

CLOUD PEAK ENERGY®

Lease By Modification

**For
Federal Coal Lease MTM-094378**

Received
Bureau of Land Management

DEC 29 2012

Montana State Office
Billings, Montana

Presented To:

**United States Department of the Interior
Bureau of Land Management
5001 Southgate Drive
Billings, MT 59101-4669**

**Prepared By:
Spring Creek Coal LLC
P.O. Box 67
Lakeshore Drive
Decker, MT 59025**

December 18, 2012

LEASE BY MODIFICATION FEDERAL COAL LEASE MTM-094378

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LEASE BY MODIFICATION FEDERAL COAL LEASE MTM-094378

Pursuant to 43 CFR 3432 a lessee may apply for a modification of a lease to include coal lands or coal deposits contiguous to those embraced in a lease.

Spring Creek Coal LLC, with this application, is requesting modification to Federal Coal Lease MTM-094378 by adding 170 acres, more or less, of contiguous or cornered coal lands. See the Mineral Leasing Act of 1920, as amended, 30 U.S.C. § 203(a)(3). These coal reserves lie between Federal Coal Lease MTM-094378, controlled by Spring Creek Coal LLC to the southwest and a coal burn line.

If these reserves are not leased and permitted, the Spring Creek Coal LLC will begin to by-pass these reserves as early as 2023. With only 7.9 million tons of mineable coal, these coal reserves can only be mined by Spring Creek Coal LLC. There are no other mining operations which are immediately adjacent to these reserves and this is too small of a reserve to justify a new operation. As such, there is no competitive interest in these lands and underlying coal deposits, and these deposits cannot be developed as part of any other company's potential or existing coal operation. There are no qualified surface owners overlying the federal coal reserves that would be leased under the proposed lease modification. This modification serves the interest of the United States by maximizing the recovery of the coal resources and generating coal production royalties as early as 2023.

The application must include the applicant's name and address and a signed statement containing the names of all parties in interest in the application. Any application for a lease must also include a signed statement showing that the applicant does not hold, own, or control leases on more than 75,000 acres in one state, or not more than 150,000 acres in the United States at the time of application (Public Law 106-463 and 30 U.S.C.A. 184(a)(2)).

APPLICANT: Spring Creek Coal LLC

ADDRESS: Spring Creek Coal LLC
P.O. Box 67
Lakeshore Drive
Decker, MT 59025

A qualification statement in Appendix A certifies that neither the Applicant nor its affiliates hold, own, or control Federal leases on more than 75,000 acres in one State, or more than 150,000 acres in the United States at the time of the application.

Pursuant to 43 CFR 3472, a statement and proof of the applicant's qualifications to take and hold interests in leases, lands, applications, bids, permits, and

licenses with respect to deposits of coal in, on, and under lands of the United States is required.

A statement of Spring Creek Coal LLC's qualifications is enclosed.

The Application must include a complete and accurate description of the affected lands. The land must be described in the application by legal subdivision, if surveyed; by section, township, and range if on approved protraction diagrams; or by metes and bounds, if un-surveyed (43 CFR 3471).

The proposed Lease by Modification Tract (herein referred to as LBM Tract) contains 170 acres more or less, all located in Bighorn County, Montana, as described in Table 1 and illustrated on Plate 1. Land descriptions and acreage is based on approved U.S. Department of Interior, Bureau of Land Management plats filed in Billings, Montana.

The applicant has submitted, as part of the application, preliminary data to assist the authorized officer in preparing an environmental analysis as described in 43 CFR 3425.3. This submission includes the following items:

- (1) A map, or maps, containing the information specified in 43 CFR 3425.1-7(b)(1). A map, or maps, showing the topography, physical features and natural drainage patterns, existing roads, vehicular trails, utility systems; the location of any proposed exploration operations, including seismic lines and drill holes; to the extent known, the location of any proposed mining operations and facilities, trenches, access roads or trails, and supporting facilities including the approximate location and extent of the areas to be used for pits, overburden, and tailings; and the locations of water sources or other resources that may be used in the proposed operations and facilities.**

Plate 1 shows the topography, physical features and natural drainage patterns, existing roads, vehicular trails, utility systems, and preliminary proposed mining operations with access and facilities. Plate 2 shows existing drill hole locations and the proposed mining sequence.

- (2) A narrative statement containing the information specified in 43 CFR 3425.1-7(b)(2).**

(i) The anticipated scope, method and schedule of exploration operations, including the types of exploration equipment to be used;

The Applicant has a Federal Coal Exploration License MTM101687 from the Bureau of Land Management to conduct drilling operations on lands contained within the proposed LBM Tract. Data and maps from the completed drilling program, including the type of exploration equipment used, have been and will be

forwarded to the Bureau of Land Management, as required under the terms of the Exploration License. The locations of existing drill holes within and around the LBM Tract are located on Plate 2.

(ii) The method of mining anticipated including the best estimate of the mining sequence and production rate to be followed;

The LBM Tract area would be mined as a logical extension of Spring Creek Coal LLC's Spring Creek Mine and would utilize the same mining methods as those permitted for the Spring Creek Mine. The major activities of handling of overburden and mining of coal will primarily be conducted using draglines, shovels, and haulage trucks. The other activities, such as topsoil material handling, final grading, and reseeded will be handled by smaller equipment such as scrapers, dozers, graders and farm equipment. Spring Creek Coal LLC's Spring Creek Mine Permit C1979012 describes the mining equipment to be used in detail. This type of equipment will also be used for mining the LBM Tract.

The proposed LBM Tract mining sequence and annual coal production rates are shown on the accompanying Plate 2 and in Table 2, respectively. Please note that the mine plan information enclosed in this application is CONFIDENTIAL AND MAY NOT BE DISCLOSED UNDER THE FREEDOM OF INFORMATION ACT OR DEPARTMENT OF INTERIOR REGULATIONS. Plate 2 shows the proposed coal removal areas in the proposed LBM Tract. The total in-place tons within the entire LBM Tract are estimated to be 7.9 million tons.

Estimated start of production will probably not occur before the year 2023. Coal will be mined from the upper and lower Anderson Dietz coal seams.

Some of the lands (129 acres more or less) included in the LBM Tract are unsuitable for mining due to the presence of unsuitable coal structures. In addition because of the diagonal orientation of the advancing dragline pits some of the coal is not fully mineable up to the LBM Tract boundaries. These lands are included in the LBM Tract to allow recovery of all mineable coal up to the burn line and to comply with the Federal coal leasing regulations, which do not allow leasing of less than 10-acre aliquot parts. Approximately 40 acres was added in Section 13 to include lands necessary to support mining activities on MTM-094378 as modified with this LBM.

(iii) The relationship between the mining operations anticipated on the lands applied for and existing or planned mining operations, or support facilities on adjacent Federal on non-Federal lands;

The LBM Tract will be mined as a logical extension and an integral part of the permitted mining operation of Spring Creek Coal LLC's Spring Creek Mine. The proposed addition of the LBM Tract reserves will allow Spring Creek Mine to

recover coal reserves between an existing Federal Coal Lease and the burn line. Spring Creek Coal LLC currently controls Federal Coal Lease MTM:094378 and the LBM tract reserves will be by-passed if they are not leased and permitted prior to 2023. Detailed discussions of the operations are provided in the approved Spring Creek Coal LLC Mine Permit C1979012 and the Resource Recovery and Protection Plan, which are on file at the Bureau of Land Management Billings Field Office. These permit documents are incorporated herein by reference to provide the necessary supporting detail for this section.

The surface ownership within the LBM Tract is Spring Creek Coal LLC and the United States of America lands administered by the Bureau of Land Management. Table 3 identifies the surface ownership within and surrounding the LBM Tract.

(iv) A brief description, including maps or aerial photographs, as appropriate, of: The existing land use or uses within and adjacent to the lands applied for; known geologic, visual, cultural, paleontological or archaeological features; wetlands and floodplains; and known habitat of fish and wildlife – particularly threatened and endangered species – any of which may be affected by the proposed or anticipated exploration or mining operations and related facilities;

The LBM Tract is located near the western edge of the Great Plains physiographic province within sight of the Bighorn Mountains. Surface drainage is from an ephemeral stream, which flows toward the Tongue River/Tongue River Reservoir. The Tongue River flows generally northeastward about 110 miles to its confluence with the Yellowstone River. The LBM Tract is in the southeast corner of Big Horn County, Montana, about sixteen miles north of the Montana-Wyoming State line and about 32 miles northeast of Sheridan, Wyoming. Sheridan, Ranchester, and Dayton, Wyoming and Busby and Lame Deer, Montana are the only communities of appreciable size within a radius of about 50 miles.

Spring Creek Coal LLC's Spring Creek Mine, which takes its name from the Spring Creek drainage, lies west of the Tongue River Reservoir. The Spring Creek Mine area currently spans approximately 14.3 square miles (mi²). Elevations range from about 4,070 feet (ft) to 3,847 ft above mean sea level (MSL) and slopes range from flat to 109 percent.

Land Use & Geology

The principal land use within the LBM Tract is livestock grazing. Secondary land uses are oil and gas production and wildlife habitat. The Bureau of Land Management has completed Environmental Assessments for the Spring Creek Mine and the neighboring areas. These studies, which include lands on and adjacent to the proposed LBM Tract, demonstrate that there are no significant geological features in the area.

Cultural, Paleontological or Archeological

Research of potential prehistoric sites of significance is being reviewed. There are four (4) archeological sites that are eligible for National Register of Historic Places (NRHP) within the LBM Tract, that have been identified during previous studies (24BH1736, 24BH1737, 24BH1739 and 27BH1740). If any other eligible sites are identified during cultural resources reviews of the LBM Tract, mitigation of these sites will be addressed prior to mining. Any other sites identified prior to mining will be addressed following the requirements of Spring Creek Coal LLC's Mine Permit SMP79012 and the consultation and mitigation requirements of BLM and the Office of Surface Mining (OSM). Locations and accompanying baseline studies for any known eligible sites will be provided under a separate cover, upon BLM request.

Wetlands & Floodplains

The LBM Tract lies on the high plains of southeastern Montana. A couple of ephemeral drainages are located within the LBM Tract and would be mined through and re-established in accordance with all applicable environmental regulations and stipulations.

The proposed LBM Tract is located within the Monument Creek and Spring Creek watersheds. Monument Creek and Spring Creek are ephemeral tributaries of the Tongue River watershed. The main surface water features within and adjacent to the area proposed for mining activities include the Tongue River Reservoir, North Fork Spring Creek, South Fork Spring Creek, Spring Creek, Pearson Creek and Monument Creek.

The climate of the area is classified as semi-arid, since the mean annual precipitation is approximately 9 inches. With this limited moisture and the upland topography of the area there are minimal wetlands.

Fish & Wildlife

Spring Creek Coal LLC has collected extensive wildlife data. The initial baseline inventory on the mine area was conducted in 1976 and 1977 in relation to the permit application for the present Spring Creek Mine (VTN 1977). Annual monitoring was initiated in 1978 and continues at present.

The Applicant conducts annual wildlife monitoring for big game, upland game birds, raptors, waterfowl, bats, lagomorphs, and herptiles within the LBM Tract as part of its approved wildlife monitoring program. There are no known threatened and endangered species in the proposed area that could be adversely impacted by the proposed mining activity. If necessary, the wildlife habitat areas will be mitigated and discussed in the Spring Creek Coal LLC Mine Permit SMP79012 prior to mining.

Pronghorn antelope, mule deer, and white-tailed deer are the big game species which are common year round residents of the Spring Creek Mine area. As part of the Montana Department of Environmental Quality (MDEQ) approved wildlife monitoring plan, winter aerial surveys are conducted over the Spring Creek Mine area to document big game distribution, population trends, and habitat use.

Year round mammals common to the Spring Creek study area include the porcupine, black-tailed prairie dog, Ord's kangaroo rat, plains harvest mouse, bushy-tailed woodrat, olive-backed pocket mouse, shrew, striped skunk, yellow bellied marmot, cottontail rabbit, white tailed jack rabbit, deer mouse, vole, house mouse, the least chipmunk, and five bat species (little brown bat, long-eared myotis, long-legged myotis, small-footed myotis, and western big-eared bat). The coyote, red fox, bobcat, raccoon, and badger are also year-round common residents. All of these species could potentially occur within the LBM Tract. BLM sensitive mammal species that could potentially occur in the area include the Townsend's big-eared bat, spotted bat, long-legged myotis, long-eared myotis, pallid bat, and black-tailed prairie dog. Black-tailed prairie dogs have been observed frequently in the wildlife study area.

Prior baseline studies show that 24 species of raptors nest, winter, or migrate through the region. The baseline studies showed that the wintering population consists of approximately six to eight species. Nesting raptors include red-tailed hawk, golden eagle, turkey vulture, osprey, burrowing owl, prairie falcon, and great horned owl. These species are monitored in conjunction with Spring Creek Coal LLC's approved raptor monitoring plan. BLM sensitive raptor species that could potentially occur in the area include the burrowing owl, ferruginous hawk, golden eagle, northern goshawk, Swainson's hawk, and peregrine falcon. All of these species have been observed in the wildlife study area.

Six species of game birds have been observed in the Spring Creek Mine area. These include the greater sage-grouse, sharp-tailed grouse, ring-necked pheasant, Merriam's wild turkey, mourning doves, and the gray partridge. Sage-grouse, sharp-tailed grouse, ring-necked pheasants, turkey, and gray partridge are year-round residents in the area. Long-term monitoring has documented that sage-grouse strutting grounds (leks) and important sage-grouse use areas are present in the wildlife study area. Sharp-tailed grouse are present in the wildlife study area, using habitats with shrubs and trees for feeding and wintering and sagebrush/grasslands for nesting. A small population of gray partridge has occupied the Spring Creek Mine area in the past. No turkeys were observed within and adjacent to the Spring Creek Mine permit area although incidental observations of wild turkeys have occurred along the Tongue River and associated drainages. Mourning doves were seen regularly throughout the area during spring and summer. BLM sensitive game bird species that could potentially occur in the area include the greater sage-grouse.



CLOUD PEAK ENERGY®

December 18, 2012

Via Certified Mail 7011 2970 0000 7667 7563

Mr. Phillip Perlowitz, Chief
Branch of Solid Minerals
U.S. Department of Interior
Bureau of Land Management
5001 Southgate Drive
Billings, MT 59101-4669

RE: Spring Creek Coal LLC Lease by Modification for Federal Coal Lease MTM-094378

Dear Mr. Perlowitz:

Spring Creek Coal LLC (SCC) hereby submits an application for a lease modification of Federal Coal Lease MTM-094378. These reserves will be mined in conjunction with the Spring Creek Mine. SCC requests that the lease be modified at your earliest possible convenience and that any cash fair market value be paid over a five year term. SCC understands that an Environmental Assessment (EA) may be required and we look forward to working with your office and the Miles City field office in order to complete this lease modification.

Please note that the mine plan information enclosed in this application package is to be treated as CONFIDENTIAL.

Please contact Gabe Johnson at (406) 757-4236 with questions regarding technical or environmental issues or myself (307) 685-6141 with questions regarding the application.

Sincerely,

Russ Hallcroft
Senior Project Engineer

Attachments (3 copies)

xc: Mr. Gabe Johnson (w/ Attachments)
Mr. John Trummel, CPE (w/o Attachments)
Mr. Russ Hallcroft, CPE (w/ Attachments)

Threatened and Endangered (T&E) animal species that could potentially occur in the area include the black-footed ferret. This species has not been observed in the area. The bald eagle has been delisted as a threatened species as of August 8, 2007 and as such is no longer subject to federal regulations and guidelines to implement the species recovery. The bald eagle will continue to be protected by the Bald and Golden Eagle Protection Act and Migratory Bird Treaty Act.

Threatened and Endangered (T&E) plant species that could be present on the tract include the Ute ladies'-tresses orchid.

From the Montana Natural Heritage Program (MNHP) 2008 Plant Species of Concern (MNHP 2008), one vegetative species of concern was recorded during a 2006-2007 vegetation survey for the Pearson Creek Amendment Area. Barr's milkvetch (*Astragalus barrii*) has been identified as occurring in the area. Barr's milkvetch is listed as sensitive under the BLM classification. Barr's milkvetch has a S3 state rank (potentially at risk because of limited range, population and/or habitat). The 2006-2007 vegetation surveys indicated that Barr's milkvetch was broadly distributed, if not abundant. Two other S1 ranked species (at high risk because of extremely limited and/or rapidly declining population numbers, range and/or habitat) have been observed in southeastern Montana. The woolly twinpod (*Physaria didymocarpa* var. *lanata*) has been observed during baseline studies of the Spring Creek Mine area, but Nuttall desert-parsley (*Lomatium nuttallii*) has not been observed in the Spring Creek Mine area.

(v) A brief description of the proposed measures to be taken to control or prevent fire and to mitigate or prevent soil erosion, pollution of surface and ground water, damage to fish and wildlife or other natural resources, air and noise pollution, adverse impacts to the social and infrastructure systems of local communities, and hazards to public health and safety; reclaim the surface; and meet other applicable laws and regulations. The applicant may submit other pertinent information that the applicant wishes to have considered by the authorized officer;

The fire control program at Spring Creek Coal LLC is described in the Mine Permit C1979012 document. At the LBM Tract, as in the Spring Creek Mine, quantities of blasted coal in the proposed operations will be kept to a minimum at the exposed coal faces. Should fires occur, the "hot-spots" will be removed and/or extinguished by dozers and/or other mobile equipment.

Minimization of soil loss during mining is addressed in the Mine Permit. Similar minimization techniques will be utilized for the proposed LBM Tract.

Surface and groundwater pollution control and monitoring programs have been established for both surface and groundwater at Spring Creek Coal LLC. Procedures are outlined in the Mine Permit to minimize any potential impacts.

Similar control and monitoring programs will be utilized for the proposed LBM Tract.

Given the remote location of the LBM Tract, and its proximity to the existing Spring Creek Mine, no adverse impacts to the social and infrastructure system of local communities will occur. There will be no hazards to the public.

Reclamation procedures have been established at Spring Creek Coal LLC's Spring Creek Mine. Procedures are described in the Reclamation Plan of the Mine Permit. Similar reclamation procedures will be utilized for the proposed LBM Tract.

(vi) A statement which describes the intended use of the coal covered by the emergency application;

This application has been submitted by the Applicant as a lease modification.

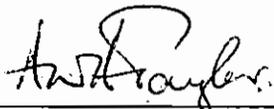
Coal mined by the Applicant at Spring Creek Coal LLC's Spring Creek Mine is used for electrical power generation, industrial heating applications and for personal use. Coal mined from the proposed LBM Tract is also intended to be used for electrical power generation, industrial heating applications and personal use.

(vii) Any other information which will show that the application meets the requirements of this subpart;

The proposed LBM Tract is not within a presently designated Bureau of Land Management coal lease tract. This LBM Tract lies contiguous to Federal Coal Lease MTM-094378 and is immediately adjacent to the Spring Creek Mine, which constitutes a logical extension of the Spring Creek Mine mining operations.

The Resource Recovery and Protection Plan and Mine Permit C1979012 are currently on file at the Bureau of Land Management – District Office and are incorporated herein by reference.

**APPLICANT:
Spring Creek Coal LLC**



A. N. H. Taylor
Senior Vice President of Technical Services and
Business Development

18th Dec 2012

Date

**Lease By Modification
Lease MTM-094378**

**Table 1
Lands Affected
(As shown on Plate 1, General Areas)**

All in T8S, R39E, Big Horn County, MT

Section	Lot	Description	Aliquot Part	QQ	Q	Acres
13	N/A	ALL	NE	NE	SE	10.00
13	N/A	ALL	NW	NE	SE	10.00
13	N/A	ALL	SE	NE	SE	10.00
13	N/A	ALL	SW	NE	SE	10.00
13	N/A	ALL	NE	NW	SE	10.00
13	N/A	ALL	SE	SW	NE	10.00
13	N/A	ALL	SW	SW	NE	10.00
13	N/A	ALL	NW	SW	NE	10.00
13	N/A	ALL	NE	SE	NW	10.00
13	N/A	ALL	SE	SE	NW	10.00
13	N/A	ALL	NW	SE	NW	10.00
13	N/A	ALL	SE	NE	NW	10.00
13	N/A	ALL	SW	NE	NW	10.00
13	N/A	ALL	NE	NW	NW	10.00
13	N/A	ALL	SE	NW	NW	10.00
13	N/A	ALL	NW	NW	NW	10.00
14	N/A	ALL	NE	NE	NE	10.00
Lease by Modification Tract Containing						170.00

Lease By Modification
Lease MTM-094378

Table 2
Coal Production ⁽¹⁾

Year	Mineable (MTons)	Recoverable ⁽²⁾ (MTons)
██████	██████	██████
██████	██████	██████
██████	██████	██████
██████	██████	██████
TOTAL	██████	██████

Notes:

(1) Annual coal production at the Spring Creek Mine is estimated at ██████████. The above production estimates relate only to the LBM Tract.

(2) A Recovery Factor of ██████ is used.

THE ENCLOSED INFORMATION CONTAINS CONFIDENTIAL AND PRIVILEGED COMMERCIAL AND FINANCIAL INFORMATION AND PROTECTED TRADE SECRETS. THE INFORMATION CONTAINED HEREIN MAY NOT BE DISCLOSED UNDER THE FEDERAL FREEDOM OF INFORMATION ACT, 5 U.S.C. § 552(b)(4), AND DEPARTMENT OF INTERIOR REGULATIONS, 43 C.F.R. PART 2, APPX. E.

CONFIDENTIAL

Lease By Modification

Lease MTM-094378

Table 3
Affected and Surrounding Surface Owners

Last Name	First Name	Street Address	City, State	ZIP Code
Montaylor Corp. c/o W Lazy T. Ranch	Walter & Lila Taylor	HC 42 Box 595	Busby, MT	59016-9705
Wolf Mountain Coal Company		214 W 1ST Parkway	Sheridan, WY	82800
Van Haffle	Mark & Mary Kay	HC 59 Box 11B	Decker, MT	59025
USA	BLM	P.O. Box 36800	Billings, MT	59107-6800
Pierce	Alan R. & Jimmie D.	HC 59 Box 10A	Decker, MT	59025-9701
Welter	Bernadine Pierce	HC 59 Box 11	Decker, MT	59025
Spring Creek Coal LLC		P.O. Box 67 Lakeshore Drive	Decker, MT	59025

Appendix A

To

Lease By Modification

For

Federal Coal Lease MTM-094378

Qualification Statement

**COAL LEASE MODIFICATION APPLICATION
SPRING CREEK COAL LLC
SERIAL NUMBER MTM-094378**

QUALIFICATIONS STATEMENT

43 CFR 3472.1-2

Neither Spring Creek Coal LLC, a Delaware limited liability company, nor any subsidiary or affiliate of Spring Creek Coal LLC, now owns, holds, or controls, or with the area applied for in the Lease By Modification, Federal Coal Lease MTM-094378 (LBM Tract), will hold, own, or control federal coal leases, lease modification applications, or bids on more than 75,000 acres of Federal lands in any one state nor more than 150,000 acres of Federal lands in the United States, as provided for in the Coal Market Competition Act of 2000 (Public Law 106-463) and 30 U.S.C.A. § 184 (a).

43 CFR 3472.2-1

Spring Creek Coal LLC is the sole party in interest in the lease modification application for the LBM Tract.

43 CFR 3472.2-2(b)

If the applicant of bidder for a lease or license to mine is a corporation, it shall submit statements showing:

(1) The state of incorporation:

Spring Creek Coal LLC is formed in the State of Delaware.

(2) That the corporation is authorized to hold leases or licenses to mine:

Spring Creek Coal LLC presently holds and is authorized to hold federal coal leases.

(3) The names of the officers authorized to act on behalf of the corporation:

Appendix A contains a list of all officers of Spring Creek Coal LLC.

(4) The percentage of the corporation's voting stock and all of the stock owned by aliens or those having addresses outside of the United States:

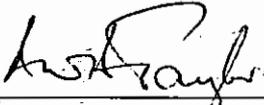
Zero (0) percent of Spring Creek Coal LLC's stock is owned by aliens or those having addresses outside of the United States.

(5) The name, address, citizenship and acreage holdings of any stockholder owning or controlling 10 percent or more of the corporate stock of any class:

NERCO Coal LLC, a Delaware limited liability company, owns 100% of the stock of Spring Creek Coal LLC. None of NERCO Coal LLC's stock is owned by aliens or those having addresses outside of the United States. NERCO Coal LLC does not, either directly or indirectly through subsidiaries, affiliates, or persons controlled by or under common control with NERCO Coal LLC, hold, own or control Federal coal leases, lease modification applications, or bids on more than 75,000 acres of Federal lands in any one state nor more than 150,000 acres of Federal lands in the United States. NERCO Coal LLC's address is 505 South Gillette Avenue, PO Box 3009, Gillette, WY 82717-3009.

The undersigned certifies that the above information is true and correct to his best belief and knowledge.

SPRING CREEK COAL LLC

By:  18th Dec 2012

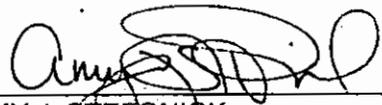
A. N. H. Taylor
Senior Vice President of Technical Services and
Business Improvement

SPRING CREEK COAL LLC
SECRETARY'S CERTIFICATE

As Secretary of Spring Creek Coal LLC, a Delaware limited liability company (the "Company"), I, Amy J. Stefonick, certify that pursuant to resolutions adopted by the Company's Board of Directors, A.N.H. Taylor was appointed to the office of Senior Vice President, Technical Services of the Company as of August 12, 2010, and continues to serve in such position on the date hereof.

I further certify that in his position, Mr. Taylor is authorized, for and on behalf of the Company, to execute such documents as in his judgment are appropriate and necessary, including specifically, but not limited to, agreements, contracts, deeds, leases, permit applications and permit revisions affecting the Company's ownership of, or mining operations upon or beneath, or otherwise relating to, real property.

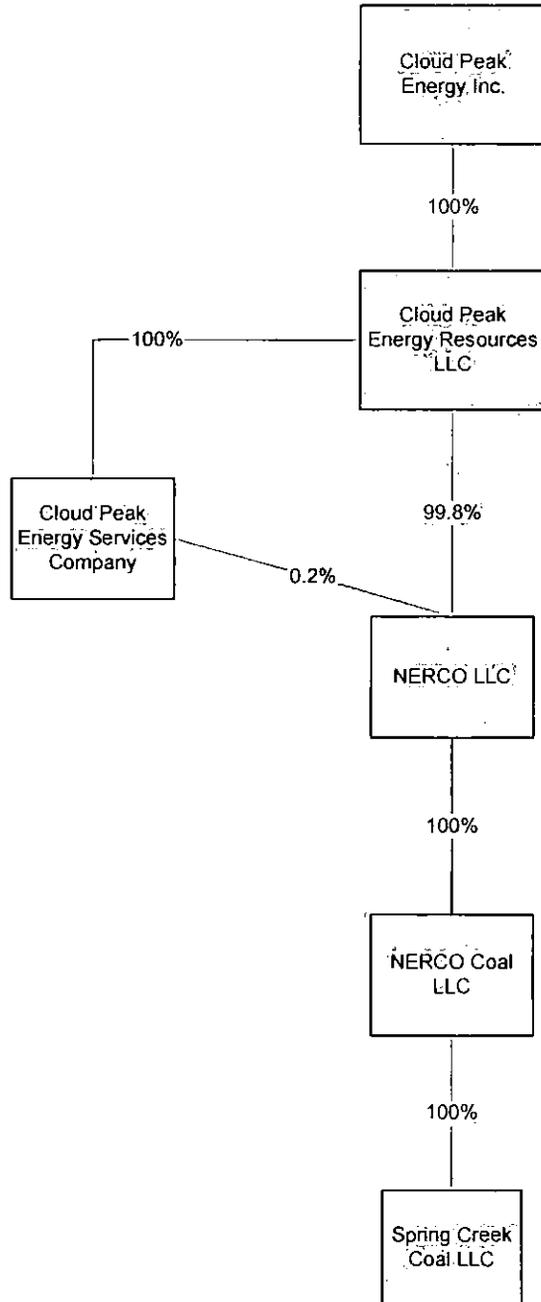
DATED AND SEALED this 4th day of December, 2012.



AMY J. STEFONICK



Corporate Organization of
Spring Creek Coal LLC and Affiliates
December 4, 2012



Spring Creek Coal LLC
Federal Identification No. 93-0678948
AVS Entity No. 248275

Entity No.	Person	Title	Begin Date	End Date
151579	Colin S Marshall	President and Chief Executive Officer	9/03/2008	
156199	Michael C Barrett	Executive Vice President and Chief Financial Officer	8/12/2010	
155204	Gary S Rivenes	Executive Vice President and Chief Operating Officer	8/12/2010	
249725	Cary Martin	Senior Vice President, Human Resources	8/12/2010	
148921	Todd A Myers	Senior Vice President, Business Development	8/12/2010	
247469	James P Orchard	Senior Vice President, Marketing and Government Affairs	8/12/2010	
251343	Bryan J Pechersky	Senior Vice President and General Counsel	8/12/2010	
157934	Adrian Nicholas H Taylor	Senior Vice President, Technical Services	8/12/2010	
253190	Girish Hemrajani	Assistant Secretary	5/24/2012	
253190	Girish Hemrajani	Vice President, Treasury	4/30/2012	
251340	Heath A Hill	Vice President and Chief Accounting Officer	1/17/2011	
251341	Karla Kimrey	Vice President, Investor Relations	8/12/2010	
249727	Kim Parrish	Vice President, Tax	11/19/2009	
247261	Bruce E Jones	General Manager	9/03/2008	
156198	Amy J Stefonick	Corporate Secretary	8/12/2010	
253402	Sarabeth Ongun	Assistant Treasurer	9/10/2012	
151629	Angela Fuller	Director Operational Accounting	8/12/2010	
156199	Michael C Barrett	Director	9/03/2008	
151579	Colin S Marshall	Director	9/03/2008	
155204	Gary S Rivenes	Director	6/09/2011	

NERCO Coal LLC
Federal Identification No. 93-0807859
AVS Entity No. 248194

Entity No.	Person	Title	Begin Date	End Date
151579	Colin S Marshall	President and Chief Executive Officer	9/02/2008	
156199	Michael C Barrett	Executive Vice President and Chief Financial Officer	8/12/2010	
155204	Gary S Rivenes	Executive Vice President and Chief Operating Officer	8/12/2010	
249725	Cary Martin	Senior Vice President, Human Resources	8/12/2010	
148921	Todd A Myers	Senior Vice President, Business Development	8/12/2010	
247469	James P Orchard	Senior Vice President, Marketing and Government Affairs	8/12/2010	
251343	Bryan J Pechersky	Senior Vice President and General Counsel	8/12/2010	
157934	Adrian Nicholas H Taylor	Senior Vice President, Technical Services		
253190	Girish Hemrajani	Assistant Secretary	5/27/2012	
253190	Girish Hemrajani	Vice President, Treasury	4/30/2012	
251340	Heath A Hill	Vice President and Chief Accounting Officer	1/14/2011	
251341	Karla Kimrey	Vice President, Investor Relations	8/12/2010	
249727	Kim Parrish	Vice President, Tax	11/19/2009	
156198	Amy J Stefonick	Corporate Secretary		
253402	Sarabeth Ongun	Assistant Treasurer	9/10/2012	
151629	Angela Fuller	Director Operational Accounting	8/12/2010	
156199	Michael C Barrett	Director	9/02/2008	
151579	Colin S Marshall	Director	9/02/2008	
247469	James P Orchard	Director	9/02/2008	

NERCO Coal LLC
Federal Identification No. 90-0633907
AVS Entity No. 248525

Entity No.	Person	Title	Begin Date	End Date
151579	Colin S Marshall	President and Chief Executive Officer	8/22/2008	
156199	Michael C Barrett	Executive Vice President and Chief Financial Officer	8/17/2010	
155204	Gary S Rivenes	Executive Vice President and Chief Operating Officer	8/17/2010	
249725	Cary Martin	Senior Vice President, Human Resources	8/17/2010	
148921	Todd A Myers	Senior Vice President, Business Development	8/17/2010	
247469	James P Orchard	Senior Vice President, Marketing and Government Affairs	8/17/2010	
251343	Bryan J Pechersky	Senior Vice President and General Counsel	8/17/2010	
157934	Adrian Nicholas H Taylor	Senior Vice President, Technical Services	8/17/2010	
253190	Girish Hemrajani	Assistant Secretary	5/27/2012	
253190	Girish Hemrajani	Vice President, Treasury	4/30/2012	
251340	Heath A Hill	Vice President and Chief Accounting Officer	1/14/2011	
251341	Karla Kimrey	Vice President, Investor Relations	8/17/2010	
249727	Kim Parrish	Vice President, Tax	11/19/2009	
156198	Amy J Stefonick	Corporate Secretary	8/17/2010	
253402	Sarabeth Ongun	Assistant Treasurer	9/10/2012	
151629	Angela Fuller	Director Operational Accounting	8/17/2010	
156199	Michael C Barrett	Director	8/22/2008	
151579	Colin S Marshall	Director	8/22/2008	
247469	James P Orchard	Director	8/22/2008	

Cloud Peak Energy Resources LLC
Federal Identification No. 26-4073917
AVS Entity No. 249723

Entity No.	Person	Title	Begin Date	End Date
151579	Colin S Marshall	President and Chief Executive Officer	8/19/2008	
156199	Michael C Barrett	Executive Vice President and Chief Financial Officer	8/12/2010	
155204	Gary S Rivenes	Executive Vice President and Chief Operating Officer	8/12/2010	
249725	Cary Martin	Senior Vice President, Human Resources	8/12/2010	
148921	Todd A Myers	Senior Vice President, Business Development	8/12/2010	
247469	James P Orchard	Senior Vice President, Marketing and Government Affairs	8/12/2010	
251343	Bryan J Rechersky	Senior Vice President and General Counsel	8/12/2010	
157934	Adrian Nicholas H Taylor	Senior Vice President, Technical Services	8/12/2010	
253190	Girish Hemrajani	Assistant Secretary	5/21/2012	
253190	Girish Hemrajani	Vice President, Treasury	4/30/2012	
251340	Heath A Hill	Vice President and Chief Accounting Officer	1/15/2011	
251341	Karla Kimrey	Vice President, Investor Relations	8/12/2010	
249727	Kim Parrish	Vice President, Tax	10/27/2009	
156198	Amy J Stefonick	Corporate Secretary	8/12/2010	
253402	Sarabeth Ongun	Assistant Treasurer	9/10/2012	
151629	Angela Fuller	Director Operational Accounting	8/12/2010	
251358	Cloud Peak Energy Inc.	Managing Member	11/19/2009	

Cloud Peak Energy Inc.
Federal Identification No. 26-3088162
AVS Entity No. 251358

Entity No.	Person	Title	Begin Date	End Date
151579	Colin S Marshall	President and Chief Executive Officer	10/27/2009	
156199	Michael C Barrett	Executive Vice President and Chief Financial Officer	6/08/2010	
155204	Gary S Rivenes	Executive Vice President and Chief Operating Officer	6/08/2010	
249725	Cary Martin	Senior Vice President, Human Resources	6/08/2010	
148921	Todd A Myers	Senior Vice President, Business Development	7/06/2010	
247469	James P Orchard	Senior Vice President, Marketing and Government Affairs	6/08/2010	
251343	Bryan J Pechersky	Senior Vice President and General Counsel	4/07/2010	
157934	Adrian Nicholas H Taylor	Senior Vice President, Technical Services	6/08/2010	
253190	Girish Hemrajani	Assistant Secretary	4/30/2012	
253190	Girish Hemrajani	Vice President, Treasury	4/30/2012	
251340	Heath A Hill	Vice President and Chief Accounting Officer	9/28/2010	
251341	Karla Kimrey	Vice President, Investor Relations	11/18/2009	
249727	Kim Parrish	Vice President, Tax	10/27/2009	
156198	Amy J Stefonick	Corporate Secretary	11/18/2009	
123747	Keith Bailey	Director - Chairman of the Board	9/01/2009	
252858	Patrick Condon	Director	3/05/2012	
251356	William T Fox	Director	10/01/2009	
151579	Colin S Marshall	Director	7/31/2008	
252382	Steven Nance	Director	1/05/2010	
251368	William Owens	Director	1/05/2010	
252380	James Voorhees	Director	3/11/2011	

