UNITED STATES DEPARTMENT OF THE INTERIOR

This mining plan approval document is issued by the United States of America to:

Colowyo Coal Company L.P. 5731 Highway 13 Meeker, CO 81641

for a mining plan modification for Federal Leases COC29225 and COC29226 at the Colowyo Coal Mine. This mining plan approval supplements all previous mining plan approvals for the Colowyo Coal Mine. The approval is subject to the following conditions. Colowyo Coal Company, L.P. is hereinafter referred to as the operator.

- 1. Statutes and Regulations.--This mining plan approval is issued pursuant to Federal Leases COC29225 and COC29226; the Mineral Leasing Act of 1920, as amended (30 U.S.C. 181 *et seq.*); and in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351 *et seq.*). This mining plan approval is subject to all applicable laws and regulations of the Secretary of the Interior which are now or hereafter in force; and all such laws and regulations are made a part hereof. The operator shall comply with the provisions of the Federal Water Pollution and Control Act (33 U.S.C 1251 *et seq.*), the Clean Air Act (42 U.S.C. 7401 *et seq.*), and other applicable federal laws.
- 2. This document approves the new mining plan modification for Federal Leases COC29225 and COC29226 at the Colowyo Mine and authorizes coal development or mining operations on the Federal leases within the area of mining plan approval. This authorization expands the approved mining plan area into the following Federal coal lands.

<u>Legal Description of COC29225</u>

Township 3 North, Range 93 West, 6th P.M.

Section 5: S½ NE¼, SE¼;

lots 1, 2;

Section 7: NE¹/₄NE¹/₄, S¹/₂NE¹/₄, SE¹/₄;

Section 8: S½SE¼SE¼, W½E½, W½;

Section 17: All;

Section 18: E½, E½SW¼;

lots 3, 4.

Legal Description of COC29226

Township 3 North, Range 93 West, 6th P.M.

Section 19: E½, E½W½;

lots 1-3;

Section 20: N½, SW¼, N½SE¼, SW¼SE¼;

lot 1;

Section 21: N¹/₂, N¹/₂SW¹/₄, NW¹/₄SE¹/₄;

TR 47 lots 6, 8;

lots 1, 3, 5, 7, 10;

Section 28: TR 47 lots 4, 5, 8, 12, 13, 15;

lots 6, 24;

Section 29: lots 2, 3, 13.

These lands encompass approximately 4,118 surface acres at the South Taylor Pit. Federal coal acres are shown on the mining plan approval area map attached hereto as Attachment A.

- 3. The operator shall conduct coal development or mining operations only as described in the complete permit application approved by the Colorado Division of Reclamation, Mining and Safety, except as otherwise directed in the conditions of this mining plan approval.
- 4. The operator shall comply with the terms and conditions of the leases, this mining plan approval, and the requirements of the Colorado Permit No. C-1981-019 issued under the Colorado State program, approved pursuant to the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 *et seq.*).
- 5. This mining plan approval shall be binding on any person conducting coal development or mining operations under the approved mining plan and shall remain in effect until superseded, canceled, or withdrawn.
- 6. If during mining operations unidentified prehistoric or historic resources are discovered, the operator shall ensure that the resources are not disturbed and shall notify the Colorado Division of Reclamation, Mining and Safety and the Office of Surface Mining Reclamation and Enforcement. The operator shall take such actions as are required by the Colorado Division of Reclamation, Mining and Safety in coordination with the Office of Surface Mining Reclamation and Enforcement.
- 7. The Secretary retains jurisdiction to modify or cancel this approval, as required, on the basis of further consultation with the U.S. Fish and Wildlife Service pursuant to section 7 of the Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq*.
- 8. Based on discussions with and concurrence from the Colowyo Coal Company, mining within Federal Coal Leases COC29225 and COC29226 at the Colowyo Coal Mine will not exceed 4 million tons per year.

Assistant Secretary,

Land and Minerals Management

Date