Western Federal Coal Lease Form

Instructions

For each issuance, transfer, or exchange of a federal coal lease in Arizona, Colorado, Montana, New Mexico, North Dakota, South Dakota, Utah, or Wyoming, supply coal reserve information for those states on the three attached sheets. For each issuance, transfer, or exchange of a federal coal lease in Texas, Nebraska, Iowa, Kansas, Missouri, Oklahoma, Arkansas, Illinois, Indiana and western Kentucky, the reporting company will be required to complete this form, as well as the form entitled "Eastern Federal Coal Lease Form."

1.   On each sheet, fill in the name of the reporting company and the date of submission. On the first two sheets, also indicate the units used (e.g., thousand tons).

2.   On the sheet labeled WESTERN TOTAL IN-PLACE COAL RESERVES, supply total in-place coal reserves according to the criteria below. If the only available figures are for recoverable reserves, they should be converted to in-place figures as well as possible. Make estimates if necessary.

3.   On the sheet labeled WESTERN UNCOMMITTED IN-PLACE COAL RESERVES, supply total in-place coal reserves as in paragraph 2 but exclude those dedicated to, or otherwise necessary to fulfill, current contractual obligations and those set aside for the reporting company's own use.

4.   On the sheet labeled DESCRIPTION OF COAL IN PROPOSED LEASE, report reserves as in paragraph 2 and provide the other information requested.

5.   Include any reserves owned or leased by the reporting company or any affiliate. "Affiliate" of the lessee means any person, association, or corporation that controls, is controlled by, or is under common control with, the lessee. "Control" includes having or acquiring effective power or influence to determine the policies, business practices, or decision-making processes of another person, association, or corporation, whether such power or influence is actual or legal and whether exercised directly or through ownership of stock or assets, representation on the board of directors, or election of one or more officers. Control shall be presumed to exist whenever any person, association, or corporation owns ten (10) percent or more of the outstanding voting securities of another person, association, or corporation. In the case of joint venture, prorate reserves according to the shares of the joint venture. "Joint venture" means a corporation, partnership, or association through which the lessee (or one or more affiliates of the lessee) and one or more nonaffiliate corporations, partnerships, or associations own or lease coal reserves.

6.   Report reserves that are measured, indicated, or inferred – i.e., within three (3)

miles of a point of observation. To the extent it is not possible to follow this criterion precisely, follow it to the extent possible. Estimates are acceptable.

7.   For bituminous coal and anthracite, report coal in seams of 42 inches or more and in depths of 1,000 feet or less except in the counties listed in paragraph 8 in which reserves should report up to a depth of 2,000 feet. For subbituminous and lignite coal, report coal in seams of 60 inches or more. Report subbituminous coal in depths of 250 feet or less in the Powder River Region and in depths of 1,000 feet or less elsewhere except in those counties listed in paragraph 8 in which reserves should be reported up to a depth of 2,000 feet. Report lignite coal in depths of 200 feet or less in the Northern Plains Region and in depths of 100 feet or less in the Southwest Region. To the extent that it is not possible to follow these criteria precisely, follow them to the extent possible. Estimates are acceptable.

8.   The counties referred to in paragraph 7 in which some reserves are to be reported in depths of up to 2,000 feet are:

> in Colorado – Archuleta, Delta, Garfield, Gunnison, Las Animas, Mesa, and Pitkin;

> in New Mexico – Colfax; and

> in Utah – Carbon, Daggett, Duchesne, Emery, Grand, Morgan, San Pete, Sevier, Summit, Uinta, Utah, and Wastach.

9.   The Power River Region referred to in paragraph 7 is defined as the following counties:

> in Montana – Big Horn, Custer, Golden Valley, Musselshell, Powder River, Rosebud, Treasure, and Yellowstone; and

> in Wyoming – Big Horn, Campbell, Converse, Crook, Goshen, Johnson, Natrona, Niobrara, Sheridan, and Weston.

However, in Custer and Power River counties in Montana, only subbituminous coal should be considered to be in the Power River Region. The Northern Plains Region referred to in paragraph 7 is defined as the states of Montana, North Dakota, and South Dakota plus the portion of the Powder River Region in Wyoming. The Southwest Region referred to in paragraph 6 is defined as the states of Arizona, Colorado, New Mexico, and Utah plus the portion of Wyoming that is <u>not</u> in the Powder River Region.

10.   Report reserves in each state on a separate line except for Montana and Wyoming. For Montana and Wyoming, report reserves in the Powder River

Region separately from those in the remainder of the state. Any lignite in Custer and Powder River counties in Montana should be reported in the non-Powder River portion of the state.

11.   Within each state (or, as in Montana and Wyoming, each portion thereof), report reserves in each coal rank separately except for anthracite which should be included with bituminous. Use ASTM definitions of coal ranks (ASTM/ANSI D 338-77).

12.   Supply totals for the three regions.

13.   On a separate sheet of paper, list all corporations, associations, or persons for which reserves are reported. In the case of joint ventures, give the share of reserves that is reported. Also indicate whether the reporting company, any affiliate (as defined in paragraph 5), or any company (or affiliate of such company) with which the reporting company or an affiliate participates in a joint venture is a railroad, an electric utility, or a nuclear fuel fabricator or nuclear fuel converter. If so, identify each such company.

Burden Statement

Under the Paperwork Reduction Act, a person is not required to respond to a collection of information unless it displays a valid OMB control number. We try to create forms and instructions that are accurate, can be easily understood, and which impose the least possible burden to you to provide the information. The estimated average response time to complete these forms is two hours. If you have any comments regarding the accuracy of this estimate, or suggestions for making these forms simpler, you can write to the Transportation, Energy and Agriculture Section, Antitrust Division, U.S. Department of Justice, 325 7th Street, N.W., Suite 500, Washington, D.C. 20530.

THIS FORM MUST BE COMPLETED TO OBTAIN FEDERAL COAL LEASES

Western Total In-Place Coal Reserves

OMB Number 1105-0025, Expires 03/31/09

Reporting Company:

Date:

Units:

STATE	BITUMINOUS	SUBBITUMINOUS	LIGNITE	TOTAL
Northern Plains Region				
Montana-Powder River				
Montana-not Powder River				
North Dakota				
South Dakota				
Wyoming-Powder River				
Total				
Southwest Region				
Arizona				
Colorado				
New Mexico				
Wyoming-not Power River				
Total				

U.S. Department of Justice
Antitrust Division

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Western Uncommitted In-Place Coal Reserves

Reporting Company:

Date:

Units:

STATE	BITUMINOUS	SUBBITUMINOUS	LIGNITE	TOTAL
Northern Plains Region				
Montana-Powder River				
Montana-not Powder River				
North Dakota				
South Dakota				
Wyoming-Powder River				
Total				
Southwest Region				
Arizona				
Colorado				
New Mexico				
Wyoming-not Power River				
Total				

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Description of Coal in Proposed Lease

Reporting Company:

Date:

Tract name (if any)	
Tract location (state and country)	
Total estimated in-place coal reserves	
Rank of Coal	
Sulfur content of raw coal	
Anticipated sulfur content of coal as shipped	
Dry, mineral-matter-free volatile matter (for bituminous coal only)	
Free Swelling Index (for bituminous coal only)	