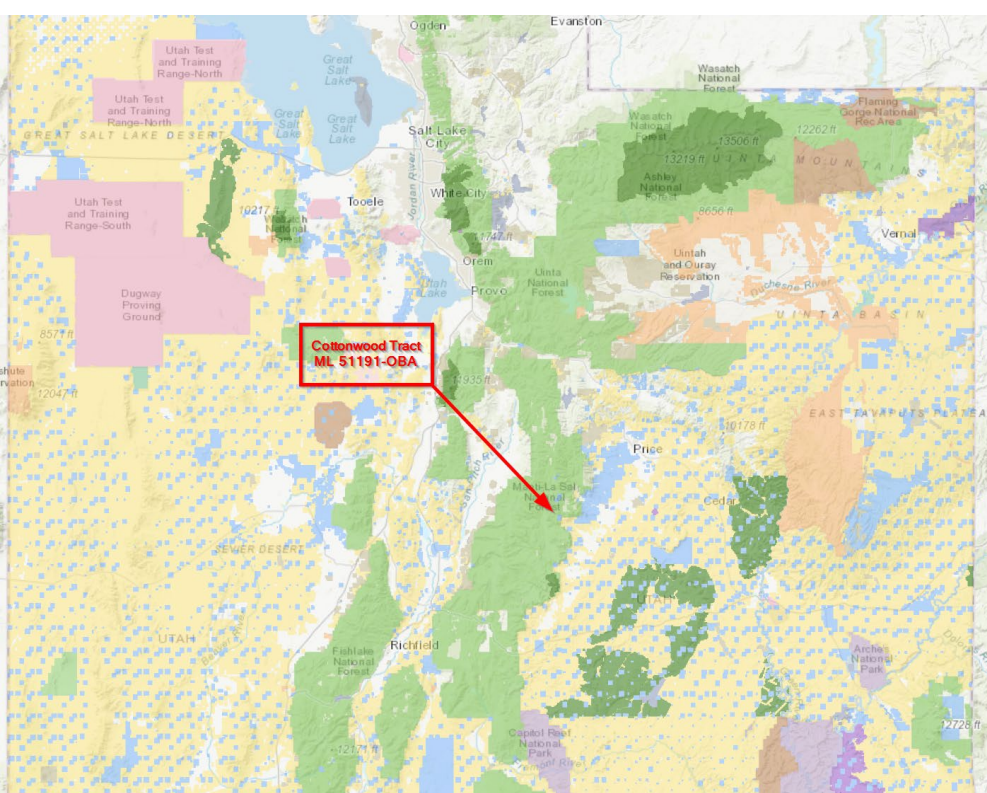


ML 51191-OBA Amendment 2

Notification Item

Location



- Coal tract is located in the Wasatch Plateau
- Coal Value obtained in 1998 Escalante-Grand Staircase Exchange
- ML 51191-OBA leased in 2008
- Arch Coal assigned to PacifiCorp in 2011
- PacifiCorp assigned to Fossil Rock Fuels (Canyon Fuel Co./Wolverine Fuels) in 2015
- Royalty Rate Reduction from 8% to 5% in 2024
- Production began in 2025
- 8,200 acres

Cottonwood Tract

- LEDA – 50% of royalty goes to State of Utah and 50% goes to TLA Beneficiary
- The surface and minerals is owned by the Forest Service
- The coal tract will revert to federal ownership after \$26 MM is paid by the lessee (\$13 MM) paid to SITLA – Interest accrual puts this number around \$30 MM and \$15 MM respectively
- School Section (ML 51192-OBA) is a separate lease and does not revert ownership
- \$12 MM paid in minimum royalties to date – about \$1 MM per year
- SITLA required to consult with both BLM and Forest Service for all Amendments – Forest Service comments were included in the lease Amendment 2

