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CASPER FIELD OFFICE

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Nick Taylor
Vice President
Technical Services & Business Improvement

September 8, 2009

Mr. Mike Karbs
Assistant Field Manager, Solid Minerals
United States Department of the Interior
Bureau of Land Management
Casper Field Office
2987 Prospector Drive
Casper, WY 82604-2968

**RE: Cordero Rojo Mine - Recoverable Tonnage Reported in the South Gillette Area
EIS**

Dear Mr. Karbs,

The purpose of this letter is to clarify the recoverable coal tonnage numbers that are quoted in the Final Environmental Impact Statement for the South Gillette Area Coal Lease Applications WYW172585, WYW173360, WYW172657, WYW161248.

In Tables ES-6, ES-7, 2-7 and 2-8 recoverable tonnage for the existing Cordero Rojo Mine is stated as 525.9 million recoverable tons as of June 30, 2008, and on pages 1-17 and 2-33 the same number is referenced as a recoverable reserve. This number is greater than Cordero Rojo's publically reported reserves.

Cordero Rojo's reported reserve tonnage at year end 2008 is 402 million recoverable tons. This is founded on a base mine plan prepared under certain sets of internal mining, pricing and other assumptions. The reported reserve as of year end 2008 does not contain all the existing tonnage within the leases controlled by Cordero Rojo. Each year RTEA reevaluates the base mine plans for all of its operations and makes modifications to the reserve tonnage as warranted.

If you have any questions please contact Russ Hallcroft at (307) 685-6141.

Sincerely,



A.N.H. Taylor
Vice President
Technical Services and BIP