



- 7. Drill Holes Permitted: 52
- 8. Drill Holes Disturbed: 52
- 9. Total Bond: 16,000
- 10. Bond No(s): SUR0000387

Name of Bonding Agent/Bank	Address	City	State	Zip Code	Bond No(s)
Argonaut Insurance Company	225 W. Washington, 6 <sup>th</sup> Floor	Chicago	IL	60606	SUR0000387

**SECTION C – CERTIFICATION \*MUST BE CONSISTENT WITH DESIGNATION OF AGENT FORM**

I, the undersigned, hereby certify that the materials and information contained in this application are complete and correct to the best of my knowledge and belief.

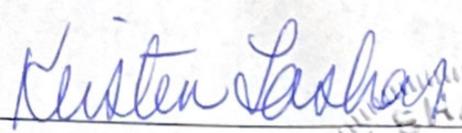
Signature: 

Title: Gilbert Nathan, CEO of CPE

Date: June 11, 2020

Subscribed and sworn to before me, the undersigned, a Notary Public for the State of Connecticut this 11 day of June, 2020.

(SEAL)

  
 Notary Public for the State of: Connecticut  
 Residing at: Ed's Point  
 My Commission expires: \_\_\_\_\_



**Table 1 to Application for Bond Release of  
Coal Prospecting Permit 04321**

Table 1

**Otter Creek Exploration Drilling**

Tract	Drill Hole	1/4 1/4	Section	Township	Range	Surface Owner	Mineral Owner
1	01C2635	SW SW	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	02C2635	SE SW	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	03C2635	NE SE	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	04C2635	SE NE	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	05P2635	SW SW	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	06P2635	NW SE	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	07P2635	NW SE	26	3S	45E	Keith & K.P. Stevens	State of Montana
1	01C3435	SE NE	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	02C3435	SW NE	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	03P3435	NE SE	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	04C3435	NW SW	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	05P3435	NE SW	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	06C3435	SW SW	34	3S	45E	Keith & K.P. Stevens	State of Montana
1	01C3635	SE SW	36	3S	45E	State of Montana	State of Montana
1	02P3635	SW NE	36	3S	45E	State of Montana	State of Montana
1	01C0245	SW NW	2	4S	45E	PLADCO	State of Montana
1	02C0245	SE SW	2	4S	45E	PLADCO	State of Montana
1	03P0245	SW SE	2	4S	45E	PLADCO	State of Montana
1	04C0245	SE SE	2	4S	45E	PLADCO	State of Montana

Total Tract Holes = 19

Table 1 Continued

**Otter Creek Exploration Drilling**

Tract	Drill Hole	1/4 1/4	Section	Township	Range	Surface Owner	Mineral Owner
2	01C1045	NE SE	10	4S	45E	Cynthia Gratwohl	State of Montana
2	02P1045	NE SE	10	4S	45E	Cynthia Gratwohl	State of Montana
2	01C1245	NW NW	12	4S	45E	Tarter Family Trust & Brian Tarter	State of Montana
2	02C1245	SW SW	12	4S	45E	Tarter Family Trust	State of Montana
2	03P1245	SE SE	12	4S	45E	Tarter Family Trust	State of Montana
2	04C1245	NE NE	12	4S	45E	Tarter Family Trust & Brian Tarter	State of Montana
2	01C1445	NW SW	14	4S	45E	Great Northern Properties	State of Montana
2	02C1445	SW SE	14	4S	45E	USA - BLM	State of Montana
2	01C2645	SW NE	26	4S	45E	Ross & Faye Denson	State of Montana
2	02C2645	SW NW	26	4S	45E	Ross & Faye Denson	State of Montana
2	03C2645	NW SW	26	4S	45E	Ross & Faye Denson	State of Montana
2	04C2645	SW SE	26	4S	45E	Ross & Faye Denson	State of Montana
2	01P3645	SW NE	36	4S	45E	State of Montana	State of Montana
2	02C3645	SE SE	36	4S	45E	State of Montana	State of Montana
2	03P3645	NE SE	36	4S	45E	State of Montana	State of Montana

Total Tract Holes = 15

Table 1 Continued

**Otter Creek Exploration Drilling**

Tract	Drill Hole	1/4 1/4	Section	Township	Range	Surface Owner	Mineral Owner
3	01C0645	NE NE	6	4S	45E	USA - BLM	State of Montana
3	02P0645	SE NE	6	4S	45E	USA - BLM	State of Montana
3	03C0645	NW NE	6	4S	45E	USA - BLM	State of Montana
3	04P0645	NW NE	6	4S	45E	USA - BLM	State of Montana
3	05C0645	NW SE	6	4S	45E	USA - BLM	State of Montana
3	06P0645	NW NW	6	4S	45E	USA - BLM	State of Montana
3	01C0845	NE NE	8	4S	45E	Consolidation Coal Co.	State of Montana
3	02P0845	NE NE	8	4S	45E	Consolidation Coal Co.	State of Montana
3	03C0845	SW NW	8	4S	45E	Consolidation Coal Co.	State of Montana
3	04C0845	SW SE	8	4S	45E	Consolidation Coal Co.	State of Montana
3	05C0845	NW NE	8	4S	45E	Consolidation Coal Co.	State of Montana
3	01C1645	NW NE	16	4S	45E	State of Montana	State of Montana
3	02C1645	SW SE	16	4S	45E	State of Montana	State of Montana
3	03C1645	SW SW	16	4S	45E	State of Montana	State of Montana
3	01P1845	SW SE	18	4S	45E	Great Northern Properties	State of Montana
3	01C2045	NW NE	20	4S	45E	USA - BLM	State of Montana
3	02P2045	NW NW	20	4S	45E	USA - BLM	State of Montana
3	03C2045	SE SE	20	4S	45E	Gaskill Livestock	State of Montana

Total Tract Holes = 18

Attachment 1 to Application for Bond Release of  
Coal Prospecting Permit 04321

# REID DRILLING COMPANY

PO Box 209  
Kingfisher, OK 73750

*Otter Creek Drilling*

Phone (405) 263-7520  
Fax (405) 263-7527

Acct #

PLD 641006 OTRCRK3

Kennecott Energy Co.  
Attn: Tom Suchomel  
Caller Box 3009  
Gillette, Wyo. 82717-3009

07/26/04  
Inv. #001521

Contract M155

INVOICE

For drilling services provided on Kennecott's Otter Creek project from 07/01-07/20/04.

### Hourly

Drill Rig- 118.5 hrs. @ \$230 per hour	\$27255.00
Water truck- 3 hrs. @ \$75 per hour	225.00
Move time- 4 hours @ \$230 per hour	920.00

### Materials

Filament Tape- 48 rolls @ \$4 per roll	192.00
Drag Bits- 9 @ \$78 ea.	702.00
Air Foamer- 55 gal's. @ \$11 per gal.	605.00 <sup>78.00</sup>
Polymer- 7 gal's. @ \$17 per gal.	119.00
Core Bit- 1 @	3250.00

Montana Property Tax	1129.00
Landfill Fee	10.00
Repair on Kennecott vehicle	457.44
Trucking Fee- Otter creek to Cordero	3520.00

Hole Reclamation- 52 holes @ \$125 per hole 6500.00

### Per diem

13 days, 3 men @ \$50 per man	1950.00
15 days, 2 men @ \$25 per man	750.00 <sup>250</sup>
1 day, 2 men @ \$50 per man	100.00

TOTAL

*OK*  
*Consent*  
*7/27/04*

\$47684.44

TERMS: net, 30 days

Thank You

# Reid Drilling

## DAILY REPORT

Client KENNECOTT Otter Creek

Date 07/17/04

Hole #	Operation	From	To	Hrs.
	Safety Mtg: END OF JOB AGENDA	0045		
	Re-enter hole.			
	Core from 236.7 - 310'			
	Move Rig.			
	Drill to 223.7.			
	Core from 223.7 - 288.7.			
	Plug to 300'			
	Flament Tape - 6 rolls.			
	Dump fee - #10			
	Hole Reclamation - 5 <del>2</del> Holes.		1630	9.75
	Move equipment to STAGING AREA			
	(Tom Smith)			

Remarks

No Injuries

Bit #	Mud	Rig	#	Hrs.	Driller	Hrs.
6"		Wt.			REID	11.5
		Pk.			Helper Dominguez	11.5
					Burnis	11.5
					D. Reid	12
					S. Schwarz	12

# Invoice

Wind River Seed (307)-568-3361  
 3075 Lane 51 1/2  
 Manderson, WY 82432

Sold By: Kathy

Date: 6/28/04

Order Number: 15109

SHIPPING INSTRUCTIONS:  
 Broadus Motel

**BILL TO:**

Kennecott Energy Co  
 P.O. Box 3009

Gillette, WY 82716

Blnd No	Quantity		Lot Number	Description	Price		Total
	PLS	Bulk			PLS	Bulk	
1	40.00	43.84	NBS-WE3-ROS-2	Western Wheatgrass Rosana	2.53	2.30	101.12
1	33.33	36.77	13470	Slender Wheatgrass Revenue	2.53	2.30	84.26
1	26.67	29.30	16694	Thickspike Wheatgrass Critana	2.53	2.30	67.42
	100.00	109.91	<i>Weight Totals</i>		<i>Seed Subtotal:</i>		\$ 252.80

Ship Via: UPS

Sale Terms:

Mix 1: Montana Reseeding Project

0.00% \$ 0.00

Total: \$ 252.80

Shipping: \$ 38.20

**Total Amount Due: \$ 291.00**

*paid  
credit card*

Attachment 2 to Application for Bond Release of  
Coal Prospecting Permit 04321

80287

Oscar Martinez  
Cloud Peak Energy  
Vice President, Treasury  
8051 E Maplewood Avenue, Building 4  
Greenwood Village, Colorado 80111  
oscar.martinez@cldpk.com  
(303) 713-5631



Kemecot Energy  
Prospecting 321  
Prairie County

March 3, 2010

State of Montana  
Department of Environmental Quality  
Industrial and Energy Minerals Bureau  
P.O. Box 200901  
Helena, MT 59620-0901

**Replacement Bonds**

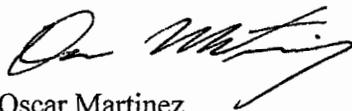
Attached is the executed copy of the bond issued by Cloud Peak Energy Resources LLC:

Bond Number	Amount
✓ SUR0000387	\$16,000.00

Please accept this bond as replacement and release the bond you currently hold.

Do not hesitate to contact me if you have any questions or concerns.

Sincerely,

  
Oscar Martinez

Attachments

BOND NO. SUR0000387

Coal and Uranium Reclamation Bond - Prospecting  
STATE OF MONTANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
INDUSTRIAL AND ENERGY MINERALS BUREAU  
PO Box 200901  
Helena, Montana 59620-0901

KNOW ALL MEN BY THESE PRESENTS, That we (I), Cloud Peak Energy Resources LLC as Principal, and Argonaut Insurance Company a Corporation organized and existing under the laws of the State of Texas and duly authorized to transact business in the State of Montana, as Surety, are held and firmly bound unto the State of Montana, acting through the Department of Environmental Quality in the penal sum of Sixteen Thousand and no/100 DOLLARS (\$ 16,000.00 ), for the payment of which sum, well and truly to be made, we bind ourselves, and each of our legal representatives, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. All notices shall be directed to the address shown above. \*COMPANY

WHEREAS, the Principal has applied for a permit from the Department of Environmental Quality to conduct coal prospecting operations on the following premises, to wit:

See Exhibit A

NOW, THEREFORE, the conditions of this obligation are such that if the above bonded Principal shall, in conducting such coal prospecting operations faithfully perform the requirements as set out in the approved permit, the reclamation plan and Title 82, Chapter 4, Part 2 relating to coal prospecting operations and the Rules and Regulations adopted pursuant thereto, then this obligation shall be exonerated and discharged and become null and void; otherwise to remain in full force and effect. In the event this bond is forfeited, the Department of Environmental Quality shall be entitled to the entire amount of this bond without regard to actual damages.

PROVIDED, However, the Surety shall not be liable under this bond for an amount greater in the aggregate than the sum designated in the first paragraph hereof or any approved amendment thereto, and shall not be liable as respects any obligations related to coal prospecting operations performed after the expiration of thirty (30) days from the date receipt of the by the state of a cancellation notice directed to the Principal and the Department of Environmental Quality, Helena, Montana. The bond shall remain in full force and effect as respects obligations and related to coal prospecting operations performed prior to the effective date of such cancellation unless the Principal files a substitute bond, approved by the Department of Environmental Quality, or unless the Department of Environmental Quality shall otherwise release the Surety.

PROVIDED, FURTHER, the Surety will give prompt notice to the Principal, and State of Montana, Department of Environmental Quality of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

PROVIDED FURTHER, that in the event the Surety becomes unable to fulfill its obligations under this bond for any reason, notice will immediately be given to

the Principal and the State of Montana, Department of Environmental Quality. Should this bond be canceled by the Surety, cancellation is effective 30 days after the Chief, Industrial and Energy Minerals Bureau, Permitting and Compliance Division's, acceptance of the notice of cancellation.

Signed, sealed and dated for Principal this 3rd day of MARCH, 2010

[Signature]  
Cloud Peak Energy Resources LLC  
Signature: Principal

VP, TREASURY  
Title

505 S. GILLETTE AVE, GILLETTE WY 82714  
Mailing Address

307-687-6000  
Telephone Number

STATE OF Colorado )  
County of Arapahoe : ss

On this 3rd day of March, 2010, before me Stephanie Houston, a notary public for the State of Colorado, personally appeared Oscar Martinez (Principal's signatory), known to me to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

Stephanie A. Houston  
Notary Public for the State of Colorado (S E A L)  
Residing at 8051 S. Maplewood Ave, Greenwood Village, CO  
My Commission expires 4/13/2010

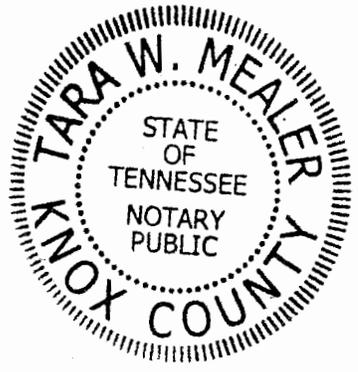
\*\*\*\*\*  
Signed, sealed and dated for Surety this 22nd day of February, 2010.

(Surety's Seal) Argonaut Insurance Company  
Signature: Surety  
[Signature]  
Title Joseph R. Poplawski, Attorney-in-Fact  
C/O Marsh USA Inc., P. O. Box 36012  
Knoxville, TN 37930-6012  
Mailing Address

STATE OF Tennessee )  
County of Knox : ss

On this 22nd day of February, 2010, before me Tara W. Mealer, a notary public for the State of Tennessee, personally appeared Joseph R. Poplawski (Surety's Signatory), known to me to be the person who executed the within instrument on behalf of the Surety and acknowledged to me that such corporation executed the same.

TARA W. MEALER  
Notary Public for the State of Tennessee  
Residing at Knoxville, TN  
My Commission expires September 26, 2012



\*\*\*\*\*

Accepted this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Chief, Industrial and Energy Minerals Bureau  
Permitting and Compliance Division  
Department of Environmental Quality

Power of Attorney for Surety and  
Proof of Agency for Principal must be attached  
IF this is a replacement bond, a Retroactive Rider must be attached.

Exhibit A

DESCRIPTION OF LAND

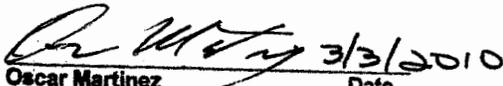
Township 3 South, Range 45 East M.P.M.

Section 26: All  
Section 34: All  
Section 36: All

Township 4 South, Range 45 East M.P.M.

Section 2: Lots 1-4, S2N2, S2 (All)  
Section 6: Lots 6-17, SE4 (All)  
Section 8: Lots 1-8, E2 (All)  
Section 10: E2, E2W2  
Section 12: All  
Section 14: Lots 1-8, W2 (All)  
Section 16: All  
Section 18: All  
Section 20: Lots 1-4, E2, E2W2 (All)  
Section 22: W2W2, N2NE, SENE  
Section 24: Lots 1-8, W2E2, E2W2 (All)  
Section 26: All  
Section 36: All

All located in Powder River County and containing 9543.62 acres, more or less.

  
Oscar Martinez  
VP, Treasury  
Date 3/3/2010

Argonaut Insurance Company

  
Joseph R. Poplawski, Attorney-in-Fact  
2-22-2010

**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

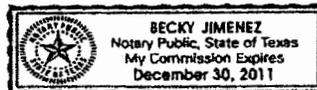
By: \_\_\_\_\_

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 22<sup>nd</sup> day of February, 2010

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 (281) 378 - 8077.