

GENWAL COAL COMPANY

CRANDALL CANYON MINE
PERMIT NO. ACT/015/032

**APPLICATION FOR APPROVAL OF
TRANSFER AND ASSIGNMENT OF PERMIT RIGHTS
DUE TO CHANGE OF OWNERSHIP
under R614-303-320 of the
State of Utah Coal Mining Rules**

August 16, 1991

I. APPLICATION FOR APPROVAL OF TRANSFER AND ASSIGNMENT OF PERMIT RIGHTS DUE TO CHANGE OF OWNERSHIP (R614-303-321)

A. Description of Proposed Action (R614-303-321.200)

This is an application for transfer and assignment of certain permit rights under the Utah Coal Program of GENWAL COAL COMPANY, (the "Permittee"), to INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah and NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation, (the "Joint Owners") an Undivided Fifty Percent Interest as Tenants in Common.

Permittee will continue as operator of the mine pursuant to agreement with the Joint Owners.

B. Information on Permittee 614-303-321.100

As operator of the mine, Genwal Coal Company will continue as Permittee under permit no. ACT/015/032. Permittee's address remains:

Genwal Coal Company
Post Office Box 1201
195 North 100 West
Huntington, Utah 84528

For further information regarding Permittee, see the existing mine plan for permit no. ACT/015/032 (the "Mine Plan").

II. LEGAL, FINANCIAL COMPLIANCE AND RELATED INFORMATION (R614-321-300)

A. Identification of Interests (R614-301-112)

1. Corporate Status of Joint Owners (R614-301-112-100).

- a. Intermountain Power Agency is a political subdivision of the State of Utah ("IPA") created under the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Ann. 1953, as amended.
- b. Nevada Electric Investment Company is a Nevada corporation ("NEICO")

2. Joint Owners, Operator and Registered Agents
(R614-301-112-200).

- a. Intermountain Power Agency, Joint Owner
c/o Los Angeles Department of Water and Power
P.O.Box 111, Suite 1164
Los Angeles, California 90051
(213) 481-4104

The name and address of IPA's General Manager
is:

Reed T. Searle
Intermountain Power Agency
480 East 6400 South, Suite 200
Murray, Utah 84107
(801) 262-8807

Registered Agent for IPA:

Denise A. Dragoo
Fabian and Clendenin
a Professional Corporation
215 South State Street, 12th Floor
Salt Lake City, Utah 84111
(801) 531-8900

- b. Nevada Electric Investment Company, Joint
Owner
2835 South Jones Boulevard
Las Vegas, Nevada 89102
(702) 252-5001

The name and address of NEICO's President is:

Charlie F. Vaughn
Nevada Electric Investment Company
2835 South Jones Boulevard
Las Vegas, Nevada 89102

Resident Agent for NEICO:

Patrick H. Fenton
154 North Main Street, #203
Cedar City, Utah 84721
(801) 586-4351

- c. Genwal Coal Company, Operator
Post Office Box 1201
195 North 100 West
Huntington, Utah 84528
(801) 687-9813

The name of Genwal Coal Company's Vice President and General Manager:

Allen P. Childs
Genwal Coal Company
Post Office Box 1201
195 North 100 West
Huntington, Utah 84528
(801) 687-9813

Allen P. Childs is also the Resident Agent for Genwal Coal Company.

3. a. Names and Addresses of Officers, Directors and Principal Shareholders of IPA:

Officers of IPA:

Reece D. Nielsen, Chairman
105 South 600 East
Hyrum, Utah 84319

R. Leon Bowler, Vice-Chairman
Dixie-Escalante Rural Electric
Association, Inc.
Beryl, Utah 84714

Ray Farrell, Secretary
Heber Light & Power Company
31 South 100 West
Heber, Utah 84032

Clifford C. Michaelis, Treasurer
Bountiful Light & Power
198 South 200 West
Bountiful, Utah 84010

Directors of IPA:

Reece D. Nielsen, Chairman
105 South 600 East
Hyrum, Utah 84319

R. Leon Bowler, Vice-Chairman
Dixie-Escalante Rural Electric
Association, Inc.
Beryl, Utah 84714

Ray Farrell, Secretary
Heber Light & Power Company
31 South 100 West
Heber, Utah 84032

Clifford C. Michaelis, Treasurer
Bountiful Light & Power
198 South 200 West
Bountiful, Utah 84010

Newel G. Daines, Jr., Director
1125 Cedar Heights
Logan, Utah 84321

Ted L. Olson, Director
P.O.Box 127
Ephraim, Utah 84627

Robert O. Christiansen, Director
260 West Center
Beaver, Utah 84713

Principal Shareholders of IPA:

IPA has no shareholders. IPA is a political subdivision of the State of Utah, and as such, has not issued stock.

- b. Names and Addresses of Officers, Directors and Principal Shareholders of NEICO (R614-301-112-310):

Officers of NEICO:

Charles A. Lenzie, Chairman
6226 W. Sahara Ave.
Las Vegas, Nevada 89102

Charlie F. Vaughn, President
2835 South Jones Blvd
Las Vegas, Nevada 89102

Robert W. Mower, Vice President
2835 South Jones
Las Vegas, Nevada 89102

Richard L. Hinckley, Secretary
6226 W. Sahara Ave.
Las Vegas, Nevada 89102

Sheryl Schmalz, Treasurer
2835 S. Jones Blvd.
Las Vegas, Nevada 89102

Directors of NEICO:

Charles A. Lenzie
6226 West Sahara Ave.
Las Vegas, Nevada 89102

Charlie F. Vaughn
2835 South Jones Blvd
Las Vegas, Nevada 89102

James C. Holcombe
6226 West Sahara Ave.
Las Vegas, Nevada 89102

Principal Shareholders of NEICO:

All stock of NEICO is owned by:

Nevada Power Company
6226 West Sahara Ave.
P.O.Box 230
Las Vegas, Nevada 89151

4. Names under which the Joint Owners and principal shareholders have previously operated mining activities (R614-301-112-320):
 - a. IPA is currently engaged in the reclamation of the Horse Canyon Mine, located in Emery County, Utah.
5. List of current or previous coal mining permits and pending permit applications (R614-301-112-400):
 - a. IPA is currently engaged in the reclamation of the Horse Canyon Mine, located in Emery County, Utah.
6. Legal or equitable owners of record (R614-301-112-500).

- a. The legal or equitable owners of the areas to be affected by the surface and mineral operations and facilities are:

United States Department of the Interior
Bureau of Land Management
Utah State Office
324 South State Street
Salt Lake City, Utah 84111

United States Department of Agriculture
Forest Service
125 South State
Salt Lake City, Utah 84111

State of Utah
Department of Natural Resources
Division of State Lands & Forestry
355 West North Temple
III Triad, Suite 400
Salt Lake City, Utah 84180-1204

Genwal Coal Company
Post Office Box 1201
195 North 100 West
Huntington, Utah 84528

Intermountain Power Agency
c/o Los Angeles Department of
Water and Power
P.O. Box 111, Suite 1164
Los Angeles, California 90051

Nevada Electric Investment Company
2835 South Jones Boulevard
Las Vegas, Nevada 89102

Beaver Creek Coal Company
(ARCO Lease)
1109 South Carbon Avenue
Price, Utah 84501

- b. The following are the owners of coal estate for the mined areas:

United States of America
Department of the Interior
Bureau of Land Management
Utah State Office
324 South State
Salt Lake City, Utah 84111

State of Utah
Department of Natural Resources
Division of State Lands & Forestry
355 West North Temple
III Triad Center, Suite 400
Salt Lake City, Utah 84180-1204

Since coal ownership remains the same, no change to the Mine Plan is required.

- c. (1) The holders of record of any leasehold interest in areas to be affected by surface operations or facilities are:

Genwal Coal Company
Post Office Box 1201
195 North 100 West
Huntington, Utah 84528

- (2) The holders of record of any leasehold interest in the coal to be mined are:

Intermountain Power Agency
c/o Los Angeles Dept. of Water &
Power
P.O.Box 111, Suite 1164
Los Angeles, California 90051

Nevada Electric Investment Company
2835 South Jones Boulevard
Las Vegas, Nevada 89102

- d. Other Purchasers of Record:

There are no purchasers of record under a real estate contract of the areas affected by surface operations and facilities or any purchaser of record under a real estate contract of the coal estate.

7. Owners of record of surface and subsurface areas contiguous to the permit area (R614-301-112-600):

No change in the Mine Plan is required.

8. Mine Safety and Health Administration (MSHA) I.D. Numbers (R614-301-112-700)

The name of the mine is Crandall Canyon Mine. The Mine Safety and Health Administration (MSHA) I.D. number is 42-01715.

9. Interests, Options or Pending Bids for Contiguous Lands (R614-301-112-800):

There are no outstanding interests in lands, options or pending bids on interests held or made by Joint Owners for lands which are contiguous to the area covered by the permit.

Permittee has applied for a coal lease with the Bureau of Land Management, U.S. Department of Interior. The lands which are the subject of the application are contiguous to the area covered by the permit and are described in Attachment "A".

B. Violation Information (R614-301-133)

1. Statement of Compliance (R614-301-133-100):

Neither of the Joint Owners, nor any of their subsidiaries, affiliates or persons controlled by or under common control with the Joint Owners has

- a. had a federal or state mining permit suspended or revoked in the last five years;
- b. forfeited a performance bond or similar security deposited in lieu of a bond.

2. List of Violations (R614-301-113-300):

No Violation Notices have been received by the Joint Owners in connection with any underground or surface coal mining activities within the last three years except for the following issued to IPA for the Horse Canyon Mine:

- a. Violation Number 35-02-01 issued 11/21/90, terminated 12/10/90 for drainage and sediment control;
- b. Violation Number T.D.N. X-91-02-116-001 issued 3/11/91, withdrawn 3/20/91 for failure to provide sediment control plans.

C. Right of Entry Information (R614-301-144)
R614-301-114-100:

The Joint Owners will succeed to all the rights and duties held by Permittee by operation of law, including the legal right to enter and continue coal mining and reclamation operations. Permittee will continue to operate the mine under the direction of the Joint Owners.

The Joint Owners base their legal right to enter and continue underground mining activities in the permit area upon the following documents:

1. Federal Coal Lease Assignments:

- a. Assignment of Federal Coal Lease U-54762 issued to Genwal Coal Company December 1, 1986 and assigned to Applicant on July 11, 1991.
- b. Assignment of Federal Coal Lease SL-62648, assigned to Applicant on July 11, 1991.

2. State Coal Lease Assignments:

- a. Assignment of Utah State Coal Lease (ML-21568), assigned to Applicant on July 11, 1991.
- b. Assignment of Utah State Coal Lease (ML-21569), assigned to Applicant on July 11, 1991.

Copies of the Assignments are included as Attachment "B".

The Assignments are not subject to pending litigation, except as shown in Attachment "C".

3. Underground Access Special Use Permit Assignment:

Underground Access Special Use Permit issued July 20, 1990 to Genwal Coal Co. Inc. by the Forest Service.

The right to continue underground mining operations will apply to the property attached hereto as Attachment "D".

D. Relationship to Areas Designated Unsuitable for Mining (R614-301-115):

1. Unsuitable Mining Areas (R614-301-115.200):

The Crandall Canyon Mine permit area is not within an area designated unsuitable for the surface effects of underground mining, nor is it within an area under study for designation in administrative proceedings initiated under R614-301.

2. Public Roads and Occupied Dwellings Effected by Mining Operations (R614-301-115.300):

There are public roads within 100 feet of the permit area which also provide access to the mine. There are no occupied dwellings within 300 feet of the permit area.

There are no public buildings, schools, churches, community or institutional buildings or public parks within 300 feet of the permit area, and there are no known cemeteries within 100 feet of the permit area. Coal mining within the permit area will not adversely affect any publicly owned parks or any structure or place included on the National Register of Historic Places.

E. Personal Injury and Property Damage Insurance Information (R614-301-117):

1. The necessary insurance for the Crandall Canyon Mine is being provided by the mine operator Permittee. A current certificate of insurance is contained in the Mine Plan.

F. Performance Bond (R614-303-323):

No change to the Mine Plan is required.

G. Newspaper Advertisement and Proof of Publication (R614-303-322 and R614-301-177.200):

Notice of this proposed transfer will be submitted to the Sun Advocate newspaper in Price, Utah, in substantially the following form for publication one (1) time. Proof of publication will be submitted to the Division upon publication.

The following notice is hereby given to correct the notice previously published on August 13, 1991, and states that GENWAL COAL COMPANY has submitted an application to the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining for transfer and assignment of permit rights to INTERMOUNTAIN POWER AGENCY, whose principal office address is 480 East 6400 South, Suite 200, Murray, Utah 84107 and NEVADA ELECTRIC INVESTMENT COMPANY, whose principal office address is 2835 South Jones Blvd, Las Vegas, Nevada 89102, to continue to operate the Crandall Canyon Mine under the provisions of the Utah Coal Mining and Reclamation Act (Utah Code Ann. 40-10-1 et seq.) and the Utah Coal Program Regulations R614. The present Permit No. is ACT/015/032. The permit area is located in Emery County, Utah and is described in Attachment "D".

Any person having an interest which is or may be adversely effected by a decision on the transfer, assignment or sale of the permit rights, including an official of any federal, state or local government agency, may submit written comments within thirty (30) days of the date of this publication to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
III Triad, Suite 350
Salt Lake City, Utah 84108

H. Miscellaneous:

1. Other Licenses and Permits:

All permits which the Permittee has obtained for the Crandall Canyon Mine are identified in the Mine Plan.

2. Application Fee (R614-301-118):

A filing fee of \$5.00 is submitted with this application.

This application is submitted on behalf of Permittee as of this 17 day of August, 1991 by Charlie F. Vaughn, President of Genwal Coal Company.

GENWAL COAL COMPANY

By: Charlie F. Vaughn
Title: President

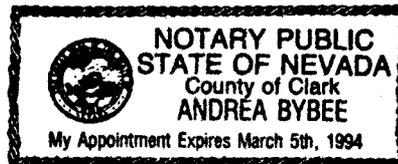
Nevada
STATE OF ~~UTAH~~)
Clark ss.
COUNTY OF ~~EMERY~~)

On this 17th day of August, 1991, personally appeared before me Charlie F. Vaughn, whose identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn, did say that he is the President of GENWAL COAL COMPANY, and that said document was signed by him in behalf of said corporation by authority of its bylaws, and said Charlie F. Vaughn acknowledged to me that said corporation executed the same.

Andrea Bybee
Notary Public
Residing at Las Vegas, NV

My Commission Expires:

March 5, 1994



ATTACHMENT A

TABULATION OF SURFACE AND COAL OWNERSHIP

The legal description of the lands requested for leasing through the application with the Bureau of Land Management is:

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

Section 1: All

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

Section 6: NW 1/4

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

- Section 30: SW 1/4
- Section 31: N 1/2
- Section 31: SW 1/4
- Section 31: N 1/2, SE 1/4
- Section 31: SW 1/4, SE 1/4

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

Section 25: S 1/2

Containing about 1,880 acres, more or less, all in Emery County, Utah.

RECEIVED

NOV 19 1991

DIVISION OF OIL GAS & MINING

ATTACHMENT A

TABULATION OF SURFACE AND COAL OWNERSHIP

The legal description of the lands requested for leasing through the application with the Bureau of Land Management is:

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

Section 1: All

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

Section 6: ~~NE 1/4~~
NW 1/4

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

Section 30: SW 1/4
Section 31: N 1/2
Section 31: SW 1/4
Section 31: N 1/2, SE 1/4
Section 31: SW 1/4, SE 1/4

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

Section 25: S 1/2

Containing about 1,880 acres, more or less, all in Emery County, Utah.

*For use only
11/19/91*

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

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

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 $\frac{1}{4}$ SE $\frac{1}{4}$;
Section 32: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$; 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.

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.

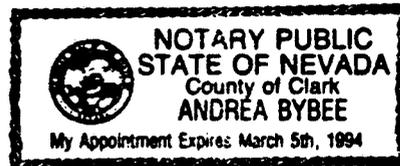
STATE OF Nevada)
 :ss.
COUNTY OF Clark)

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



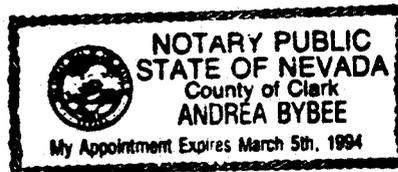
STATE OF Nevada)
 :ss.
COUNTY OF Clark)

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



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

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 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 SL-062648, 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:

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

Tract 1:

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

Section 5: SW $\frac{1}{4}$ NW $\frac{1}{4}$; = Lot 6
Section 6: SE $\frac{1}{4}$ NE $\frac{1}{4}$;

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

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

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

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

Tract 1:

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

Section 5: SW $\frac{1}{4}$ NW $\frac{1}{4}$; = LOT 4
Section 6: SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Tract 2:

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

Section 5: ~~Lot 4~~ 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

*This
Page replaced
11.17.91*

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

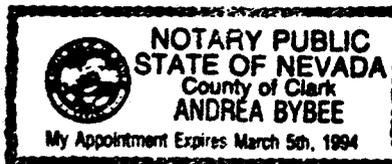
by: Charlie F. Vaughn
Charlie F. Vaughn,
President

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



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

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:

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

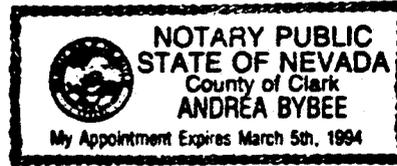
by: Reed T. Searle
Reed T. Searle,
General Manager

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

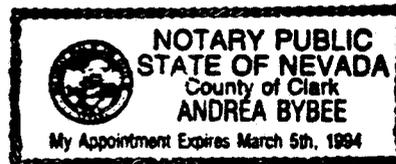


STATE OF Nevada)
 : ss.
COUNTY OF Clark)

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



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

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:

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

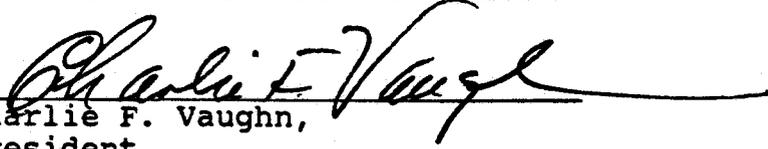
perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

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,
President

Agreed to and accepted by Assignee:

"Assignee"
INTERMOUNTAIN POWER AGENCY

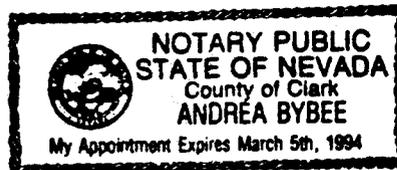
by: Reed T. Searle
Reed T. Searle,
General Manager

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

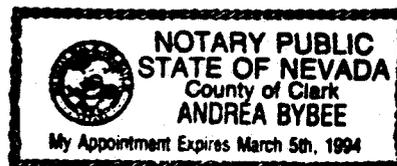


STATE OF Nevada)
 : ss.
COUNTY OF Clark)

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



ATTACHMENT C

Complaint filed in the United States District Court,
District of Utah, Central Division on April 5, 1991. Andrew C.
King, Mining and Energy Resources, Inc., Plaintiffs and Nevada
Electric Investment Company, Defendant.

ATTACHMENT D

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

Rec'd 11-19-91

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: *COAL SALE # U66838 ?*
Township 15 South, Range 7 East, SLM
Section 31: Lots 10, 11 and 12

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.

acreage

Total acreage ?

ARCO Agreement 11.19.91