This mining plan approval document is issued by the United States of America to:

Peabody Caballo Mining, LLC
2298 Bishop Road
Caller Box 3034
Gillette, WY 82718

for a mining plan modification for Federal Lease WYW172657 at the Caballo Mine. This mining plan approval supplements all previous mining plan approvals for the Caballo Mine. The approval is subject to the following conditions. Peabody Caballo Mining, LLC is hereinafter referred to as the operator.

1. Statutes and Regulations: This mining plan approval is issued pursuant to Federal Lease WYW172657; the Mineral Leasing Act of 1920, as amended (30 U.S.C. 181 et seq.); and in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351 et seq.). This mining plan approval is subject to all applicable laws and regulations of the Secretary of the Interior which are now or hereafter in force; and all such laws and regulations are made part hereof. The operator shall comply with the provisions of the Federal Water Pollution and Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and other applicable Federal laws.

2. This document approves the mining plan modification for Federal Lease WYW172657 at the Caballo Mine and authorizes coal development or mining operations on the Federal lease within the area of mining approval. This authorization expands the approved mining plan area into the following Federal coal lands:

WYW172657
T. 48 N., R. 71 W. 6th P.M. Wyoming,
Sec. 7: Lots 12 and 19;
Sec. 8: Lot 10;
Sec. 17: Lots 1 through 12, 15 and 16;
Sec. 18: Lots 5, 12 and 13;
Sec. 20: Lots 1, 2 and 8;
Sec. 21: Lots 11 and 12.

These lands in Federal lease WYW172657 encompass 1,023.99 acres and are found on the United States Geological Service 7.5 minute Quadrangle maps of Gap and Gap SW USGS, as shown in the map appended hereto as Attachment A.

3. The operator shall conduct coal development or mining operations only as described in the complete permit application package, and approved by the Wyoming Department of
Environmental Quality, Land Quality Division, except as otherwise directed in the conditions of this mining plan approval.

4. The operator shall comply with the terms and conditions of the lease, this mining plan approval, and the requirements of Wyoming Permit No. 433 issued under the Wyoming State program, approved pursuant to the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.).

5. This mining plan approval shall be binding on any person conducting coal development or mining operations under the approved mining plan and shall remain in effect until superseded, canceled, or withdrawn.

6. If, during mining operations, unidentified prehistoric resources are discovered, the operator shall ensure that the resources are not disturbed and shall notify the Land Quality Division and the Office of Surface Mining Reclamation and Enforcement. The operator shall take such actions as are required by the Land Quality Division in coordination with the Office of Surface Mining Reclamation and Enforcement.

7. The Secretary retains jurisdiction to modify or cancel this approval, as required, on the basis of further consultation with the U.S. Fish and Wildlife Service pursuant to section 7 of the Endangered Species Act, as amended, 16 U.S.C. 1531 et seq.

Casey Hammond  
Acting Assistant Secretary,  
Land and Minerals Management  

Attachment