



Paul Jordan, PE

NP3 LLC

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September 6, 2011

Attn: Kathy Welt
Mountain Coal Company LLC
West Elk Creek Mine
P. O. Box 591
Somerset, CO 81434

Re: Notification of Intended Oil & Gas Drilling Operations
COGCC Rule 317B – Public Water System Protection

Ms. Welt:

As agent for Vessels Coal Gas, Inc., NP3 LLC provides this letter as formal notice of Vessels Coal Gas, Inc.'s intent to conduct natural gas well drilling operations within 15 miles of Mountain Coal Company LLC – West Elk Creek Mine's public water supply system. This notice is required under Colorado Oil and Gas Conservation Commission's Rule 317B – Public Water System Protection.

Vessels Coal Gas, Inc. (Operator # 10124) is presently in the process of permitting with the COGCC the drilling of the Oxbow Mining LLC #1, located in the NE/4 SW/4 of Sec. 11, T13S R90W (LAT 38.932080 – LONG - 107.416450), to a total depth of 475'. We do not anticipate any threat to the public water supply system in this area, as there will be no open pits constructed and a closed loop drilling system will be utilized in association with the drilling of the subject well.

Please contact me at (303) 997-7371 if you have questions or comments about the proposed drilling operation in the context of Mountain Coal Company LLC – West Elk Creek Mine's public water supply system. In addition to providing this notice to you via email, I will also provide a hard copy via regular mail.

Regards,

Paul Jordan, PE
Principal
NP3 LLC

cc: R. Sweetwood, Arch Coal (email copy)
Dave Kubeczko, COGCC (email copy)