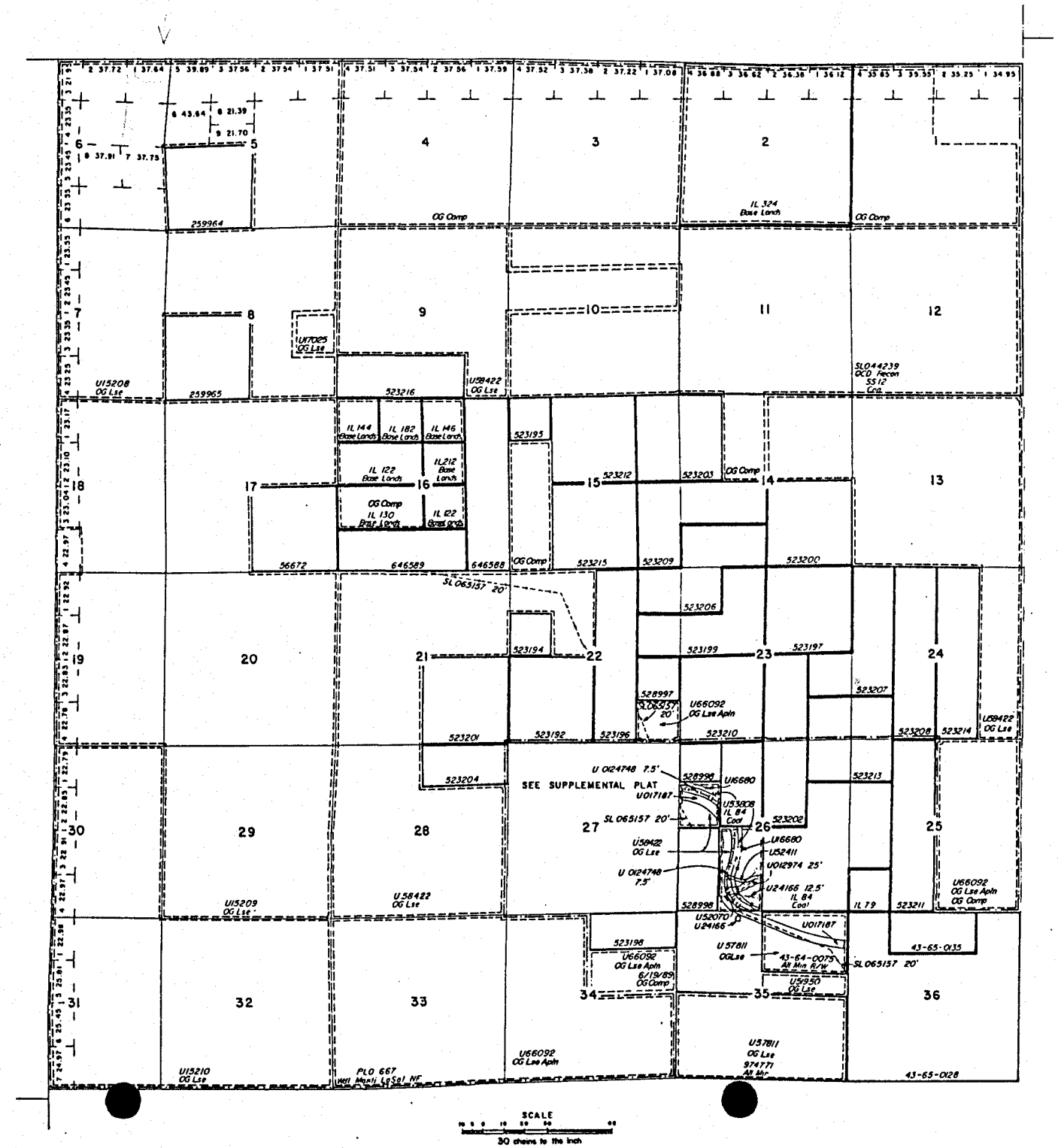
U 16597, Apln Rev Wdl Pwr S Res 363
Sec 26: SW¼NW¼, E½SW¼
Sec 27: Lot 1-12

U 45311, Apln Rest Wdl EP 290
Sec 27: Lot 1-12

East Mountian Unit Agreement:
Secs 5-9,17-20,29-32: ALL

U 50168, R/W Rd
Sec 26

Bureau of Land Management
Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303
hereby certify that this reproduction is a copy of the official record on file in this office.
Authorized Signature
Date



Lat 39° 23' N
Long 111° 06' 39" W

CURRENT TO	BY

26

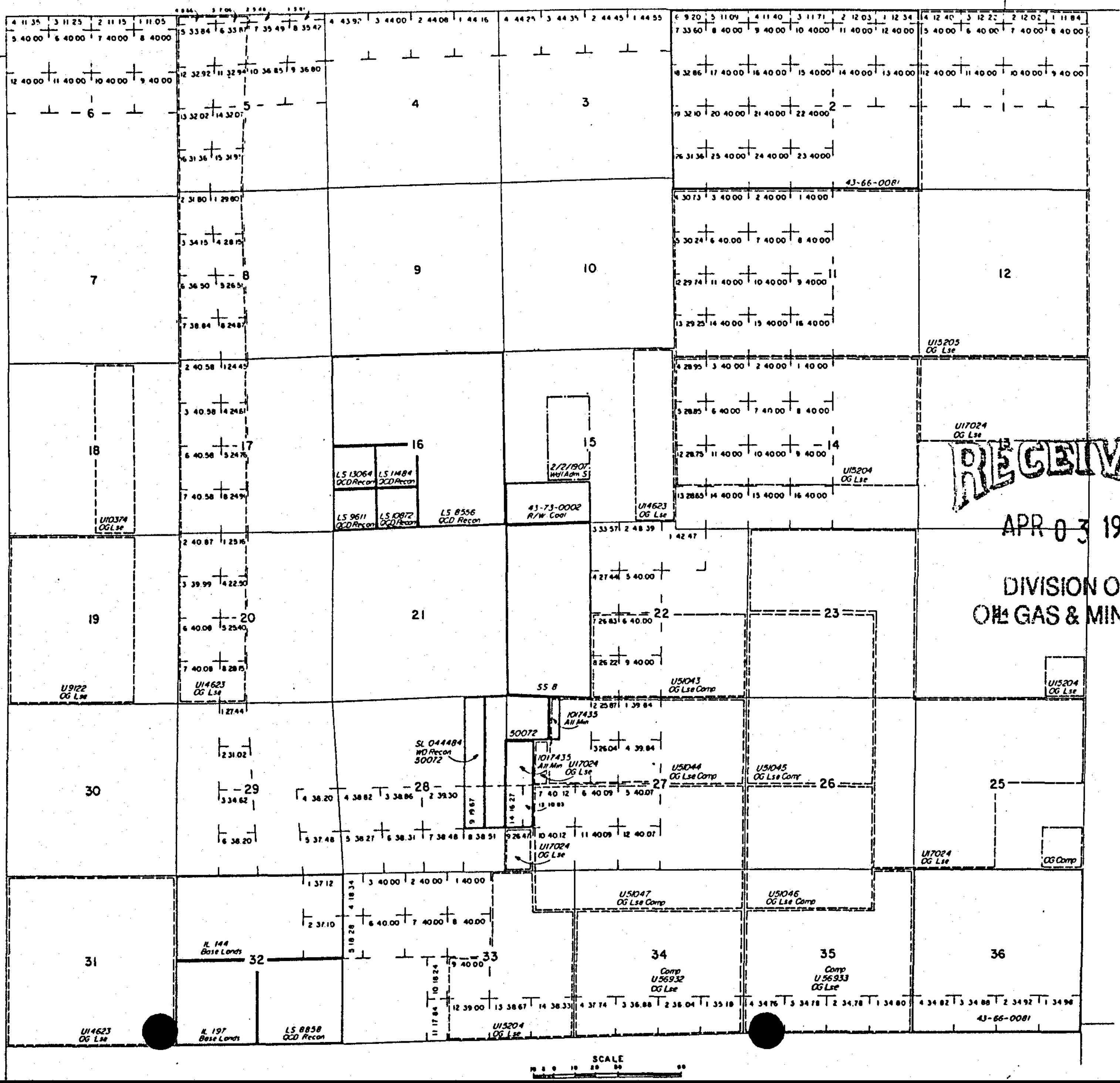
T 16 S
R 7 E

TOWNSHIP 16 SOUTH RANGE 6 EAST OF THE SALT LAKE MERIDIAN, UTAH

EMERY COUNTY

STATUS OF PUBLIC DOMAIN
LAND AND MINERAL TITLES

OG PLAT



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APR 03 1991
DIVISION OF
OIL GAS & MINING

INDEX TO SEGREGATED TRACTS				
RESURVEY	ORIGINAL SURVEY			
TRACT NO	T	R	SEC	SUBDIVISION

FOR ORDERS EFFECTING DISPOSAL OR USE OF UNIDENTIFIED LANDS WITHDRAWN FOR CLASSIFICATION, MINERALS, WATER AND/OR OTHER PUBLIC PURPOSES, REFER TO INDEX OF MISCELLANEOUS DOCUMENTS.

PLO 667, Wdl Manti LaSal NF: Entire Tp

East Mountian Unit Agreement
Secs 1,2,11-14,22-27,33-36: ALL

U 081578, Det Area PL 167
Sec 1: All
Sec 3-35: All

Known Geologic Structure
Sec 22: Lots 6-9, SE¼
Sec 23: SW¼, W½SE¼
Sec 26: W½, W½E½
Sec 27: Lots 1-7, 10-12, E½, E½NW¼
Sec 33: Lot 14, E½NE¼, NE¼SE¼
Sec 34-36: All

Bureau of Land Management
State Office
South State, Suite 301
City, Utah 84111-2303
reproduction is a copy of the official

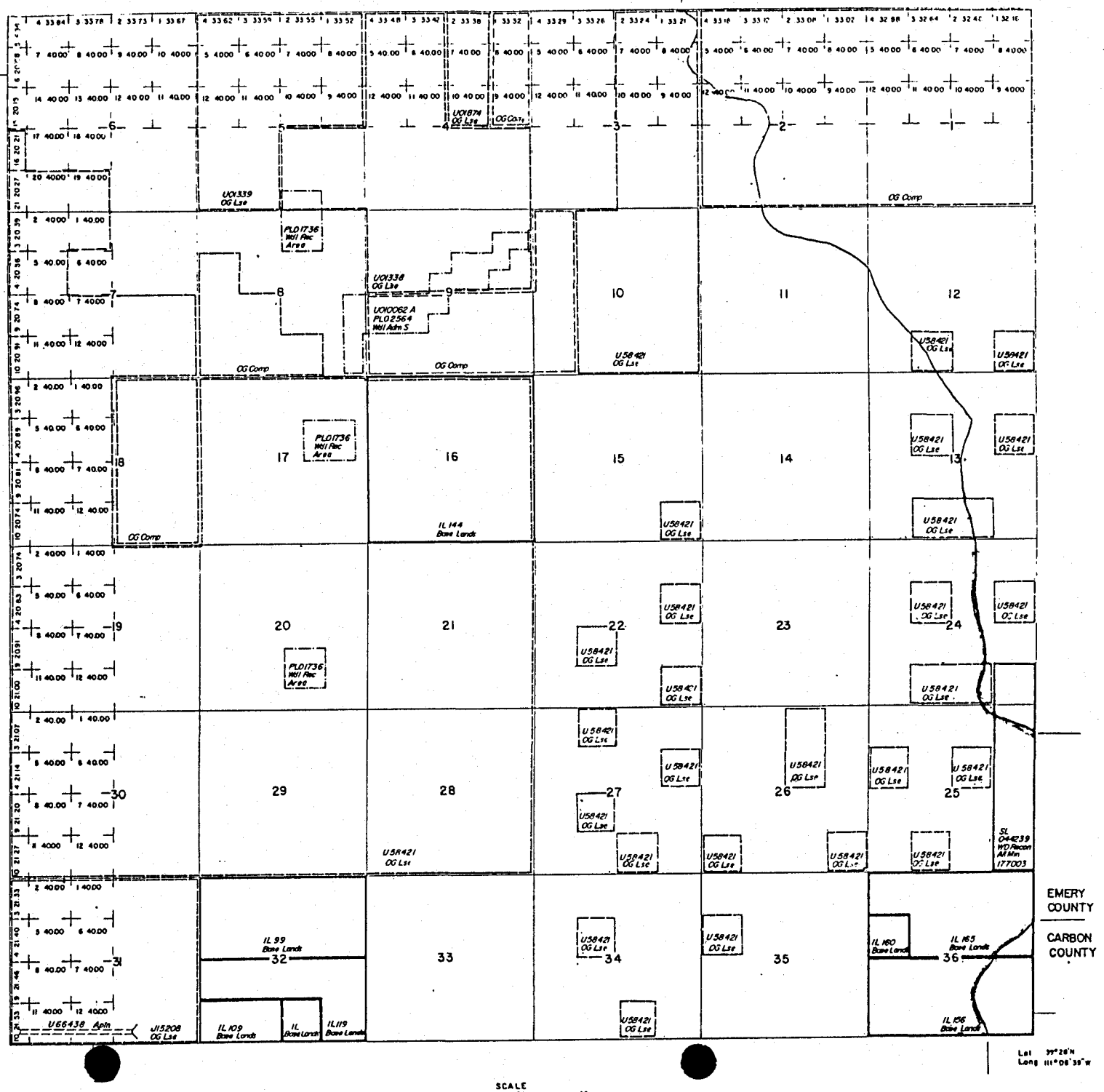
Elizabeth M. Price 3/13/91
Signature Date

CURRENT TO	BY
	MAR 13 1991

22

T 16 S
R 6 E

TOWNSHIP 15 SOUTH RANGE 7 EAST OF THE SALT LAKE MERIDIAN, UTAH



STATUS OF PUBLIC DOMAIN LAND AND MINERAL TITLES

OG PLAT

INDEX TO SEGREGATED TRACTS					
RESURVEY			ORIGINAL SURVEY		
TRACT NO	T	R	SEC	SUBDIVISION	

FOR ORDERS EFFECTING DISPOSAL OR USE OF UNIDENTIFIED LANDS WITHDRAWN FOR CLASSIFICATION, MINERALS, WATER AND/OR OTHER PUBLIC PURPOSES, REFER TO INDEX OF MISCELLANEOUS DOCUMENTS.

PLO 667, Wdl Manti La Sal NF: Entire Tp

U 081578, Det Area PL 167
Sec 1: All
Sec 3-36: All

Known Geological Structure
Sec 4-5: All
Sec 6: Lots 1-15, 17, 18, SE¼
Sec 8: N½NW¼, SE¼NW¼, NE¼, N½SE¼, SE¼SE¼
Sec 9: All
Sec 10: W½W½

Clear Creek Unit Agreement
Sec 4: Lots 2-7, 10-12, S½
Sec 5: Lots 1-11, SE¼, NE¼SW¼
Sec 9: N½N½

East Mountian Unit Agreement
Secs 31: ALL

Bureau of Land Management
[illegible] State Office
324 South State, Suite 301
[illegible] UT 84111-2303

I hereby certify that this reproduction is a copy of the official record on file in this office

[illegible] 3/31/
Authorized Signature Date

CURRENT TO	BY

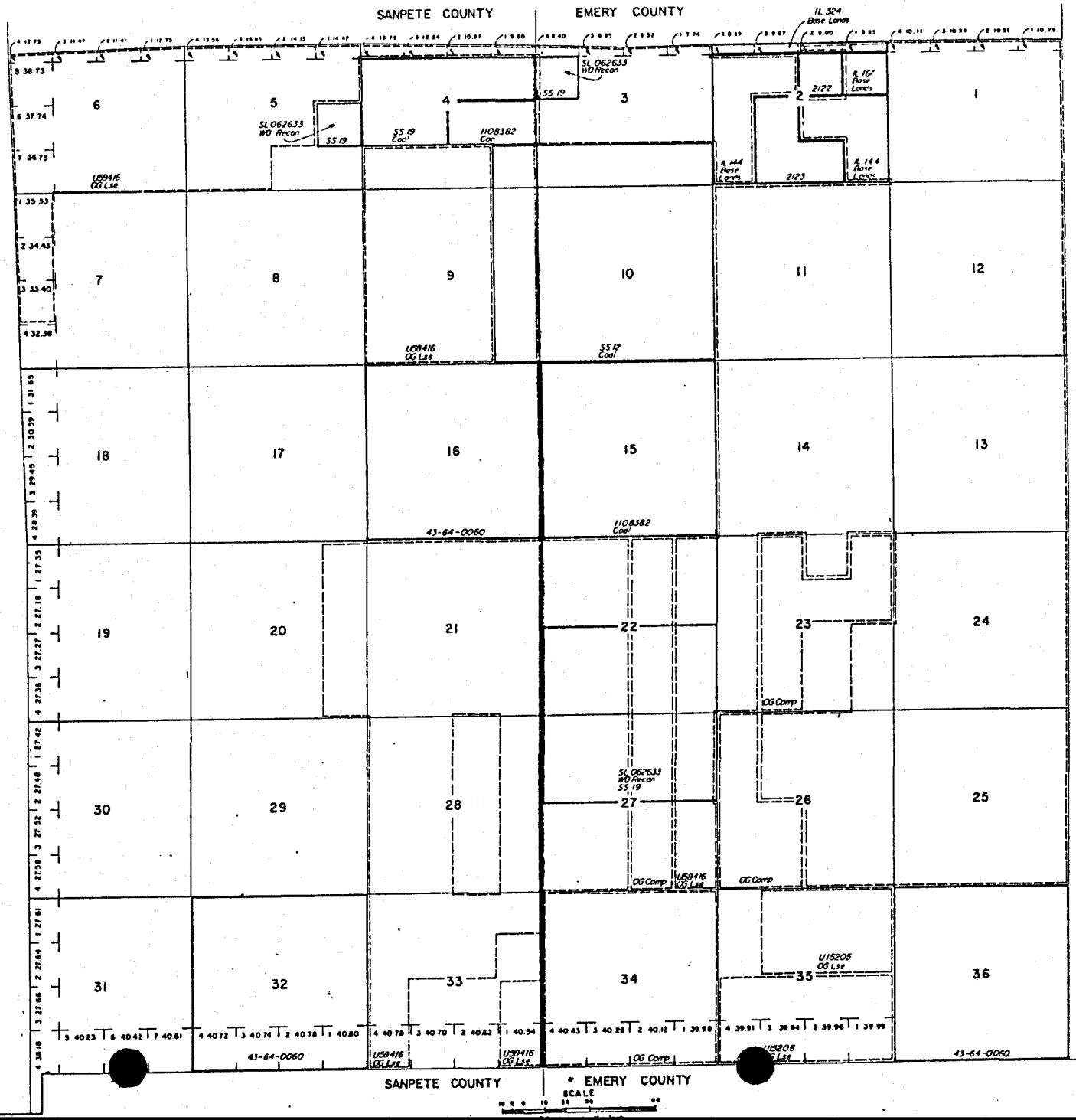
26

T 15 S
R 7 E

TOWNSHIP 15 SOUTH RANGE 6 EAST OF THE SALT LAKE MERIDIAN, UTAH

STATUS OF PUBLIC DOMAIN
LAND AND MINERAL TITLES

OG PLAT



Lat 39° 28' N
Long 111° 13' 23" W

INDEX TO SEGREGATED TRACTS				
PRE SURVEY	ORIGINAL SURVEY			
TRACT NO	T	R	SEC	SUBDIVISION

FOR ORDERS EFFECTING DISPOSAL OR USE OF UNIDENTIFIED LANDS WITHDRAWN FOR CLASSIFICATION, MINERALS, WATER AND/OR OTHER PUBLIC PURPOSES, REFER TO INDEX OF MISCELLANEOUS DOCUMENTS.

PLO 667. Wdl Mantl LaSal NF: Entire Tp

East Mountian Unit Agreement
Secs: 35,36: ALL

U 08157: Dei Area P. 167
Sec 1-9: All
Sec 11-14: All
Sec 17-31: All
Sec 33-35: All

Known Geologic Structure
Sec 5: S½SE¼
Sec 7: Lot 4, E½W½, E½
Sec 9: All
Sec 17: W½E½, W½
Sec 18-19: All
Sec 20: W½E½, W½
Sec 29: NW¼NE¼, NW¼, NW¼SW¼
Sec 30: Lot 1,2, NE¼, E½NW¼, NE¼SW¼, N½SE¼

Bureau of Land Management
~~Utah State Office~~
324 South State Suite 301
Salt Lake City, Utah 84111-2303
~~I certify that this reproduction is a copy of the official record on file in the office.~~

Authorized Signature — Date

CURRENT TO	BY

22

T 15 S
R 6 E

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Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

RECEIVED
SEP 14 1990

3400
SL-062648
(U-942)

DIVISION OF
OIL, GAS & MINING
AUG 17 1984

SR/PR Rec'd AUG 20 1984

DECISION

Genwal Coal Company	:	Coal Lease
P. O. Box 1201	:	SL-062648
Huntington, Utah 84523	:	

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ROBERT LOPEZ

Chief, Minerals
Adjudication Section

cc: Accounts
Moab District Office
Alan Vance, Price Area Office ✓

Bureau of Land Management
Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

3400
~~SL-050655~~
(U-942)

SL-062648

See also Division of 8/17/84

MAY 22 1984

SR/PR Rec'd MAY 23 1984

DECISION

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84528	: : :	Coal Lease ~~SL-050655~~ 062648

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Sec. 5, lots 5 (39.89 acres) and 6 (43.64 acres);
Sec. 6, lot 1, SE¼NE¼.

The acreage in the subject lease is hereby conformed to the resurvey. The lease acreage is now 161.17 acres and the annual rental is $436.

Bill No. a 301334 in the amount of $20 is enclosed for additional rentals for the periods from January 3, 1982, through January 2, 1985.

/S/ WILLIAM D. BUGE'

ACTING Chief, Minerals Adjudication Section

RECEIVED
SEP 14 1990
DIVISION OF OIL, GAS & MINING

Enclosure
Bill No. A 301334

cc: Accounts
Moab District Office
Allen Vance, Price Area Office

37.64
39.89
77.53

37.64 Lot 1
39.89 Lot 5
43.64 Lot 6
40.00 SE¼NE¼
161.17

524-3094

2-1
Coal Lease
Feb. 10, 1988

Form 3400-12
(April 1984)
(3520-1)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Number

U-54762

COAL LEASE

PART I. LEASE RIGHTS GRANTED

This lease, entered into by and between the UNITED STATES OF AMERICA, hereinafter called lessor, through the Bureau of Land Management, and *(Name and Address)*

Genwal Coal Company
P.O. Box 1201
Huntington, Utah 84528

hereinafter called lessee, is effective *(date)* DEC 1 1986, for a period of 20 years and for so long thereafter as coal is produced in commercial quantities from the leased lands, subject to readjustment of lease terms at the end of the 20th lease year and each 10-year period thereafter.

Sec. 1. This lease is issued pursuant and subject to the terms and provisions of the:

☑ Mineral Lands Leasing Act of 1920, Act of February 25, 1920, as amended, 41 Stat. 437, 30 U.S.C. 181-287, hereinafter referred to as the Act;

☐ Mineral Leasing Act for Acquired Lands, Act of August 7, 1947, 61 Stat. 913, 30 U.S.C. 351-359;

and to the regulations and formal orders of the Secretary of the Interior which are now or hereafter in force, when not inconsistent with the express and specific provisions herein.

Sec. 2. Lessor, in consideration of any bonuses, rents, and royalties to be paid, and the conditions and covenants to be observed as herein set forth, hereby grants and leases to lessee the exclusive right and privilege to drill for, mine, extract, remove, or otherwise process and dispose of the coal deposits in, upon, or under the following described lands:

T. 15 S., R. 7 E., SLM, Utah
Sec. 31, SE¼SE¼;
Sec. 32, S½SW¼, SW¼SE¼.

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lots 2, 3, and 8.

containing 256.49 acres, more or less, together with the right to construct such works, buildings, plants, structures, equipment and appliances and the right to use such on-lease rights-of-way which may be necessary and convenient in the exercise of the rights and privileges granted, subject to the conditions herein provided.

PART II. TERMS AND CONDITIONS

Sec. 1. (a) RENTAL RATE - Lessee shall pay lessor rental annually and in advance for each acre or fraction thereof during the continuance of the lease at the rate of $ 3.00 for each lease year.

(b) RENTAL CREDITS - Rental shall not be credited against either production or advance royalties for any year.

Sec. 2. (a) PRODUCTION ROYALTIES - The royalty shall be 12½ & 8 percent of the value of the coal as set forth in the regulations. Royalties are due to lessor the final day of the month succeeding the calendar month in which the royalty obligation accrues.

(b) ADVANCE ROYALTIES - Upon request by the lessee, the authorized officer may accept, for a total of not more than 10 years, the payment of advance royalties in lieu of continued operation, consistent with the regulations. The advance royalty shall be based on a percent of the value of a minimum number of tons determined in the manner established by the advance royalty regulations in effect at the time the lessee requests approval to pay advance royalties in lieu of continued operation.

Sec. 3. BONDS - Lessee shall maintain in the proper office a lease bond in the amount of $ 5,000. The authorized officer may require an increase in this amount when additional coverage is determined appropriate.

Sec. 4. DILIGENCE - This lease is subject to the conditions of diligent development and continued operation, except that these conditions are excused when operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The lessor, in the public interest, may suspend the condition of continued operation upon payment of advance royalties in accordance with the regulations in existence at the time of the suspension. Lessee's failure to produce coal in commercial quantities at the end of 10 years shall terminate the lease. Lessee shall submit an operation and reclamation plan pursuant to Section 7 of the Act not later than 3 years after lease issuance.

The lessor reserves the power to assent to or order the suspension of the terms and conditions of this lease in accordance with, inter alia, Section 39 of the Mineral Leasing Act, 30 U.S.C. 209.

Sec. 5. LOGICAL MINING UNIT (LMU) - Either upon approval by the lessor of the lessee's application or at the direction of the lessor, this lease shall become an LMU or part of an LMU, subject to the provisions set forth in the regulations.

The stipulations established in an LMU approval in effect at the time of LMU approval will supersede the relevant inconsistent terms of this lease so long as the lease remains committed to the LMU. If the LMU of which this lease is a part is dissolved, the lease shall then be subject to the lease terms which would have been applied if the lease had not been included in an LMU.

Sec. 6. DOCUMENTS, EVIDENCE AND INSPECTION - At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing the amounts and quality of all products removed from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost.

Lessee shall keep open at all reasonable times for the inspection of any duly authorized officer of lessor, the leased premises and all surface and underground improvements, works, machinery, ore stockpiles, equipment, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or under the leased lands.

Lessee shall allow lessor access to and copying of documents reasonably necessary to verify lessee compliance with terms and conditions of the lease.

While this lease remains in effect, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 7. DAMAGES TO PROPERTY AND CONDUCT OF OPERATIONS - Lessee shall comply at its own expense with all reasonable orders of the Secretary, respecting diligent operations, prevention of waste, and protection of other resources.

Lessee shall not conduct exploration operations, other than casual use, without an approved exploration plan. All exploration plans prior to the commencement of mining operations within an approved mining permit area shall be submitted to the authorized officer.

Lessee shall carry on all operations in accordance with approved methods and practices as provided in the operating regulations, having due regard for the prevention of injury to life, health, or property, and prevention of waste, damage or degradation to any land, air, water, cultural, biological, visual, and other resources, including mineral deposits and formations of mineral deposits not leased hereunder, and other land uses or users. Lessee shall take measures deemed necessary by lessor to accomplish the intent of this lease term. Such measures may include, but are not limited to, modification to proposed siting or design of facilities, timing of operations, and specification of interim and final reclamation procedures. Lessor reserves to itself the right to lease, sell, or otherwise dispose of the surface or other mineral deposits in the lands and the right to continue existing uses and to authorize future uses upon or in the leased lands, including issuing leases for mineral deposits not covered hereunder and approving easements or rights-of-way. Lessor shall condition such uses to prevent unnecessary or unreasonable interference with rights of lessee as may be consistent with concepts of multiple use and multiple mineral development.

Sec. 8. PROTECTION OF DIVERSE INTERESTS, AND EQUAL OPPORTUNITY - Lessee shall: pay when due all taxes legally assessed and levied under the laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at lease twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; restrict the workday to not more than 8 hours in any one day for underground workers, except in emergencies; and take measures necessary to protect the health and safety of the public. No person under the age of 16 years shall be employed in any mine below the surface. To the extent that laws of the State in which the lands are situated are more restrictive than the provisions in this paragraph, then the State laws apply.

Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 9. (a) TRANSFERS

- [x] This lease may be transferred in whole or in part to any person, association or corporation qualified to hold such lease interest.
- [ ] This lease may be transferred in whole or in part to another public body or to a person who will mine the coal on behalf of, and for the use of, the public body or to a person who for the limited purpose of creating a security interest in favor of a lender agrees to be obligated to mine the coal on behalf of the public body.
- [ ] This lease may only be transferred in whole or in part to another small business qualified under 13 CFR 121.

Transfers of record title, working or royalty interest *must* be approved in accordance with the regulations.

(b) RELINQUISHMENT - The lessee may relinquish in writing at any time all rights under this lease or any portion thereof as provided in the regulations. Upon lessor's acceptance of the relinquishment, lessee shall be relieved of all future obligations under the lease or the relinquished portion thereof, whichever is applicable.

Sec. 10. DELIVERY OF PREMISES, REMOVAL OF MACHINERY, EQUIPMENT, ETC. - At such time as all portions of this lease are returned to lessor, lessee shall deliver up to lessor the land leased, underground timbering, and such other supports and structures necessary for the preservation of the mine workings on the leased premises or deposits and place all workings in condition for suspension or abandonment. Within 180 days thereof, lessee shall remove from the premises all other structures, machinery, equipment, tools, and materials that it elects to or as required by the authorized officer. Any such structures, machinery, equipment, tools, and materials remaining on the leased lands beyond 180 days, or approved extension thereof, shall become the property of the lessor, but lessee shall either remove any or all such property or shall continue to be liable for the cost of removal and disposal in the amount actually incurred by the lessor. If the surface is owned by third parties, lessor shall waive the requirement for removal, provided the third parties do not object to such waiver. Lessee shall, prior to the termination of bond liability or at any other time when required and in accordance with all applicable laws and regulations, reclaim all lands the surface of which has been disturbed, dispose of all debris or solid waste, repair the offsite and onsite damage caused by lessee's activity or activities incidental thereto, and reclaim access roads or trails.

Sec. 11. PROCEEDINGS IN CASE OF DEFAULT - If lessee fails to comply with applicable laws, existing regulations, or the terms, conditions and stipulations of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation by the lessor only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time.

Sec. 12. HEIRS AND SUCCESSORS-IN-INTEREST - Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 13. INDEMNIFICATION - Lessee shall indemnify and hold harmless the United States from any and all claims arising out of the lessee's activities and operations under this lease.

Sec. 14. SPECIAL STATUTES - This lease is subject to the Federal Water Pollution Control Act (33 U.S.C. 1151—1175), the Clean Air Act (42 U.S.C. 1857 et. seq.), and to all other applicable laws pertaining to exploration activities, mining operations and reclamation, including the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et. seq.).

Sec. 15. SPECIAL STIPULATIONS -

See Attached Stipulations

3451
SL-062648
(U-942)

JAN 17 1984

SR/PR Rec'd JAN 23 1984

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

DECISION

REC'D. MOO JAN 18

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84523	:	Coal SL-062648

Lease Readjusted Effective October 1, 1983

On July 14, 1983, Gent Flying Enterprises, Inc., later amended to Genwal Coal Company, was sent a Notice of Proposed Readjustment of Lease in connection with coal lease SL-062648. No objections to the terms as stated were filed within the 60-day period allowed. Therefore, coal lease SL-062648 is readjusted effective October 1, 1983, as stipulated in the decision and Coal Lease Readjustment.

The new rental rate goes into effect on January 3, 1984. The new royalty rate will be effective simultaneously with the effective date of this readjustment.

The $5,000 lease bond recommended for compliance with all the terms and conditions of the lease is currently on file. Therefore, further bonding is not required.

/s/ William C. Dang

ACTING Chief, Minerals
Adjudication Section

cc: Chief, Branch of Solid Minerals
District Manager, Moab
Royalty Management, MMS, Solid Minerals Unit

2-1
Lease Modification
Feb. 10, 1988

JT 3/23/84

Bureau of Land Management
Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah 84111

3400
SL-062648
SL-050655
(U-942)

MAR 1 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SB/PR Rec'd APR 20 1984

Genwal Coal Company
P. O. Box 1201
Huntington, Utah 84528

DECISION

: Coal
: SL-062648 and
: SL-050655

Lease Modified
Lease Relinquishment Accepted

An application for modification of coal lease Salt Lake 062648 was received in this office on November 3, 1980. The requirements of the regulations have been met. Therefore, coal lease Salt Lake 062648 is hereby modified on March 1, 1984 to include lot 4 Sec. 5 and lot 1 Sec. 6, T. 16 S., R. 7 E., SLM, Utah totaling 75.23 acres.

A rider to the existing $5,000 lease bond No. S838789 was filed on January 9, 1984. The rider consents to the coverage of the additional modified lands by the existing coal lease bond. The rider has been examined, found to be satisfactory, and is hereby accepted effective the date of filing.

Finally a relinquishment of coal lease Salt Lake 050655, filed on January 9, 1984 is hereby accepted effective March 1, 1984, the date of approval of the modification.

Chief, Minerals
Adjudication Section

cc: Branch of Solid Minerals
Moab District
Royalty Management MMS, Denver

AFILMS Data Entry: 9/11/84
SL-050655 → e35 = 19840301
SL-062648 : e154 = 19840301
e155 = 75.23
e50 = 155.23
e156 = 3.00
e157 = 87.9
e4 = 4186

GENWAL COAL COMPANY
P.O. BOX 1201
HUNTINGTON, UTAH 84528
(801)687-9813

December 22,1983

United States Department of the Interior
Bureau Of Land Management
Utah State Office
136 E. South Temple
Salt Lake City, Utah 84111

RECEIVED
UTAH STATE OFFICE
1984 JAN -9 PM 12: 34
DEPT OF INTERIOR
BUR. OF LAND MGMT.

Re: Western Federal Coal Lease Form

This is to certify that Genwal Coal Company, Inc. request that Lease #SL-050655 (conatining 80 acres) located in Huntington Canyon near Electric Lake be relinquished in exchange for 75.23 acres in Crandall Canyon off Huntington Canyon adjoining Lease #SL-062648. A property that Genwal Coal Company, Inc., Crandall Canyon Mine #1 is in the process of Developeinc.

Sincerely,

Charles H. Gent, JR.

CHS/cs

Relinquishment accepted eff. MAR 1 1984
THE UNITED STATES OF AMERICA
By MAR 1 1984
Chief, Minerals Section
Utah State Office, Bur. Land Mgmt.

BUREAU OF LAND MGMT.
MAR 5 - 1984
SALT LAKE CITY, UTAH
BRANCH OF SOL. MINERALS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Number

SL-062648

MODIFIED COAL LEASE

This lease, is entered into on MAR 1 1984, by the United States of America, the lessor, through the Bureau of Land Management, and

Gent Flying Enterprises, Inc.
P. O. Box 38
Orangeville, Utah 84537

, the lessee, and shall become effective on , (effective date).

Sec. 1. STATUTES AND REGULATIONS--This lease is issued pursuant and subject to the terms and provisions of the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Sections 181-263, hereafter referred to as the Act; and of the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. Section 1201, et seq., the Federal Coal Leasing Amendments Act of 1976, as amended, 90 Stat. 1083-1092, and, in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of September 7, 1947, as amended, 30 U.S.C. 351-359, et seq. This lease is also subject to all regulations of the Secretary of the Interior (including but not limited to, 30 CFR Part 211 and Chapter VII and 43 CFR Group 3400), and to all regulations which are now in force or (except as expressly limited herein) hereafter in force, and all of such regulations are made a part hereof.

WITNESSETH:

Sec. 2. RIGHTS OF LESSEE--The lessor, in consideration of any bonus paid (or to be paid if deferred), rents and royalties and other conditions hereinafter set forth, hereby grants and leases to the lessee the exclusive right and privilege to mine and dispose of all coal in

Tract 1

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, SW¼NW¼;
Sec. 6, SE¼NE¼.

Containing 80.00 acres

Tract 2

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lot 4;
Sec. 6, lot 1.

Containing 75.23 acres

77.53

BUREAU OF LAND MANAGEMENT
MAR 5 - 1984
SALT LAKE CITY, UTAH
BRANCH OF SOLID MINERALS

see letter 8/17/84

161.17

containing 155.23 acres, more or less, and subject to the conditions, limitations and prohibitions provided in this lease and in applicable acts and regulations, the right to construct all works, buildings, structures, equipment, and appliances which may be necessary and convenient for the mining and preparation of the coal for market, and, subject to the conditions herein provided, to use so much of the surface as may reasonably be required in the exercise of the rights and privileges herein granted for a period of 20 years and so long thereafter as the condition of continued operation is met.

Sec. 4. BOND--The lessee shall file with the appropriate Bureau of Land Management office a lease bond in the amount of $ 5,000 , for the use and benefit of the United States, to insure payment of deferred bonus payments, rentals and royalties and to insure compliance with all other items of this lease, the regulations and the Act (except for reclamation within the area covered by a surface mining permit issued under the permanent regulatory program by the regulatory authority) and, if appropriate, for the protection of the interests of the surface owners on the leased lands. An increase in the amount of the lease bond may be required by the lessor at any time during the life of the lease to reflect changed conditions.

Sec. 5. RENTAL--An annual rental of $3.00 for each acre or fraction thereof shall be paid in advance on or before the anniversary date of this lease. This section shall not be subject to revision except in the course of lease readjustment.

Sec. 6. PRODUCTION ROYALTY--The lessee shall pay a production royalty of 12½ percent of the value of coal produced by strip or auger mining methods and 8 percent of the value of coal produced by underground mining methods. The value of coal shall be determined as set forth in 30 CFR 211. Production royalties paid for a calendar month shall be reduced by the amount of any advance royalties paid under this lease to the extent that such advance royalties have not been used to reduce production royalties in a previous month. However, production royalties payable after the 20th year of the lease shall not be reduced by advance royalties paid during the first 20 years of the lease. Production royalties shall be payable the final day of the month succeeding the calendar month in which the coal is sold, unless otherwise specified in 30 CFR 211. The royalty rates provided in this section shall not be subject to revision except in the course of lease readjustment.

Sec. 7. ADVANCE ROYALTY--Upon request by the lessee, the District Mining Supervisor may accept, for a total of not more than 10 years, the payment of advance royalties in lieu of the condition of continued operation consistent with the regulations in 43 CFR 3473 and 30 CFR 211. The advance royalty shall be based on a percent of the value of a minimum number of tons which shall be determined in the manner established by the regulations in 43 CFR 3473.

Sec. 8. METHOD OF PAYMENTS--The lessee shall make rental payments to the appropriate Bureau of Land Management (BLM) office until production royalties become payable. Thereafter, all rentals, production royalties and advance royalties shall be paid to the appropriate office of the United States Geological Survey.

Sec. 9. EXPLORATION PLAN--The lessee shall not commence any exploration, except casual use, on the leased lands without an approved exploration plan. Exploration plans for leased lands covered by an approved mining permit shall be submitted to the Regional Director of the Office of Surface Mining in accordance with the regulations in 30 CFR Chapter VII. Exploration plans for leased lands not covered by an approved mining permit shall be submitted to the District Mining Supervisor in accordance with the regulations in 30 CFR 211.

Sec. 10. MINING PLAN--In accordance with the regulations in 30 CFR 211 and Chapter VII, the lessee shall submit a mining and reclamation plan not more than three years after the effective date of this lease. Mining operations shall not commence until after the mining and reclamation plan is approved. The mining and reclamation shall be conducted in accordance with the approved mining and reclamation plan. Exploration activities which were not included in the approved mining and reclamation plan require submittal of exploration plans in accordance with Section 9 of this lease.

Sec. 11. LOGICAL MINING UNIT (LMU)--This lease is automatically considered to be an LMU. This LMU may be enlarged, adjusted or diminished in accordance with the applicable regulations in Titles 10, 30, and 43 of the Code of Federal Regulations. The mining plan for the LMU shall require that the reserves of the LMU will be mined within a period of 40 years in accordance with 30 CFR 211 and 43 CFR 3400.0-5. The definition of LMU and LMU reserves and other applicable conditions are set forth in the regulations in 43 CFR 3400.0-5 and 3475, 30 CFR 211, and Title 10 of the Code of Federal Regulations.

Sec. 12. OPERATIONS ON LEASED LANDS--(a) In accordance with conditions of this lease, the exploration and mining and reclamation plans, the permit issued pursuant to 30 CFR Chapter VII, and all applicable acts and regulations, the lessee shall exercise reasonable diligence

Sec. 13. SPECIAL STATUTES--The lessee shall comply with the provisions of the Federal Water Pollution Control Act, 33 U.S.C. 1151-1175, and the Clean Air Act, 42 U.S.C. 7401, et seq.

Sec. 14. AUTHORIZATION OF OTHER USES AND DISPOSITION OF LEASED LANDS--(a) The lessor reserves the right to authorize other uses of the leased lands by regulation or by issuing, in addition to this lease, leases, licenses, permits, easements, or rights-of-way, including leases for the development of minerals other than coal under the Act. The lessor may authorize any other uses of the leased lands that do not unreasonably interfere with the exploration and mining operations of the lessee, and the lessee shall make all reasonable efforts to avoid interference with such authorized uses.

(b) The lessor reserves the right: (i) to sell or otherwise dispose of the surface of the leased lands under existing law or laws hereafter enacted insofar as said surface is not necessary for the use of the lessee in the extraction and removal of the coal therein, or (ii) to dispose of any resource in such lands if such disposal will not unreasonably interfere with the exploration and mining operations of the lessee.

(c) If the leased lands have been or shall hereafter be disposed of under laws reserving to the United States the deposits of coal therein, the lessee shall comply with all conditions as are or may hereafter be provided by the laws and regulations reserving such coal.

Sec. 15. EQUAL OPPORTUNITY CLAUSE--The lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and the rules, regulations and relevant orders of the Secretary of Labor.

Sec. 16. CERTIFICATION OF NONSEGREGATED FACILITIES--By entering into this lease, the lessee certifies that he does not and will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not and will not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The lessee agrees that a breach of this certification is a violation of the Equal Opportunity clause of this lease. As used in this certification, the term "segregated facilities" means, but is not limited to, any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. Lessee further agrees that (except where lessee has obtained identical certifications from proposed contractors and subcontractors for specific time periods) lessee will obtain identical certifications from proposed contractors and subcontractors prior to award of contracts or subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that lessee will retain such certifications in lessee's files; and that lessee will forward the following notice to such proposed contractors and subcontractors (except where proposed contractor or subcontractor has submitted identical certifications for specific time periods). Notice to prospective contractors and subcontractors of requirement for certification of nonsegregated facilities. A Certification of Nonsegregated Facilities, as required by the May 9, 1967 order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a contract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. Certification may be submitted either for each contract and subcontract or for all contracts and subcontracts during a period (i.e., quarterly, semiannually, or annually).

Sec. 17. EMPLOYMENT PRACTICES--The lessee shall pay all wages due persons employed on the leased lands at least twice each month in lawful money of the United States. The lessee shall grant all miners and other employees complete freedom to purchase goods and service of their own choice. The lessee shall restrict the workday to not more than 8 hours in any one day for underground workers, except in case of emergency. The lessee shall employ no person under the age of 16 years in any mine below the surface. If the laws of the State in which the mine is situated prohibit the employment, in a mine below the surface, of persons of an age greater than 16 years, the lessee shall comply with those laws.

Sec. 18. MONOPOLY AND FAIR PRACTICES--The lessor reserves full authority to promulgate and enforce orders and regulations under the provisions of Sections 30 and 32 of the

Sec. 19. TRANSFERS--

☐ This lease may be transferred in whole or in part to any person, association or corporation qualified under 43 CFR 3472.1-1 to hold a lease.

☐ This lease may only be transferred in whole or in part to another public body, or to a person who will mine the coal on behalf of and for the use of the public body, or to a person for the limited purpose of creating a security interest in favor of a lender who agrees to be obligated to mine the coal on behalf of the public body. The transferee must be qualified under 43 CFR 3472.

☐ This lease may only be transferred in whole or in part to other small businessess qualifying under 13 CFR 121 and 43 CFR 3472.2-2(c).

Any transfer of this lease in whole or in part is subject to the procedures and requirements for approval in the relevant regulations in 43 CFR 3400. A transfer will become effective on the first day of the month following its approval by the authorized officer, or, if the transferee requests, the first day of the month of the approval.

Sec. 20. RELINQUISHMENT OF LEASE--The lessee may file a relinquishment of the entire lease, a legal subdivision or aliquot part thereof, but not less than 10 acres, or any bed of the coal deposits therein. The relinquishment shall be filed in triplicate with the authorized officer. Upon the determination by the authorized officer that the public interest shall not be impaired, that all accrued rentals and royalties have been paid and that all of the obligations of the lessee under the regulations and the lease terms have been met, the relinquishment shall be accepted effective the date filed.

Sec. 21. NONCOMPLIANCE--Any failure to comply with the conditions of this lease, the approved exploration and mining and reclamation plans, the regulations, or applicable acts, shall be dealt with in accordance with the procedures set forth in the regulations.

Sec. 22. WAIVER OF CONDITIONS--The lessor reserves the right to waive any breach of the conditions contained in this lease, except the breach of such conditions as are required by the Act, but any such waiver shall extend only to the particular breach so waived and shall not limit the rights of the lessor with respect to any future breach; nor shall the waiver of a particular breach prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

Sec. 23. READJUSTMENT OF TERMS AND CONDITIONS--(a) The lease is subject to readjustment on the 20th year after the effective date and on each 10th year thereafter. In order that the lease may be readjusted as close as possible to the dates when it becomes subject to readjustment, the lessor may propose the terms of readjustment of any conditions of this lease, including rental and royalty rates, before the 20th year after the effective date and before each 10-year interval thereafter. The authorized officer shall notify the lessee whether he intends to readjust the terms and conditions of the lease and, if he intends to readjust, the nature of the readjustments in accordance with the regulations in 43 CFR 3451. Unless the lessee, within 60 days after receipt of the proposed readjusted terms, files with the lessor an objection to the proposed readjusted conditions or relinquishes the lease as of the effective date of the readjustment, the lessee shall be deemed conclusively to have agreed to such conditions.

(b) If the lessee files objections to the proposed readjusted conditions, the existing conditions shall remain in effect until there has been an agreement between the lessor and the lessee on the new conditions to be incorporated in the lease, or until the lessee has exhausted his rights of appeal under Section 31 of this lease, or until the lease is relinquished, except that the authorized officer may provide in the notice of readjusted lease terms that the readjustment or any part thereof is effective pending the outcome of the appeal. If the readjusted royalty provisions are subsequently rescinded or amended, the lessee shall be permitted to credit any excess royalty payments against royalties subsequently due to the lessor.

Sec. 24. DELIVERY OF PREMISES--Upon termination of this lease for any reason, or relinquishment of a part of this lease, the lessee shall deliver to the lessor in good order and condition all or the appropriate part of leased lands. Delivery of the leased lands shall include underground timbering and such other supports and structures as are neces-

Sec. 25. PROPRIETARY INFORMATION--Geological and geophysical data and information, including maps, trade secrets, and commercial and financial information which the lessor obtains from the lessee shall be treated in accordance with 43 CFR Part 2, 30 CFR 211.6 and other applicable regulations. Total lease reserve figures developed from this information will not be confidential.

Sec. 26. LESSEE'S LIABILITY TO LESSOR--(a) The lessee shall be liable to the United States for any damage suffered by the United States in any way arising from or connected with the lessee's activities and operations under this lease, except where damage is caused by employees of the United States acting within the scope of their authority.

(b) The lessee shall indemnify and hold harmless the United States from any and all claims arising from or connected with the lessee's activities and operations under this lease.

(c) In any case where liability without fault is imposed on the lessee pursuant to this section, and the damages involved were caused by the action of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damages occurred.

Sec. 27. INSPECTIONS AND INVESTIGATIONS--(a) All books and records maintained by the lessee showing information required by this lease or regulations must be kept current and in such manner that the books and records can be readily checked at the mine, upon request, by the Regional Director or District Mining Supervisor or their representative.

(b) The lessee shall permit any duly authorized officer or representative of the lessor at any reasonable time (1) to inspect or investigate the leased lands, the exploration and mining and reclamation operations, and all surface and underground improvements, works, machinery, and equipment, and all books and records pertaining to the lessee's obligations to the lessor under this lease and regulations and (2) to copy, and make extracts from any such books and records.

Sec. 28. UNLAWFUL INTEREST--No member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, either before or after he has qualified and during his continuance in office, and no officer, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(3), shall hold any share or part in this lease or derive any benefit therefrom. The provisions of Section 3741 of the Revised Statutes, as amended, 41 U.S.C. Section 22, and the Act of June 25, 1948, 62 Stat. 702, as amended, 18 U.S.C. Sections 431-433, relating to contracts, enter into and form a part of this lease insofar as they may be applicable.

Sec. 29. APPEALS--The lessee shall have the right to appeal (a) under 43 CFR 3000.4 from an action or decision of any official of the Bureau of Land Management (b) under 30 CFR Part 290 from an action, order, or decision of any official of the United States Geological Survey, or (c) under applicable regulation from any action or decision of any other official of the Department of the Interior arising in connection with this lease, including any action or decision pursuant to Section 23 of this lease with respect to the readjustment of conditions.

Sec. 30. DEFERRED BONUS--This lease is issued subject to the payment of $ by the lessee as a deferred bonus. Payment of the deferred bonus by the lessee shall be made on a schedule specified in Section 31 (Special Stipulations) of this lease.

Sec. 31. SPECIAL STIPULATIONS--

The District Manager BLM shall mean the authorized representative of the Bureau of Land Management, the Regional Director shall mean the authorized representative of the Office of Surface Mining. The Authorized Officer of the Surface Management Agency shall mean the Forest Supervisor, Forest Service.

1. The Lessee will be responsible to comply with applicable Federal, State, and local laws and regulations.

2. The coal contained within the lease area and authorized for mining under this lease shall be extracted only by underground mining methods.

3. All support facilities, structures, equipment, and similar developments will be removed from the lease area within two years after the final [illegible]

4. (a) Before undertaking any activities that may disturb the surface of the leased lands, the Lessee may be required to conduct a cultural resource intensive field inventory in a manner specified by the Regional Director and the Authorized Officer of the surface managing agency on portions of the mine plan area and adjacent areas, or exploration plan area, that may be adversely affected by lease-related activities and which were not previously inventoried at such a level of intensity. The inventory shall be conducted by a qualified professional cultural resource specialist (i.e., archaeologist, historian, or historical architect, as appropriate), approved by the Authorized Officer of the surface managing agency and a report of the inventory and recommendations for protecting any cultural resources identified shall be submitted to the Regional Director (or the District Manager BLM if activities are associated with coal exploration outside an approved mining-permit area) and the Authorized Officer of the surface managing agency. The Lessee shall undertake measures, in accordance with instructions from the Regional Director (or the District Manager BLM if activities are associated with coal exploration outside an approved mining permit area), to protect cultural resources on the leased land. The Lessee shall not commence the surface disturbing activities until permission to proceed is given by the Regional Director or the District Manager BLM as appropriate.

(b) The Lessee shall protect all cultural resource properties within the lease area from lease-related activities until the cultural resource mitigation measures can be implemented as part of an approved mining and reclamation plan or exploration plan.

(c) The cost of conducting the inventory, preparing reports, and carrying out mitigation measures shall be borne by the Lessee.

(d) If cultural resources are discovered during operations under this lease, the Lessee shall immediately bring them to the attention of the Regional Director (or the District Manager, BLM, as appropriate), and the Authorized Officer, Surface Management Agency. The Lessee shall not disturb such resources except as may be subsequently authorized by the Regional Director (or the District Manager, BLM). Within two (2) working days of notification, the Regional Director (or the District Manager BLM, as appropriate) will evaluate or have evaluated any cultural resources discovered and will determine if any action may be required to protect or preserve such discoveries.

(e) All cultural resources shall remain under the jurisdiction of the United States until ownership is determined under applicable law.

5. Before undertaking any activities that may disturb the surface of the leased lands, the Lessee shall contact the Regional Director and Authorized Officer of the Surface Management Agency to determine whether the Lessee will be required to conduct a paleontological appraisal of the mine plan and adjacent areas, or exploration plan areas, that may be adversely affected by lease-related activities. If the Regional Director and Authorized Officer, Surface Management Agency, determines that one is necessary, the paleontological appraisal shall be conducted by a qualified paleontologist approved by the Authorized Officer of the Surface Management Agency, using the published literature and, where applicable, field appraisals for determining the possible existence of fossils of scientific significance. A report of the appraisal and recommendations for protecting any fossils of significant scientific interest on the leased lands so identified shall be submitted to and approved by the Regional Director and the Authorized Officer, Surface Management Agency. When necessary to protect and/or collect the fossils of significant scientific interest on the leased lands, the Lessee shall undertake the measures provided in the approval of the mining and reclamation plan or exploration plan.

(a) The Lessee shall not knowingly disturb, alter, destroy, or take any fossils of significant scientific interest, and shall protect all such fossils in conformance with the measures included in the approval of the mining and reclamation plan or exploration plan.

(b) The Lessee shall immediately bring any such fossils that might be altered or

(c) All such fossils of significant scientific interest shall remain under the jurisdiction of the United States until ownership is determined under applicable law. Copies of all paleontological resource data generated as a result of the lease term requirements will be provided to the Regional Director or the District Mining Supervisor, as appropriate.

(d) These conditions apply to all such fossils of significant scientific interest discovered within the lease area whether discovered in the over-burden, interburden, or coal seam or seams. Fossils of significant scientific interest do not include those fossils commonly encountered during underground mining operations such as ferns and dinosaur tracks. Skeletal remains shall be considered significant.

6. The Lessee shall, prior to entry upon the lease, conduct an intensive field inventory for threatened and endangered plant and/or animal species, bald or golden eagles, or migratory species of high Federal interest on those areas to be disturbed and/or impacted including the access routes to the lease area. The inventory shall be conducted by a qualified specialist(s) approved by the Authorized Officer, Surface Management Agency, and a report of the inventory and recommendation for the protection of these species submitted to and approved by the Authorized Officer, Surface Management Agency, and Regional Director or District Manager BLM, as appropriate. An acceptable report of any findings shall include the specific location, distribution, and habitat requirements of the species. The Lessee shall protect these species within the lease area from any activities associated with operations conducted under the terms of the lease and shall undertake such protective measures as may be required by the Authorized Officer, Surface Management Agency, and Regional Director, or District Manager BLM, as appropriate.

7. Powerlines used in conjunction with the mining of coal from this lease shall be constructed so as to conform with the publication Suggested Practices for Raptor Protection on Powerlines, The State of the Art 1981 (Raptor Research Report No. 4, Raptor Research Foundation c/o Dept. of Veterinary Biology; University of Minnesota).

8. The Lessee shall provide for the suppression and control of fugitive dust on all haul roads, and at coal hauling, transportation, and storage facilities. The migration of road surfacing materials shall be controlled by watering, chemical treatment, or hard surfacing. Loss of gravel courses shall be periodically replaced.

9. In order to avoid surface disturbance on steep canyon slopes and the need for surface access, all surface breakouts for ventilation tunnels shall be constructed from inside the mine, except at specific locations approved by the Regional Director with the concurrence of the Authorized Officer, Surface Management Agency and the District Manager BLM.

10. Prior to mining, the Lessee shall perform a study to secure adequate baseline data to quantify the existing surface resources on and adjacent to the lease area. The study will be established in consultation with and approved by the Authorized Officer, Surface Management Agency, the Regional Director, and the District Manager BLM, and shall be adequate to locate, quantify, and demonstrate the interrelationship of the geology, topography, surface hydrology, vegetation, and wildlife. Baseline data will be established so that future programs or observation can be incorporated at regular intervals for comparison.

11. The Lessee shall establish a monitoring system to locate, measure, and quantify the progressive and final effects of underground mining activities on the topographic surface, underground and surface hydrology, and vegetation. The monitoring system shall utilize techniques which will provide a continuing record of change over time and an analytical method for location and measurement of a sufficient number of points over the lease area. The monitoring shall be an extension of the baseline data and shall be conducted by a method approved by the Regional Director in consultation with and concurrence by the Authorized Officer, Surface Management Agency and District Manager BLM.

The Regional Director in consultation with and concurrence of the District Manager BLM and Authorized Officer, Surface Management Agency, shall approve such measures and may prescribe any additional measures to be employed such as mining methods, specify the amount of coal recovered, and determine any corrective measures considered necessary to assure that escarpment failure does not occur except at specifically approved locations, or that hazardous conditions are not created.

13. Existing surface improvements required for the surface uses of the lease area will need to be protected or maintained to provide for the post-mining continuance of the current land uses. Existing surface improvements whose utility may be lost or damaged as result of mining activities are to be replaced or restored.

14. The Lessee shall reclaim all areas disturbed as a result of mining and exploration operations to a land use capable of supporting the pre-mining levels of livestock grazing, big game winter range, and other wildlife habitat.

15. At the conclusion of the mining operation, or at the request of the Authorized Officer of the Surface Managing Agency, all damaged, disturbed, or displaced land monuments, accessories, and appendages shall be replaced or restored in their original location (or at other locations that meet the needs of the land net, and as approved by the Authorized Officer of the Surface Managing Agency) and shall be done at the expense of the Lessee.

THE UNITED STATES OF AMERICA

By _____
(Signing Officer)

CHIEF, MINERALS SECTION
(Title)

MAR 1 1984
(Date)

WITNESS TO SIGNATURE OF LESSEE

Harold L. Mitchell

Wanda Dent

_____
(Signature of Lessee)

_____
(Signature of Lessee)

Bureau of Land Management
[illegible]
U[illegible] Building
[illegible] Temple
Salt Lake City, Utah 84111

3453
SL-050655
SL-062648
(U-942)

SEP 24 1980

DECISION

Assignors:	
Venna May Sanders Deon J. Sanders Alice Maurine Beck Robert DeReese Sanders John Frank Sanders, Jr. Dorthea Elinora Garlick P. O. Box 54 Fairview, UT 84626	Coal SL-050655, SL-062648
Assignee:	
Gent Flying Enterprises P. O. Box 330 Honaker, VA 24260	

Change in Name of Lessee Recognized
Assignments Approved

A copy of the Order Approving First and Final Account and Widow's Allowance and for Decree of Final Distribution and Discharge in the matter of the John Frank Sanders Estate was filed in this office on April 24, 1980. As set forth in the decree, the estate was distributed as follows:

Venna May Sanders (Undivided 33-1/3%)
Deon J. Sanders (Undivided 13-1/3%)
Alice Maurine Beck (Undivided 13-1/3%)
Robert DeReese Sanders (Undivided 13-1/3%)
John Frank Sanders, Jr. (Undivided 13-1/3%)
Dorthea Elenora Garlick (Undivided 13-1/3%)

Satisfactory evidence of the qualifications and holdings of the heirs has been filed. Accordingly, the records of this office have been noted to show the above-named individuals as the lessees of record under coal leases Salt Lake 050655 and Salt Lake 062648.

On April 24, 1980, assignments of coal leases Salt Lake 050655 and Salt Lake 062648 were also filed in this office. The assignments were entered into on March 4, 1980 between the heirs of the John F. Sanders Estate, as assignors, and Gent Flying Enterprises, Inc., as assignee.

Satisfactory evidence of the qualifications and holdings of Gent Flying Enterprises, Inc. has been filed, and the lease accounts are in good standing. The assignments appear to meet the requirements of the regulations and are hereby approved effective October 1, 1980. Approval of the assignments does not constitute approval of any of the terms therein which may be in violation of the lease terms.

As required by the regulations in 43 CFR 3472.2(a), a lease bond (No. S838790) in the amount of $5,000 for coal lease Salt Lake 050655, and a lease bond (No. S838789) in the amount of $5,000 for coal lease Salt Lake 062648, with Gent Flying Enterprises as principal and Northwestern National Insurance Company as surety, have been filed in this office. The bonds are satisfactory and are accepted effective September 18, 1980.

/s/ I. Pollick

Chief, Minerals Section

cc: Area Mining Supervisor, Geological Survey
Gent Flying Enterprises, Inc., Box 38, Orangeville, UT 84737
Northwestern National Insurance Company, 525 E. 4500 S., Salt Lake City, UT 84107
Pruitt & Gushee, Attn: Tom Nelson, Suite 875 Beneficial Life Tower, Salt Lake City, UT 84111

ATTACHMENT B

ASSIGNMENTS OF CONVEYANCE

(see attached)

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

201

329014
STATE OF UTAH
COUNTY OF EMERY S S
FILED AND RECORDED FOR
'91 JUL 15 PM 4 07
IN BOOK 180
PAGE 201-205
COUNTY RECORDER

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

ASSIGNMENT OF FEDERAL COAL LEASE

Serial Number:
U-54762 (Crandall Canyon)

THIS ASSIGNMENT is made by and between GENWAL COAL CO., INC., previously known as Gent Flying Enterprises, Inc., a Virginia corporation with its principal offices at 195 North 100 West, P.O. Box 1201, Huntington, Utah 84528 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107, and NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada Corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 (the "Assignees").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain United States of America coal lease bearing the serial number U-54762, as presently modified and/or amended (the "Coal Lease"), covering and affecting the following

PTS 6081-RO

described tracts of land located in Emery County, State of Utah, to wit:

Coal Lease Serial Number U-54762 (Crandall Canyon):

Township 15 South, Range 7 East, Salt Lake Base and Meridian:

- Section 31: SE ¼ SE ¼;
- Section 32: S ½ SW ¼, SW ¼ SE ¼; and

Township 16 South, Range 7 East, Salt Lake Base and Meridian:

- Section 5: Lots 2, 3 and 8.

Containing 256.49 acres, more or less.

WHEREAS Assignor desires to assign to Assignees, and Assignees desire to acquire from Assignor, the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignees hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignees, their successors and assigns forever, EACH AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANTS IN COMMON in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the

Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.

2. Assignees hereby accept the assignment of the Coal Lease and agree hereafter to pay, keep and perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the Bureau of Land Management of the Department of the Interior of the United States.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignees.

The officers of Assignor and Assignees who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignees have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
GENWAL COAL CO., INC.

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignees:

"Assignees"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Genwal Coal Co., Inc., a Virginia corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

206

329015
STATE OF UTAH
COUNTY OF EMERY S.S.
FILED AND RECORDED FOR
'91 JUL 15 PM 4 09
IN BOOK 188
PAGE 206-210
COUNTY RECORDER

ASSIGNMENT OF FEDERAL COAL LEASE

Serial Number:
SL-062648 (Crandall Canyon)

THIS ASSIGNMENT is made by and between GENWAL COAL CO., INC., previously known as Gent Flyirg Enterprises, Inc., a Virginia corporation with its principal offices at 195 North 100 West, P.O. Box 1201, Huntington, Utah 84528 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107, and NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada Corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 (the "Assignees").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain United States of America coal lease bearing the serial number SL-062648, as presently modified and/or amended (the "Coal Lease"), covering and affecting the following

PTS 6081-RO

described tracts of land located in Emery County, State of Utah, to wit:

Replacement page. to be re-recorded

Coal Lease Serial Number SL-062648 (Crandal

Tract 1:
Township 16 South, Range 7 East, Salt Lake Meridian:

Section 5: SW ¼ NW ¼; = Lot 6
Section 6: SE ¼ NE ¼;

Tract 2:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lot 5;
Section 6: Lot 1.

Containing 161.17 acres, more or less; and

WHEREAS Assignor desires to assign to Assignees, and Assignees desire to acquire from Assignor, the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignees hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignees, their successors and assigns forever, EACH AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS

TENANTS IN COMMON in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.

2. Assignees hereby accept the assignment of the Coal Lease and agree hereafter to pay, keep and perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the Bureau of Land Management of the Department of the Interior of the United States.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignees.

The officers of Assignor and Assignees who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignees have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
GENWAL COAL CO., INC.

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignees:

"Assignees"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Genwal Coal Co., Inc., a Virginia corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

10.00

· 84007

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

211

STATE OF UTAH
COUNTY OF EMERY SS
FILED AND RECORDED FOR
91 JUL 15 PM 4 10
BK 211 PAGE 211-214
COUNTY RECORDER

329016

ASSIGNMENT OF UTAH STATE COAL LEASE

Mineral Lease Number:
ML-21568 (East Mountain)

THIS ASSIGNMENT is made by and between NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107 ("Assignee").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain State of Utah coal lease bearing the mineral lease number ML-21568 as presently modified and/or amended (the "Coal Lease"), covering and affecting the following described tracts of land located in Emery County, State of Utah, to wit:

PTS 6081-RD

Mineral Lease Number ML-21568 (East Mountain):

Township 16 South, Range 6 East, Salt Lake Base and Meridian:

Section 2: All

Containing 997.69 acres, more or less.

WHEREAS Assignor desires to assign to Assignee, and Assignee desires to acquire from Assignor, an undivided 50% interest in the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignee, its successors and assigns forever, AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANT IN COMMON WITH ASSIGNOR in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.
2. Assignee hereby accepts the assignment of the Coal Lease and agrees hereafter, together with Assignor, to pay, keep and

perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the State Lands and Forestry Division of the Department of Natural Resources and Energy of the State of Utah.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignee.

The officers of Assignor and Assignee who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignee have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignee:

"Assignee"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company, a Nevada corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency, a political subdivision of the State of Utah.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

x2-24-1

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

215

329017
STATE OF UTAH
COUNTY OF EMERY S S
FILED AND RECORDED FOR
'91 JUL 15 PM 4 12
IN BOOK 188
PAGE 215-218
COUNTY RECORDER

ASSIGNMENT OF UTAH STATE COAL LEASE

Mineral Lease Number:
ML-21569 (East Mountain)

THIS ASSIGNMENT is made by and between NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107 ("Assignee").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain State of Utah coal lease bearing the mineral lease number ML-21569 as presently modified and/or amended (the "Coal Lease"), covering and affecting the following described tracts of land located in Emery County, State of Utah, to wit:

TS C08'-RO

Mineral Lease Number ML-21569 (East Mountain):

Township 15 South, Range 6 East, Salt Lake Base and Meridian:

Section 36: All

Containing 640 acres, more or less.

WHEREAS Assignor desires to assign to Assignee, and Assignee desires to acquire from Assignor, an undivided 50% interest in the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignee, its successors and assigns forever, AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANT IN COMMON WITH ASSIGNOR in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.
2. Assignee hereby accepts the assignment of the Coal Lease and agrees hereafter, together with Assignor, to pay, keep and

perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the State Lands and Forestry Division of the Department of Natural Resources and Energy of the State of Utah.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignee.

The officers of Assignor and Assignee who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignee have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignee:

"Assignee"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company, a Nevada corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency, a political subdivision of the State of Utah.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

ATTACHMENT "C"

DESCRIPTION OF PERMIT AREA

1. Coal Lease Serial Number SL-062648 (Crandall Canyon):

Tract 1:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: SW 1/4 NW 1/4;
Section 6: SE 1/4 NE 1/4;

Tract 2:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lot 5;
Section 6: Lot 1.

Containing 161.17 acres, more or less; and

2. Coal Lease Serial Number U-54762 (Crandall Canyon):

Township 15 South, Range 7 East, Salt Lake Base and Meridian:

Section 31: SE 1/4 SE 1/4;
Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4; and

Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lots 2, 3 and 8.

Containing 256.49 acres, more or less.

3. Mineral Lease Number ML-21568 (East Mountain):

Township 16 South, Range 6 East, Salt Lake Base and Meridian:

Section 2: All

Containing 997.69 acres, more or less.

4. Mineral Lease Number ML-21569 (East Mountain):

Township 15 South, Range 6 East, Salt Lake Base and Meridian:

Section 36: All

Containing 640 acres, more or less.

5. Special Use Permit Description:

Township 15 South, Range 7 East, SLM
Section 31: Lots 10, 11 and 12

Approximate acreage: 111.5 acres

6. Beaver Creek Description:
(ARCO Lease)

Township 16 South, Range 7 East

Section 5: All that part of the N 1/2 NW 1/4 SW 1/4 lying North of Crandall Creek.

Approximate acreage: 1.7 acres