APPLICATION FOR CONVERSION OF A COAL OPTION CONTRACT ON STATE UPLANDS TO A MINING CONTRACT

Holders of a Coal Option Contract wishing to apply for conversion to a Mining Contract with the Washington Department of Natural Resources must submit an application to the Department before the expiration date of the lease. Mining is not allowed without a valid Mining Contract. Applications to convert a Coal Option Contract to a Mining Contract will be evaluated based on criteria established in RCW 79.14.470 et seq. and all materials submitted to the Department.

Applications for the Conversion of a Coal Option Contract to a Mining Contract must include:

1. A completed application form accompanied by the $25.00 per lease application fee.

2. A written, well documented, Plan of Development leading toward production, which fully describes activities planned at the site and a timetable for implementation of those activities. The Plan of Development must include details on the following:

   a. Development of the property;
   b. Planned operations;
   c. Reclamation of the property.

3. A State Environmental Policy Act (SEPA) Environmental Checklist that reviews the total proposal and details implementation and mitigation for activities outlined in the Plan of Development.

4. Evidence that the Coal Option Contract requirements have been met.

If you have any questions concerning conversion of a Coal Option Contract to a Mining Contact please contact the appropriate regional office (see page 3).
Please send two (2) copies of this application, the SEPA Checklist, the Plan of Development, and other requested information along with the $25.00 application fee to:

Department of Natural Resources  
Asset & Property Management Division  
PO Box 47061  
Olympia, WA 98504-7061

Please make checks payable to the Department of Natural Resources.

Coal Option Contract # 64-__________  
Expiration Date of the Contract__________

Section ______ Township _______, Range ______ (East/West), containing ______ acres, in _________ County.

Dated at _________________, Washington, this _____ day of _________________, 20__.

Signature ___________________________  
Print Name ___________________________

Title ________________________________

Company ____________________________  
Contact person ________________________

Address ______________________________  
Address ______________________________

Zip+4__________  
Zip+4__________

Telephone No. (__)__________________  
Telephone No. (__)__________________

UBI # (required)_______________________

FOR DEPARTMENT USE ONLY

Amts. Rec’d: $___________  
App Fee: $___________  
Date _________________

Application No. 64-___________  
Trust _________________  
Agency _________________

Encumbrances: ______________________________________________________

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Form Date 11/20/2008  
2 of 3  
Contract No.___________
<table>
<thead>
<tr>
<th>Region</th>
<th>Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest Region</td>
<td>919 North Township St, Sedro Woolley, WA 98284</td>
<td>(360) 856-3500</td>
</tr>
<tr>
<td>South Puget Sound Region</td>
<td>950 Farman Street North, Enumclaw, WA 98022</td>
<td>(360) 825-1631</td>
</tr>
<tr>
<td>Olympic Region</td>
<td>411 Tillicum Lane, Forks, WA 98331</td>
<td>(360) 374-6131</td>
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<tr>
<td>Northeast Region</td>
<td>225 South Silke Road, P.O. Box 190, Colville, WA 99114</td>
<td>(509) 684-7474</td>
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<tr>
<td>Southeast Region</td>
<td>713 Bowers Road, Ellensburg WA 98926</td>
<td>(509) 925-8510</td>
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<tr>
<td>Pacific Cascade Region</td>
<td>601 Bond Road, P.O. Box 280, Castle Rock, WA 98611</td>
<td>(360) 577-2025</td>
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<tr>
<td>Olympia (Division Office)</td>
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<tr>
<td></td>
<td>(360) 902-1600</td>
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