

This Confirmatory Deed is from FLYING DIAMOND RANCHES, INC., a Utah Corporation ("FDR"), which has its principal office at 1700 Broadway, Suite 900, City and County of Denver, State of Colorado, to Bow Valley Coal Resources, Inc., a Delaware corporation ("BVCR"), with its principal office at 1700 Broadway, Suite 900, Denver, Colorado, 80290, City and County of Denver, State of Colorado, as of the 3rd day of January 1979.

I. RECITALS.

A. Prior to December 29, 1979, Flying Diamond Ranches, Inc. held the real property (the "Property") described on the attached Exhibit A as nominee for Flying Diamond Development Corporation, a Utah corporation ("FDDC").

B. On December 29, 1978, FDDC conveyed all of its right, title, and interest in and to the Property to Flying Diamond Oil Corporation, a Utah corporation ("FDOC").

C. The Property was transferred by operation of law from FDOC to BVCR on January 3, 1979, upon the merger of FDOC into BVCR.

D. The purpose of this Deed is to evidence of record ownership in BVCR.

II. CONVEYANCE.

Now, therefore, FDR hereby conveys to BVCR all of FDR's right, title, and interest in and to the Property with all appurtenances and water rights appertaining to the Property or used in connection therewith, and all reversions, remainders, rents, issues, and profits.

The true consideration for this conveyance is \$0.00. This Deed is confirmatory only.

The officers who sign this Deed hereby certify that this Deed and the transfer represented thereby was duly

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authorized under a resolution duly adopted by the board of directors of the grantor at a lawful meeting duly held and attended by a quorum.

Signed as of the day first written above.

FLYING DIAMOND RANCHES, INC.,  
a Utah corporation

By [Signature]  
~~President or Vice President~~

ATTEST:

By [Signature]  
~~Secretary or Assistant~~  
Secretary

STATE OF COLORADO )  
CITY AND COUNTY OF DENVER ) ss.

The foregoing instrument was acknowledged before me this 3rd day of January, 1979, by H. P. McLish and Don E. Hollingshead, its President and Secretary, respectively, of Flying Diamond Ranches, Inc., a Utah corporation, on behalf of the corporation.

My commission expires March 1, 1982.

[Signature]  
Notary Public

EXHIBIT A

8767

The South 1/2 Southwest 1/4 Northwest 1/4 of Section 17 of  
Township 38 South, Range 9 East, Wilamette Meridian, Klamath  
County, Oregon.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record on request of \_\_\_\_\_

this 13th day of May A. D. 1980 at 2:58 o'clock P. M., and

duly recorded in Vol. M80, of Deeds on Page 8765

Wm D. MILNE, County Clerk

*Gweneth Shiloh*

Fee \$10.50

**Bow Valley Exploration (U.S.) Inc.**

1700 Broadway, Suite 900, Denver, Colorado 80290