PLEDGE AGREEMENT
Crandall Canyon Mine

This Pledge Agreement ("Agreement"), dated this 23rd day of May, 2008, is made and entered into by and between Intermountain Power Agency ("IPA"), as owner of the Securities provided as Surety for obligation of Genwal Resources Inc.; and the State of Utah, Division of Oil, Gas & Mining ("DOGM").

WHEREAS, IPA has agreed to provide DOGM with a Reclamation Surety in the initial amount of $407,275 to ensure that certain identified funds are available to reclaim the disturbed lands at the Crandall Canyon Mine associated with Permit No. C/015/0032; and

WHEREAS, IPA and DOGM have agreed that the obligations of Genwal Resources, Inc. under the Permit No. C/015/0032 shall be secured in part by a first-lien security interest in Securities (as defined below) as provided herein; and

WHEREAS, in connection with the grant of the security interest in IPA's interests in the Securities and proceeds thereof as provided herein, IPA and DOGM have agreed that Wells Fargo Brokerage Services, LLC, will hold the Securities as Intermediary in accordance with the terms and subject to the conditions of a Securities Control Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Security Interest. As security for Genwal Resources, Inc.'s obligation to reclaim the disturbed lands at the Crandall Canyon Mine in Emery County, Utah, pursuant to its Permit No.C/015/0032, IPA hereby pledges, grants, assigns, transfers and sets over to DOGM, and there is hereby created in favor of DOGM, a first-lien security interest in and to all of IPA's right, title and interest in and to the securities identified on Exhibit A attached hereto (Securities) and the proceeds thereof as provided herein. DOGM's first lien security interest shall apply to the Securities and any investment earnings thereon to the extent provided in and subject to this Agreement.

2. Representations of IPA. In making the foregoing pledge and assignment, IPA hereby represents and warrants to DOGM, that as of the date hereof:

a. IPA is the owner of the Securities, free and clear of all encumbrances, security interests and charges of any kind in the Securities and any interest or other investment earnings thereon and any proceeds thereof.

b. IPA has the right and authority to enter into this Agreement and perform its obligations hereunder.

c. The execution and delivery of this Agreement by IPA and the consummation by it of the transactions contemplated hereby have been duly and validly authorized by all necessary action and no other proceedings on the part of IPA are necessary to authorize this Agreement or to consummate the transactions so contemplated hereby. This Agreement has been duly executed and delivered by, and constitutes a valid and binding obligation of. IPA and, assuming due authorization, execution and delivery by DOGM, is enforceable against IPA in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar laws affecting creditors' rights and remedies generally.

d. Upon execution of this Agreement IPA shall execute a Uniform Commercial Code Financial form (UCC-1) evidencing the security interest of DOGM in the Securities and DOGM shall cause the same to be recorded at the State of Utah Office of the Lieutenant Governor.

3. Appointment of Wells Fargo Brokerage Services LLC as Intermediary. IPA and DOGM hereby appoint the Wells Fargo Brokerage Services LLC as Intermediary pursuant to the Securities Control Agreement of even date for the purposes set forth in this Agreement.

4. Deposit of Funds. Upon execution of this Agreement, IPA will initially identify certain securities held by Intermediary and owned by it as listed on Exhibit A hereto ("Securities") in an amount with a market value as of the date of delivery or release of not less than $407,275 and may identify or purchase additional Securities as required by DOGM. The securities shall be identified as the "Securities" and shall consist of 100% federally guaranteed Treasury Notes with a maturity of five (5) years or less in approximately that amount for IPA, and any residual funds will be invested in the Wells Fargo 100% Treasury Money Market Fund which is invested in direct obligations of the government of the United States. The Intermediary shall hold the Securities for the benefit of DOGM and shall invest the Securities and hold such investments upon the written direction of IPA within the guidelines set forth in this Agreement. All further investments of the Securities, including investments made upon the maturity or sale of previous investments of the Securities or the investment earnings thereon, within the guidelines set forth in this Agreement. In the absence of written directions, the Intermediary shall invest the Securities in the Wells Fargo 100% Treasury Money Market Fund.

5. Disbursement of Funds.

a. Upon the written instruction and demand of the Director of DOGM, the Intermediary shall liquidate or sell all or such portion of the investments of the Securities as the Director of DOGM shall designate without any further consent of IPA and shall disburse the proceeds of such sale to DOGM. IPA agrees that neither IPA, nor any person claiming an ownership interest in the Securities, shall have the authority to prevent the Intermediary from carrying out the Director of DOGM's instruction to transfer the Securities to DOGM. DOGM agrees that any disbursement of the Securities shall be made pursuant IPA's obligations set forth in Permit No. C/015/0032 and DOGM shall return or release directly to IPA any Securities which are more than the amount necessary

to complete reclamation pursuant to the regulations in effect at the time, which regulations are currently set forth in Utah Admin. Code R645-301-800.

b. The Intermediary shall, except as provided in Section 6 below, disburse the Securities and the investment earnings thereon, if any, to IPA only upon written instruction of the Director of DOGM. Upon disbursement of all of the Securities and the investment earnings thereon, if any, to DOGM or to IPA, this Agreement shall be deemed to have been terminated.

6. Interest and Other Distributions. All interest and investment earnings, if any, on the investment of the Securities shall be disbursed to IPA during the term of this Agreement. If DOGM notifies the Intermediary in writing that Genwal Resources, Inc. is in default of its obligations under Permit No. C/015/0032, IPA shall no longer be entitled to the distribution of interest and investment earnings on the investment of Securities and any such interest and investment earnings shall be retained by the Intermediary and held as part of the Securities for the purposes stated herein until such time as DOGM notifies the Intermediary in writing that Genwal Resources, Inc. is no longer in default of its obligations.

7. Intermediary's Duties. All parties hereto understand and agree that the Intermediary is not a principal, participant, or beneficiary of the underlying transaction, which necessitates this Agreement. The Intermediary shall be obligated only for the performance of such duties as are specifically set forth in the Securities control Agreement.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah (without regard to the principles of conflicts of law embodied therein).

9. Notices. Any notice, communication, or other delivery given under this Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, as follows:

If to Intermountain Power Agency to:
Intermountain Power Agency
Attn: General Manager
10653 South River Front Parkway, Suite 120
South Jordan, UT 84095

Telephone: 801-938-1333
Facsimile: 801-938-1330

If to Division of Oil, Gas, and Mining to:
Division Director
Division of Oil, Gas & Mining
State of Utah
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Telephone: 801-538-5334
Facsimile: 801-359-3940

With copies to:

Utah Attorney General's Office
Department Natural Resources
1594 West North Temple, Suite 300
Salt Lake City, UT 84116

Attention: Steven F. Alder

Telephone: 801-538-5348
Facsimile: 801-538-7440

Each notice or other communication required or permitted under this Agreement that is addressed as provided in this Section will (i) if delivered personally or by overnight express, be deemed given upon delivery; and (ii) if delivered by mail in the manner described above, be deemed given upon delivery. Any party from time to time may change its address for the purpose of notices to that party by giving a similar notice specifying a new address, but no such notice will be deemed to have been given until it is actually received by the party sought to be charged with the contents thereof.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto as of the date first written above.

STATE OF UTAH, DIVISION OF OIL, GAS & MINING

By: John R. Baza
Name: John R. Baza
Title: Director

INTERMOUNTAIN POWER AGENCY

By: James A. Hewlett
Name: James A. Hewlett
Title: General Manager

Exhibit A

DESCRIPTION OF SECURITES

Quantity	Issue/Type of Security	CUSIP #
$408,000	U.S. Treasury Notes 2.125% 4/30/2010	912828HXI