

Incoming C0410002

#4002

R

Sufco Mine
597 South SR24
Salina, Utah 84654
(435) 286-4880
Fax (435) 286-4499

January 11, 2012

Utah Coal Program
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114-5801

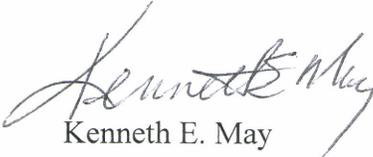
Re: Five-Year M&RP Permit Renewal, Canyon Fuel Company, LLC, SUFCO Mine, C/041/002

Dear Permit Supervisor:

Canyon Fuel Company, LLC, SUFCO Mine is submitting this request 120 days before the expiration of the SUFCO Mine permit on May 21, 2012 as required by Utah Coal Mining Rules 645-303-230 for the Utah Division of Oil, Gas and Mining to begin the five-year permit renewal process. Attached is the Division forms C-1 and C-2 and copies of the reclamation agreement with the proof of reclamation bond, a copy of the mine's liability insurance, and a copy of the proposed legal notice we plan to submit to the local newspapers upon the Division's approval.

If you have any questions or need additional information, please contact Mike Davis at (435) 286-4421.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine



Kenneth E. May
General Manager

KEM/MLD:kb

Encl.

cc: DOGM - Price Field Office
DOGM Correspondence File

Sufpub\Govt2012\dogmmp\Permit Renewal.ltr.doc

File in:

- Confidential
- Shelf
- Expandable

Date Folder

01/24/12 C0410002

Incoming

Sufco Mine

RECEIVED
JAN 24 2012
DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: CANYON FUEL COMPANY, LLC

Mine: SUFACO MINE

Permit Number:

C/041/0002

Title: Sufco Mine M&RP Permit Renewal

Description, Include reason for application and timing required to implement:

Mining Permit Renewal is due May 21, 2012

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? _____
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

KENNETH E. MAY

GENERAL MANAGER

1/16/12

Kenneth E. May

Print Name

Position

Date

Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 16 day of January, 2012

Notary Public: Jacquelyn Nebeker, state of Utah.

My commission Expires: _____

Commission Number: _____

Address: _____

City: _____

State: _____

Zip: _____

} ss: _____



JACQUELYN NEBEKER

Notary Public
State Of Utah

My Commission Expires 3/24/2015
Commission# 606049

For Office Use Only:

Assigned Tracking
Number:

Received by Oil, Gas & Mining

RECEIVED

JAN 24 2012

DIV. OF OIL, GAS & MINING

**State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340**

(Federal)

Contents:

Reclamation Agreement

Exhibit "A"
Bonded Area

Exhibit "B"
Bonding Agreement
Surety Bond

Exhibit "C"
Liability Insurance

Affidavits of Qualification

Power of Attorney

Exhibit "D"
Stipulation to Revise Reclamation Agreement

Permit Number: C/041/002
Date Original Permit Issued: May 21, 2007
Effective Date of Agreement: May 24, 2010
Bond Number: 5

RECLAMATION AGREEMENT

This **RECLAMATION AGREEMENT** (hereafter referred to as "Agreement") is entered into by Canyon Fuel Company, LLC (hereafter referred to as the "Permittee") and the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (hereafter referred to as the "Division").

For the purpose of the **AGREEMENT** the information provided below, shall constitute forms of definition or are for information regarding the Permittee or its operations.

"ACT": Title 40-10-1, et. seq., Utah Code Annotated (1953, as amended)

"BOND": A bond in compliance with Utah Administrative Rule 645-301-800, et. seq.

"BOND AMOUNT": \$2,874,000.00

"BONDED AREA": The area covered by the Performance Bond as provided at R645-301-820.110 of the Utah Administrative Code and any additional areas of subsidence related material damage as identified and required by R645-301-525.550 of the Utah Administrative Code.

"BOND TYPE": Reclamation
Bonding Company: Argonaut Insurance Company
Address: 225 West Washington, 6th Floor
Chicago, IL 60606
Telephone Number: (210) 321-8400

"COMPANY OFFICERS": See Attached

"COOPERATIVE AGREEMENT": That certain agreement codified at 30 C. F. R. 944.30

"DISTURBED AREA": This term is defined in Utah Administrative Code R645-100-200. The Permittee and the Division contemplate that the Disturbed Area will be as approved and shown in the Permit Application Package, but the Permittee's reclamation obligation and the bond related thereto are governed by applicable law.

"LIABILITY INSURANCE": Public liability insurance policy submitted as part of the permit application and attached as Exhibit "C".

Insurance Company: National Union Fire Insurance Company
Address: 175 Water Street 18th Floor
New York, NY 10038
Telephone Number: (212) 770-7000
Policy Number:
Expiration Date: 7-31-2010

"MINE": Sufco Mine

"OSM": United States Department of the Interior,
Office of Surface Mining Reclamation and Enforcement.

"PERMIT": Utah Mining and Reclamation Permit No. C/041/002

"PERMITTEE": Canyon Fuel Company, LLC, Sufco Mine
Principal Address: 225 North 5th Street Suite 900
Grand Junction, CO 81501
Utah Address: 597 South S.R. 24
Salina, UT 84654
Telephone Numbers: (435) 286-4880

"PERMITTEE'S UTAH REGISTERED AGENT FOR SERVICE OF PROCESS":

"REGULATIONS": The regulations promulgated by the Division and OSM pertaining to coal mining and reclamation activities.

"SMCRA": The Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. §§ 1201, et. seq.

"SURETY":

The following Exhibits are incorporated within and made a part of this Agreement.

EXHIBITS:

"BONDED AREA"	Exhibit "A"
"BONDING AGREEMENT"	Exhibit "B"
"LIABILITY INSURANCE"	Exhibit "C"

WHEREAS, the Permittee is ready and willing to file the Bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws under the permit; and

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of SMCRA, the Act and the Regulations are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Regulations and Rules shall supersede conflicting provisions of this Agreement.
2. The Permittee agrees to comply with all terms and provisions of this Agreement, the Permit (which is based upon the approved Permit Application Package), the Act and the Regulations, including the reclamation of all areas disturbed by surface coal mining and reclamation operations, despite the eventuality that the costs of actual reclamation exceeds the Bond Amount.
3. The Permit Application Package includes a legal description of the Bonded Area, including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the Permit period. For convenience, a copy of the description of the Bonded Area is attached as Exhibit "A", and is incorporated by reference.
4. The Permittee agrees to provide a Bond to the Division in the form and amount acceptable to the Division ensuring the timely performance of the reclamation obligations in the manner and by the standards set forth in this Agreement, the Permit, (which is based upon the Permit Application Package), the Act and the Regulations. The Bond is attached as Exhibit "B" and is incorporated by reference.
5. The Permittee agrees to maintain in full force and effect the Liability Insurance policy submitted as part of the Permit application and which is described in the attached Exhibit "C". The Division shall be listed as an additional insured on this policy.
6. In the event that the Disturbed Area is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the Bond as appropriate in accordance with applicable law. In the event of material damage to the surface lands, or contamination, diminution, or interruption of a protected water supply caused by subsidence from underground coal mining, the Permittee may be required by the Division to increase the bond amount pursuant to the provisions of R645-301-525.550 of the Utah Administrative Code.
7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division, and their respective employees and agents, from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or Permittee's agents or employees failure to abide by the terms and conditions of the

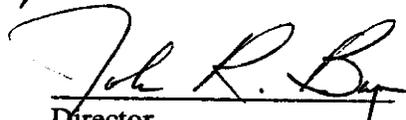
approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.

8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Disturbed Area in accordance with this Agreement, the approved Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve a written modification to this Agreement in accordance with applicable law.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the new Bond form meets the requirements of the Act, and the Regulations, but no Bond shall be released until the Division has approved and accepted the replacement Bond.
10. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this Agreement.
11. Any breach of the provisions of this Agreement, the Act, the Regulations, or the Permit (which is based upon the approved Permit Application Package) may, at the discretion of the Division, result in enforcement actions by the Division which include, but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's Permit and forfeiture of the Bond.
12. In the event of forfeiture of the Bond, the Permittee agrees to be liable for additional costs in excess of the Bond Amount which may be incurred by the Division in order to comply with the Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Any excess monies resulting from the forfeiture of the Bond, upon compliance with this Agreement, shall be refunded as directed by the Permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.
13. No delay on the part of the Division in exercising any right, power, or privilege, under the Permit, the Bonding Agreement (Exhibit "B") and/or this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereof preclude other or further exercise of any right, power or privilege. The provisions of this Agreement are severable, and if any provision of this Agreement, or the application of any provision of this Agreement, to any circumstances is held invalid, the application of such provision to other circumstances, and the remainder of this Agreement, shall not be affected thereby.

14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached thereto.

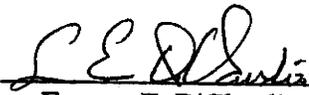
SO AGREED this 14th day of July, 2010.

STATE OF UTAH:



Director,
Division of Oil, Gas and Mining

PERMITTEE:

By: 

Eugene E. DiClaudio
Title: President
Canyon Fuel Company, LLC

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
(Federal)**

Mine Name: Sufco Mine
Permit Number: C/014/002
Effective Date: May 24, 2010
Bond Number:

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT

--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

The Reclamation Bond is reduced from \$4,439,000.00 to \$2,874,000.00. The effective date of the new bond amount is May 24, 2010.

The area covered by the bond is limited to the updated disturbed area as described in Exhibit "A".

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

- Replace the Reclamation Agreement in its entirety.
- X Replace Exhibit "A"- bonded area.
- X Rider added to existing Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$4,439,000.00 to \$ 2,874,000.00

The bonding type is changed from _____ to _____.

The surface disturbance is revised from 46.03 acre to 48.43 acres.

The expiration date is revised from May 21, 2007 to May 21, 2012.

The liability insurance carrier is changed from _____ to _____.

The amount of insurance coverage for bodily injury and property damage is changed from \$ _____ to \$ _____.

IN WITNESS WHEREOF, Canyon Fuel Company, LLC the PERMITTEE has hereunto set its signature and seal this 20th day of June, 2010.

Canyon Fuel Company, LLC
PERMITTEE

By: Eugene E. DiClaudio
Eugene E. DiClaudio

Title: President

ACCEPTED BY THE STATE OF UTAH this 14th day of July, 2010

John R. Boy
Director,
Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

EXHIBIT "A"

**Bonded Area
Legal Description**

(Federal Coal)

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA :

See Attached Plate 5-6

Legal description of BONDED AREA:

Mine Site Facility, Water Tank, South Portals, Spring Collection Field, Pump House, Pipeline, Leachfield

T. 22 S., R. 4 E., SLBM, Utah (Approximately 34.078 acres)

Section 12: A Portion of the following:

E1/2NW1/4;
SW1/4NW1/4NE1/4;
S1/2;

Waste Rock Disposal Site

T. 22 S., R. 4 E., SLBM, Utah (Approximately 10.986 acres)

Section 18: A Portion of the following:

NW1/4NE1/4

Portals - 3 East, 4 East, Quitcupah and Link Canyon, Link Canyon Substation No. 1 and No. 2

T. 21 S., R. 5 E., SLBM, Utah (Approximately 3.368 acres)

Section 26: A Portion of the following:

SE1/4SW1/4SW1/4NW1/4;
E1/2NW1/4NW1/4SW1/4;
SE1/4NE1/4SW1/4SW1/4;

Section 29: A Portion of the following:

NW1/4NW1/4SW1/4SE1/4;
NE1/4NW1/4SE1/4SW1/4;
NE1/4NE1/4SE1/4SW1/4

Section 32: A Portion of the following:

NE1/4SW1/4SW1/4NE1/4

Total approximately 48.432 Acres

Exhibit "A"
Legal Description
Federal

Bond No.

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

10th day of June, 2010.

Argonaut Insurance Company
SURETY

TARA W. MEALER

By: Tara W. Mealer
Attorney-in-Fact

Title:

EXHIBIT "B"

**Bonding Agreement
Surety Bond**

(Federal Coal)

SURETY RIDER

To be attached to and form a part of

Bond No.

Type of Reclamation - ACT/041/002

Bond:

dated
effective February 27, 2009
(MONTH-DAY-YEAR)

executed by Canyon Fuel Company, LLC, as Principal,
(PRINCIPAL)

and by Argonaut Insurance Company, as Surety,
(SURETY)
State of Utah, Division of Oil, Gas and Mining and the U.S. Department of the Interior, Office of Surface Mining
in favor of Reclamation and Enforcement
(OBLIGEE)

in consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

The bond amount from Four Million Four Hundred Thirty Nine Thousand and no/100***(\$4,439,000.00) to Two Million Eight Hundred Seventy Four Thousand and no/100***(\$2,874,000.00).

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is effective May 24, 2010
(MONTH-DAY-YEAR)

Signed and Sealed June 10, 2010
(MONTH-DAY-YEAR)

Canyon Fuel Company, LLC
(PRINCIPAL)

By: James E. Florczak
(PRINCIPAL) James E. Florczak, Vice President and Treasurer

Argonaut Insurance Company
(SURETY)

By: Tara W. Mealer
Tara W. Mealer, Attorney-In-Fact

RECEIVED

JUN 22 2010

DIV OF OIL, GAS & MINING

**Argonaut Insurance Company
225 W. Washington, 6th Floor
Chicago, IL 60606**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

Joseph R. Poplawski, Elizabeth A. Hartzberg, Tara W. Mealer, Mary Y. Volmar, Deborah S. Hudgins

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$15,000,000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer on the 15th day of September, 2008.

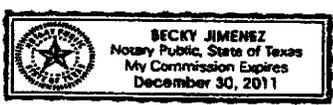
Argonaut Insurance Company
ME Arledge

By: _____
Michael E. Arledge President

STATE OF TEXAS
COUNTY OF BEXAR SS:

On this 15th day of September, 2008 A.D., before me, a Notary Public of the State of Texas, in and for the County of Bexar, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Bexar, the day and year first above written.



Becky Jimenez

(Notary Public)

I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 10th day of June, 2010.

Robert F. Thomas

Robert F. Thomas Vice President

**AFFIDAVITS
OF
QUALIFICATION**

Bond Number:

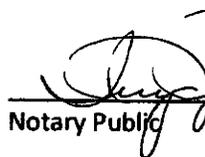
AFFIDAVIT OF QUALIFICATIONS PERMITTEE

I, Eugene E. DiClaudio, being duly sworn under oath, deposes and says that he is the President of Canyon Fuel Company, LLC, the PERMITTEE; and that he is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein,

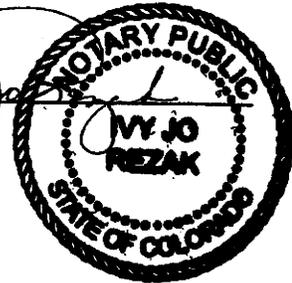


Eugene E. DiClaudio, President
Canyon Fuel Company, LLC

Subscribed and sworn to before me this 28th day of June, 2010 by Eugene E. DiClaudio,
President Canyon Fuel Company, LLC.



Notary Public



My commission expires: November 3, 2010

Bond Number _____

**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

--ooOoo--

I, James E. Florczak, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Vice President and Treasurer of Canyon Fuel Company, LLC; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.



(Signed)

James E. Florczak--Vice President and Treasurer



Attest: _____
Secretary of the Corporation

STATE OF Missouri)

) ss:

COUNTY OF St. Louis)

Subscribed and sworn to before me this 2nd day of July, 2010.



Notary Public

Kristin L. Walker

My Commission Expires:

September 23, 2012.



**AFFIDAVIT OF QUALIFICATION
SURETY COMPANY**

--ooOOoo--

I, Tara W. Mealer, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Attorney-in-Fact of Argonaut Insurance Company; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said SURETY COMPANY is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations herein.

Argonaut Insurance Company

TARA W. MEALER

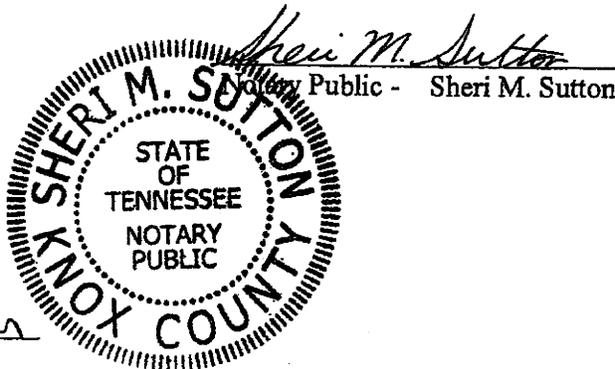
(Signed) Tara W. Mealer, Attorney-in-Fact
Surety Company Officer - Position

Subscribed and sworn to before me this 10th day of June 2010

My Commission Expires:

September 26 , 2012

Witness: Mary J. Volmar
Mary J. Volmar



STATE OF Tennessee)

COUNTY OF Knox)

) ss:

**Argonaut Insurance Company
225 W. Washington, 6th Floor
Chicago, IL 60606**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

Joseph R. Poplawski, Elizabeth A. Hertzberg, Tara W. Mealer, Mary Y. Volmar, Deborah S. Hudeins, Sheri M. Sutton

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$15,000,000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer on the 15th day of September, 2008.

Argonaut Insurance Company

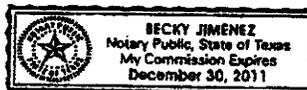
By: _____

Michael E. Arledge President

STATE OF TEXAS
COUNTY OF BEXAR SS:

On this 15th day of September, 2008 A.D., before me, a Notary Public of the State of Texas, in and for the County of Bexar, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Bexar, the day and year first above written.



(Notary Public)

I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 10th day of June, 2010.

Robert F. Thomas Vice President

SECRETARY'S CERTIFICATE

CANYON FUEL COMPANY, LLC

I, Jon S. Ploetz, Secretary of CANYON FUEL COMPANY, LLC, a Delaware limited liability company (the "Company"), hereby certify that the following is a true and complete list of current Officers and Directors of the Company together with their respective starting dates:

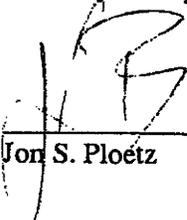
DIRECTORS

Eugene E. DiClaudio	July 30, 2004
John W. Eaves	February 21, 2005
Robert W. Shanks	June 1, 1998

OFFICERS

Eugene E. DiClaudio	President	July 30, 2004
C. David Steele	Vice President-Tax	May 23, 2003
James E. Florczak	Vice President and Treasurer	July 30, 2004
David N. Warnecke	Vice President	April 21, 2005
Jon S. Ploetz	Secretary	February 15, 2010
Jolene J. Mermis	Assistant Secretary	July 30, 2004

WITNESS my hand and seal of the Company this 1st day of July, 2010.

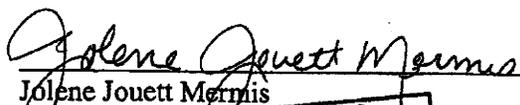


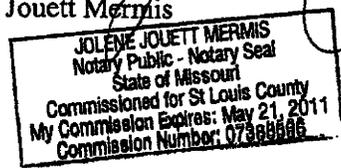
Jon S. Ploetz

State of Missouri)
) ss
County of St. Louis)

Sworn and Subscribed to before me this 1st day of July, 2010.

My Commission Expires: May 21, 2011


Jolene Jouett Mermis





March 14, 2011

Via UPS Next Day

Ms. Angela Nance
Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Canyon Fuel Company
Permit # ACT/041/002
Bond 7 Documents

Dear Angela:

Enclosed are the following supporting documents to bond:

- Exhibit "A"
- Exhibit "D" amending the acres
- Permittee Affidavit
- Secretary's Certificate
- Surety Affidavit
- Surety Power of Attorney

I trust you will find the enclosure to be in order. If you have any questions or need anything further, please do not hesitate to give me a call at (314) 994-2955.

Sincerely,

Kristin L. Walker
Risk Management Assistant

Enclosures

cc: Mike Davis, CFC-Sufco

EXHIBIT "A"

**Bonded Area
Legal Description**

(Federal Coal)

Bond Number

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA : Plate 5-6

Legal description of BONDED AREA:

Mine Site Facility, Water Tank, South Portals, Spring Collection Field, Pump House, Pipeline, Leachfield (Approximately 64.403 acres)

T. 22 S., R. 4 E., SLBM, Utah

Section 12: A Portion of the following:
E1/2NW1/4, SW1/4NW1/4NE1/4, S1/2

Portals - 3 East, 4 East, Quitchupah and Link Canyon, Link Canyon Substation No. 1 and No. 2 (Approximately 3.368 acres)

T. 21 S., R. 5 E., SLBM, Utah

Section 26: A Portion of the following:
SE1/4SW1/4SW1/4NW1/4, E1/2NW1/4NW1/4SW1/4,
SE1/4NE1/4SW1/4SW1/4

Section 29: A Portion of the following:
NW1/4NW1/4SW1/4SE1/4, NE1/4NW1/4SE1/4SW1/4,
NE1/4NE1/4SE1/4SW1/4

Section 32: A Portion of the following:
NE1/4SW1/4SW1/4NE1/4

Waste Rock Disposal Site (Approximately 41.812 acres)

T. 22 S., R. 4 E., SLBM, Utah

Section 18: NW1/4NE1/4

North Water Mitigation Area (Approximately 542.260 acres)

T. 21 S., R. 5 E., SLBM, Utah

Section 2: A Portion of the following:
SW1/4SW1/4SW1/4
Section 3: A Portion of the following:
S1/2SE1/4
Section 10: A Portion of the following:

Exhibit "A"
Legal Description
Federal

Bond Number

NE1/4, N1/2NE1/4SE1/4

Section 11: A Portion of the following:

W1/2NW1/4, W1/2SE1/4NW1/4, E1/2SW1/4, NW1/4SW1/4, S1/2SE1/4,
E1/2SW1/4SW1/4, NW1/4SE1/4, S1/2NE1/4SE1/4

Section 12: A Portion of the following:

W1/2SW1/4

Section 14: A Portion of the following:

W1/2NE1/4, NE1/4NW1/4

Quitcupah Fan and Shaft Site (Approximately 68.640 acres)

T. 21 S., R. 5 E., SLBM, Utah

Section 18: A Portion of the following:

S1/2

Section 19: A Portion of the following:

NW1/4NE1/4NE1/4

Total approximately 720.483 Acres

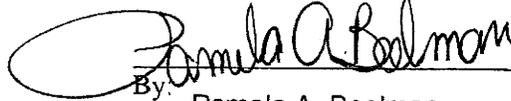
The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the SURETY has hereunto set its signature and seal this

11th day of March, 2011.

Argonaut Insurance Company

SURETY



By: Pamela A. Beelman
Attorney-in-Fact

Title:

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
(Federal)**

Mine Name: Sufco Mine
Permit Number: ACT/041/002
Effective Date: _____
Bond Number: _____

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

- Replace the Reclamation Agreement in its entirety.
- Replace Exhibit "A"- bonded area.
- Rider added to existing Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ _____ to \$ _____

The bonding type is changed from _____ to _____.

The surface disturbance is revised from 48.432 acres to 720.483 acres.

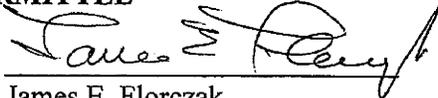
The expiration date is revised from _____ to _____.

The liability insurance carrier is changed from _____ to _____.

The amount of insurance coverage for bodily injury and property damage is changed
from
\$ _____ to \$ _____.

IN WITNESS WHEREOF, Canyon Fuel Company, LLC the PERMITTEE has hereunto set its signature and seal this 14th day of March, 2011.

Canyon Fuel Company, LLC
PERMITTEE

By: 

James E. Florczak

Title: Vice President and Treasurer

ACCEPTED BY THE STATE OF UTAH this ___ day of _____, 20__.

Director,
Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

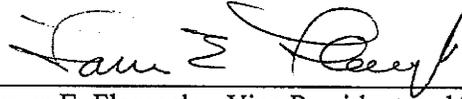
**AFFIDAVITS
OF
QUALIFICATION**

Bond Number _

**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

--ooOOoo--

I, James E. Florczak, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Vice President and Treasurer of Canyon Fuel Company, LLC; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.



James E. Florczak – Vice President and Treasurer

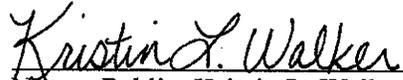
Attest: Jon Ploetz – See Attached
Secretary of the Corporation

STATE OF Missouri)

) ss:

COUNTY OF St. Louis)

Subscribed and sworn to before me this 14th day of March, 2011.


Notary Public, Kristin L. Walker

My Commission Expires:

September 23, 20 12.



CANYON FUEL COMPANY, LLC

SECRETARY'S CERTIFICATE

I, Jon S. Ploetz, Secretary of Canyon Fuel Company, LLC, a Delaware limited liability company (the "Company"), hereby certifies that the following is a true and complete list of current Officers and Directors of the Company together with their starting dates:

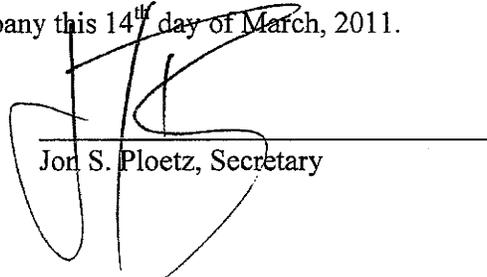
DIRECTORS

Eugene E. DiClaudio	July 30, 2004
John W. Eaves	February 21, 2005
Gary L. Bennett	February 14, 2011

OFFICERS

Eugene E. DiClaudio	President	July 30, 2004
Charles David Steele	Vice President-Tax	May 23, 2003
James E. Florczak	Vice President	May 25, 1999
James E. Florczak	Treasurer	July 30, 2004
David N. Warnecke	Vice President	April 21, 2005
Jon S. Ploetz	Secretary	February 15, 2010
Jolene J. Mermis	Assistant Secretary	July 30, 2004

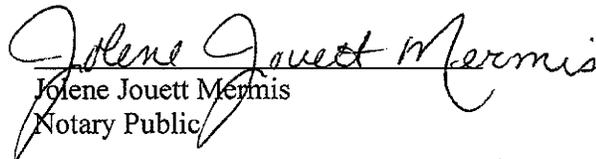
WITNESS my hand and seal of the Company this 14th day of March, 2011.



Jon S. Ploetz, Secretary

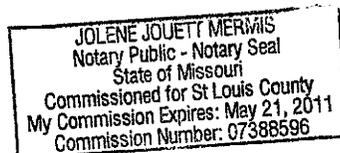
State of Missouri)
) ss
County of St. Louis)

Sworn and Subscribed to before me this 14th day of March, 2011.



Jolene Jouett Mermis
Notary Public

My Commission Expires: May 21, 2011.



Argonaut Insurance Company
225 W. Washington, 6th Floor
Chicago, IL 60606

AS-0024634

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

Pamela A. Beelman

its true and lawful agent and attorney-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$15,000,000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer on the 15th day of September, 2008.

Argonaut Insurance Company

Michael E. Arledge

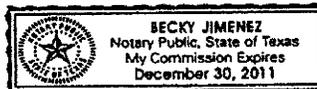
By: _____

Michael E. Arledge President

STATE OF TEXAS
COUNTY OF BEXAR SS:

On this 15th day of September, 2008 A.D., before me, a Notary Public of the State of Texas, in and for the County of Bexar, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Bexar, the day and year first above written.



Becky Jimenez

(Notary Public)

I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 11th day of March, 2011

Robert F. Thomas

Robert F. Thomas Vice President

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON SHADED BACKGROUND WITH BLUE SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE QUESTIONS ON AUTHENTICITY OF THIS DOCUMENT CALL (210) 321 - 8400.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/28/2011

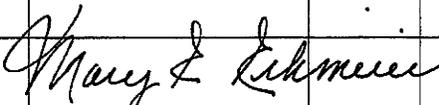
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh USA Inc. 701 Market Street, Suite 1100 St. Louis, MO 63101-1830 Attn: stlouis.certrequest@marsh.com; 212-948-0811		CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:	
001950-Reg-11-12		Y	
INSURED Canyon Fuel Company, LLC c/o Arch Western Bituminous Group, L.L.C. 225 N. 5th Street, Suite 900 Grand Junction, CO 81501		INSURER(S) AFFORDING COVERAGE INSURER A: National Union Fire Ins Co Pittsburgh PA NAIC # 19445 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: CHI-004084883-29 REVISION NUMBER: 12

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Explosion Liability (XCU) GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC		*\$500,000 general aggregate applies per location	07/31/2011	07/31/2012	EACH OCCURRENCE \$ 300,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 300,000 GENERAL AGGREGATE \$ * 500,000 PRODUCTS - COMPI/OP AGG \$ 500,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		 MARY E. EIKMEIER Notary Public/Notary Seal State of Missouri St. Louis County COMMISSION #07504611 My Commission Expires: 12-02-2011			COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A			WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Permit SUFCO Mine C041002
Blasting and use of explosives is not excluded under the policy.

CERTIFICATE HOLDER

Utah Dept. Of Natural Resources
Division of Oil, Gas and Mining
1594 W. North Temple
Suite 1210
Salt Lake City, UT 84114-5801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

© 1988-2010 ACORD CORPORATION. All rights reserved.



ADDITIONAL REMARKS SCHEDULE

AGENCY Marsh USA Inc.		NAMED INSURED Canyon Fuel Company, LLC c/o Arch Western Bituminous Group, L.L.C. 225 N. 5th Street, Suite 900 Grand Junction, CO 81501	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance**

This policy is amended as follows:

In the event that the Insurer cancels this policy for any reason other than non-payment of premium, and

1. the cancellation effective date is prior to this policy's expiration date;
2. the First Named Insured is under an existing contractual obligation to notify a certificate(s) holder(s) when this policy is canceled (hereinafter, the "Certificate Holder(s)") and has provided the Insurer, either directly or through it's broker of record, either:
 - (a) the name of the entity shown on the certificate, a contact name at such entity and the U.S. Postal Service mailing address of each such entity; or
 - (b) the email address of a contact at each such entity; and
3. prior to the effective date of cancellation, the First Named Insured confirms to the Insurer, either directly or through its broker of record, that the persons or organizations set forth in the Schedule above, as well as their respective addresses listed, should continue to be a part of the Schedule and, if not, the names of the persons or organizations that should be deleted,

the Insurer will provide advice of cancellation (the "Advice") to each such Certificate Holder(s) confirmed by the First Named Insured in writing to be correctly a part of the Schedule within 45 days after the First Named Insured confirms the accuracy of the Schedule above with the Insurer; provided, however, that if a specific number of days is not stated above, then the Advice will be provided to such Certificate Holder(s) as soon as reasonably practicable after the First Named Insured confirms the accuracy of the Schedule above with the Insurer.

Proof of the Insurer emailing the Advice, using the information provided and subsequently confirmed by the First Named Insured in writing, will serve as proof that the Insurer has fully satisfied its obligations under this endorsement.

This endorsement does not affect, in any way, coverage provided under this policy or the cancellation of this policy or the effective date thereof, nor shall this endorsement invest any rights in any entity not insured under this policy.

The following Definitions apply to this endorsement:

1. First Named Insured means the Named Insured shown on the Declarations Page of this policy.
2. Insurer means the insurance company shown in the header on the Declarations Page of this policy.

All other terms, conditions and exclusions shall remain the same.

LEGAL NOTICE

Canyon Fuel Company LLC, 225 North 5th Street, 9th Floor, Grand Junction, CO 81501 has filed an application for a coal mining permit renewal under the laws of the State of Utah and the U.S. Office of Surface Mining.

Approval of this application will allow coal mining operations at the SUFCO Mine to continue within the leasehold interest and fee lands owned by Canyon Fuel Company LLC. The lands on which mining is to continue are located in Sevier and Emery County and include parts of the Fishlake National Forest and Manti-LaSal National Forest. The mine portals are located 30 miles east of Salina, Utah, located within Section 12, NW1/4, Township 22 S., Range 4 E. The approximately 27,767.14 acre leasehold involves all or part of the following coal leases and fee land which have been assigned or deeded to Canyon Fuel Company LLC.

Federal Coal Lease U-28297 - (2,631.98 acres) - Approved January 1979

T. 21 S., R. 5 E., SLM, Utah
 Sec. 32, lots 1-4, N1/2S1/2
 Sec. 33, lot 1, NW1/4SW1/4
T. 22 S., R. 5 E., SLM, Utah
 Sec. 4, lot 4, SW1/4NW1/4, W1/2SW1/4
 Sec. 5, all;
 Sec. 7, S1/2NE1/4, E1/2SW1/4, SE1/4;
 Sec. 8, all;
 Sec. 17, NE1/4, N1/2NW1/4
 Sec. 18, NE1/4, E1/2NW1/4

Federal Coal Lease U-062453 - (480 acres) - Approved March 1962

T. 21 S., R. 5 E., SLM, Utah
 Sec. 28, SW1/4SW1/4
 Sec. 29, SE1/4SE1/4
 Sec. 32, N1/2
 Sec. 33, W1/2NW1/4

Federal Coal Lease U-0149084 - (240 acres) - Approved June 1966

T. 22 S., R. 4 E., SLM, Utah
 Sec. 12, NE1/4 and N1/2SE1/4

Federal Coal Lease SL-062583 - (3,079.83 acres) - Approved September 1941

Modified January 1973
Modified December 2009

T. 21 S., R. 4 E., SLM, Utah
 Sec. 36, S1/2
T. 21 S., R. 5 E., SLM, Utah
 Sec. 31, all;
T. 22 S., R. 4 E., SLM, Utah
 Sec. 1, lots 1 to 4 incl. S1/2N1/2, S1/2
 Sec. 2, SE1/4, S1/2SW1/4;
 Sec. 3, SE1/4SE1/4;
 Sec. 10, E1/2NE1/4, NE1/4SE1/4;
 Sec. 11, N1/2, N1/2S1/2;
 Sec. 12, NW1/4

T. 22 S., R. 5 E., SLM, Utah
Sec. 6, all;
Sec. 7, N1/2NE1/4, E1/2NW1/4

Federal Coal Lease U-47080 - (1,953.73 acres) - Approved October 1981
Modified December 2009

T. 21 S., R. 4 E., SLM, Utah
Sec. 25, all;
Sec. 35, E1/2, E1/2SW1/4;
Sec. 36, N1/2.

T. 21 S., R. 5 E., SLM, Utah
Sec. 30, lots 2-4, W1/2SE1/4

T. 22 S., R. 4 E., SLM, Utah
Sec. 2, lots 1-4, S1/2NE1/4, S1/2NW1/4, N1/2SW1/4;
Sec. 3, NE1/4SE1/4.

Federal Coal Lease U-63214 - (10,695.46 acres) - Approved July 1989
Modified June 1999
Modified December 2009

T. 21 S., R. 4 E., SLM, Utah
Sec. 12, E1/2SE1/4
Sec. 13, E1/2NE1/4, S1/2
Sec. 14, E1/2SW1/4, SE1/4
Sec. 23, E1/2, E1/2W1/2
Sec. 24, all.
Sec. 26, E1/2, E1/2SW1/4;
Sec. 35, NW1/4, W1/2SW1/4.

T. 21 S., R. 5 E., SLM, Utah
Sec. 10, SE1/4NW1/4, E1/2SW1/4, E1/2E1/2SW1/4SW1/4,
E1/2E1/2NW1/4SW1/4, E1/2E1/2SW1/4NW1/4
Sec. 15, W1/2
Secs. 16-21, all;
Sec. 22, W1/2
Sec. 26, W1/2NW1/4SW1/4, SW1/4SW1/4
Sec. 27, all;
Sec. 28, N1/2, N1/2SW1/4, SE1/4SW1/4, SE1/4
Sec. 29, E1/2NE1/4, NE1/4SE1/4
Sec. 30, lot 1, N1/2NE1/4
Sec. 33, lots 2-4, NE1/4, E1/2NW1/4, NE1/4SW1/4, N1/2SE1/4
Sec. 34, all;
Sec. 35, lots 1, 2, W1/2NW1/4, N1/2SW1/4.

T. 22 S., R. 5 E., SLB&M, Utah
Sec. 3, lots 1-4, S1/2N1/2, NE1/4SW1/4, S1/2SW1/4, N1/2SE1/4,
SW1/4SE1/4
Sec. 4, lots 1, 2, S1/2NE1/4, SE1/4SE1/4
Sec. 9, NE1/4NE1/4
Sec. 10, W1/2NE1/4, NW1/4, N1/2SW1/4.

Federal Coal Lease UTU-76195 - (5,694.66 acres) - Approved October 1999
Modified December 2006

T. 21 S., R. 5 E., SLM

Sec. 2, lots 3, 4, S1/2SW1/4, SW1/4SE1/4
Sec. 10, E1/2
Sec. 11, all
Sec. 12, S1/2SW1/4, NW1/4SW1/4
Sec. 13, NW1/4, S1/2
Sec. 14, all
Sec. 15, E1/2
Sec. 22, E1/2
Sec. 23-24, all
Sec. 25, N1/2, N1/2S1/2
Sec. 26, N1/2, NE1/4SW1/4, E1/2NW1/4SW1/4, SE1/4
T. 21 S., R. 6 E., SLM
Sec. 19, lots 3-4, E1/2SW1/4
Sec. 30, lots 1-3, E1/2NW1/4, NE1/4SW1/4

State of Utah Coal Lease ML 49443-OBA - (2,134.19 acres) - Approved October 2004

T. 21 S., R. 5 E., SLB&M
Sec. 4: Lots 1, 2, 3, 4, S1/2S1/2
Sec. 5: Lots 1, 2, 3, 4, S1/2S1/2
Sec. 7: Lots 2, 3, 4, S1/2NE1/4, SE1/4
Sec. 8: All
Sec. 9: All

Fee lands owned by Canyon Fuel Company, LLC as follows:

T. 21 S., R. 5 E., SLB&M, Utah
Sec. 29, SW1/4, NW1/4, W1/2NE1/4, W1/2SE1/4
Sec. 30, S1/2NE1/4, E1/2SE1/4
containing 640.00 acres
T. 22 S., R. 4 E., SLB&M, Utah
Sec. 18, NW1/4NE1/4
containing 40 acres

After filing, copies of the permit application will be available for inspection at the following locations:
Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah;
and Sevier County Courthouse, Richfield, Utah.

Written comments or requests for an informal conference regarding this application may be addressed within 30 days of the last publication date of this notice, to the Utah Division of Oil, Gas and Mining, Box 145801, Salt Lake City, Utah 841145801.