MINUTES OF MEETING

OF

ILLINOIS STATE MINING BOARD

INA, ILLINOIS

MARCH 17, 2011

The following State Mining Board members were present:

Jerry Cross
William McClusky
Tim Kirkpatrick
Don Stewart
George Teegarden
Dave Webb
Joe Angleton, Executive Officer

The meeting was called to order by Executive Officer Joe Angleton. A roll call of board members was made with all members in attendance. Having a quorum of board members present, Mr. Angleton proceeded with the meeting.

The minutes from the October 21, 2010 State Mining Board meeting was reviewed and accepted as presented.

The first item on the agenda was a presentation by George Zugel, Corporate Safety Director for Frontier Kemper, regarding the shaft development plans for White Oak Resouces, LLC. The proposed shaft is 34 foot diameter and would be three chambered; cage, intake and return.

The shaft will be approximately 960' deep with a 30' deep sump. A 46' X 46' pad will be poured around collar. A reinforced concrete shaft collar will extend approximately 30'. Soil will be excavated to rock using one of the following methods; a track mounted excavator located on the surface, a pneumatic mucker, or a permissible electric mucker. Drilling and blasting will be utilized for the remainder of the collar excavation and shaft excavation. The unreinforced concrete liner will proceed on 20' increments and will continue until the installation of the water ring. The shaft station will be five-way concrete lined extending 20' from the shaft. The company projects it will take approximately 19 months to complete shaft.

A fan will be set up on surface and a main cage for personnel and small or dismantled equipment. The skip can be set up for removal of product prior to slope completion. The three chambers will be installed in a keyway cut into the liner. A motion to accept Frontier Kemper's shaft development plan was made by Board member Webb with a second by Board member Teegarden and motion passed.

The next item was the slope development plan by Pittman Mine Services for White Oak Resources, LLC. John Snowden, Pittman Mine Services Safety Director, addressed the Board regarding the proposed slope. He stated the length of the slope will be approximately 3,800' on a 16 degree angle. Slope development will be 22' wide with a finished width of 18'. The slope will be in an east to west orientation.

As with the other slope construction projects Pittman has performed in Illinois the company will first dig a pit or box cut before excavating bedrock. The box cut will be 280' in length and 220' in width with the banks at a 3 to 1 slope. This box cut is approximately have the size of the one constructed for the Viper Mine and will not require benching the slope walls.

A continuous miner will again be used for slope advancement and permanent rail will be installed as the slope advances. This will allow workers to be transported to and from the working face and allow for the movement of material. A mobile conveyor is being installed to remove mined material.

Much of the setting of arches and backfiling will be similar to prior projects but will be using a new cable truss bolt system that will give greater strength for lateral and horizontal stress conditions. Board member Webb stated this system has been used in Kentucky and was successful. The company projects it will take 24 months to complete the project. Mr. Snowden indicated MSHA had not approved the slope development plan and Board member Kirkpatrick indicated MSHA may have some concerns regarding their bolting plan for notches. His company had a similar plan and was made to address roof control in these notches.

After a few questions regarding concerns over the 16 degree slope angle and the difficulties the company may experience to the extreme angle, Board member Teegarden made the motion to accept the slope development plan with a second by Board member Kirkpatrick and the motion passed.

Executive Officer Angleton stated there was not further items on the agenda and announced the meeting was adjourned.

Joe Angleton, Executive Officer	
Jerry Cross, Secretary	