

One Utah Center, 23rd Floor
201 South Main
Salt Lake City, UT 84111



Please Reply To:
Jordan A. White, Senior Counsel
Direct Dial (801) 220- 4640
Fax (801) 220-3299
email: jordan.white@pacificorp.com

October 18, 2007

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Jean D. Jewell
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction
Docket No. PAC-E-05-8

RECEIVED
2007 OCT 19 PM 2:03
IDAHO PUBLIC UTILITIES COMMISSION

Dear Ms. Jewell:

This letter will serve as notice pursuant to Commitment I 17(2), incorporated in the Idaho Public Utilities Commission Order No. 29973 issued February 13, 2006, as supplemented by Order No. 29998 March 14, 2006, in the above-referenced proceeding, approving the acquisition of PacifiCorp by MidAmerican Energy Holdings Company, that PacifiCorp will commence new business transactions with affiliates. The transactions are supported by the agreements described below.

Bridger Coal Company Agreements

The following agreements are hereafter collectively referred to as the “**Bridger Coal Company Agreements**”: Relocation Services Agreement between HomeServices Relocation, LLC (“**HomeServices**”) and Bridger Coal Company [attached hereto as Exhibit “1”]; Master Subsidy Agreement between HomeServices Lending (“**HSL**”) and Bridger Coal Company [attached hereto as Exhibit “2”]; and Employee Home Equity Financing Guaranty Agreement between Wells Fargo Home Equity and Bridger Coal Company [attached hereto as Exhibit “3”]. Bridger Coal Company is a joint venture between Pacific Minerals, Inc., which is a subsidiary of PacifiCorp, and Idaho Energy Resources Company. HomeServices, HSL and Pacific Minerals, Inc. are affiliates of PacifiCorp. The effective date of the Bridger Coal Company Agreements is October 22, 2007. The agreements have been executed by Bridger Coal Company and will be fully executed by all parties prior to their effective date.

Under the Relocation Services Agreement, HomeServices will provide housing assistance programs to eligible Bridger Coal Company employees. Under the programs, eligible employees choosing to purchase a home may opt for either a mortgage subsidy or a corporate purchase second mortgage. The mortgage subsidy plan will be financed through HSL under the terms of

the Master Subsidy Agreement. Wells Fargo Home Equity, a division of Bank, National Association, will finance the corporate purchase second mortgage program under the terms of the Employee Home Equity Financing Guaranty Agreement.

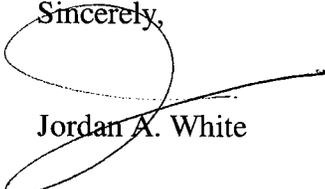
PacifiCorp Energy Agreements

The following agreements are hereafter collectively referred to as the “**PacifiCorp Energy Agreements**”: Relocation Services Agreement between HomeServices and PacifiCorp Energy [attached hereto as Exhibit “4”]; Master Subsidy Agreement between HSL and PacifiCorp Energy [attached hereto as Exhibit “5”]; and Employee Home Equity Financing Guaranty Agreement between Wells Fargo Home Equity and PacifiCorp Energy [attached hereto as Exhibit “6”]. PacifiCorp Energy is a division of PacifiCorp. HomeServices and HSL are affiliates of PacifiCorp. The effective date of the PacifiCorp Energy Agreements is October 22, 2007. The agreements have been executed by PacifiCorp Energy and will be fully executed by all parties prior to their effective date.

The Relocation Services Agreement between PacifiCorp Energy and HomeServices contains the same terms and conditions as those contained in the Bridger Coal Company’s Relocation Services Agreement with HomeServices. Additionally, PacifiCorp Energy’s Jim Bridger Power Plant Housing Assistance Program offers a mortgage subsidy program and corporate purchase second mortgage program. The mortgage subsidy program will be offered under the terms of the Master Subsidy Agreement between Jim Bridger Power Plant and HSL. The terms and conditions of the Jim Bridger Power Plant Master Subsidy Agreement are the same as the Bridger Coal Company Master Subsidy Agreement. The corporate purchase second mortgage program will be financed by Wells Fargo Home Equity under the Employee Home Equity Financing Guaranty Agreement.

Although these are affiliate transactions, the parties negotiated the agreements at arms-length. Please call me at the above number or Brian Dickman at (801) 220-4975 if you have any questions regarding this filing.

Sincerely,



Jordan A. White

EXHIBIT 1

Relocation Services Agreement between
HomeServices Relocation, LLC and Bridger Coal Company

RELOCATION SERVICES AGREEMENT

This Relocation Services Agreement (this "Agreement") is entered into by and between HOMESERVICES RELOCATION, LLC a Delaware limited liability company, with an office at 6800 France Avenue South, Suite 355, Minneapolis, MN 55435 (herein referred to as "HSR") and Bridger Coal Company, a joint venture with Pacific Minerals, Inc and Idaho Energy Resources Company with its principal place of business at 9.5 miles NE Point of Rocks, WY 82942 (herein referred to as the "Company") and is effective as of October 22, 2007 ("Effective Date").

In consideration of the covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the aforementioned parties to this Agreement (the "Parties" or, individually, a "Party") agree as follows:

Section 1. Term

The term of this Agreement shall begin on the Effective Date and continue for an initial period of one year; at the conclusion of the initial one-year period, this Agreement shall renew automatically for successive a one-year periods. Either party may terminate this agreement at any time upon 30 days' notice.

Section 2. Definitions

As used in this Agreement, the following words and phrases shall have the following meanings:

- (a) Authorized Representative(s): An individual or individuals the Company designates in writing as having authority to request that HSR provide services to an Employee pursuant to the terms of this Agreement.
- (b) Company: Bridger Coal Company.
- (c) Direct Costs: Any and all costs, fees or expenses HSR incurs or accrues as agreed to in advance in writing by the parties in providing services under this Agreement, at any time, whether during or after the term of this Agreement, including but not limited to payments made to an Employee as reimbursement for relocation-related expenses and payments made directly to vendors on behalf of an Employee for relocation-related services provided by the vendor.
- (d) Employee: Any person the Company designates as being eligible to receive services from HSR pursuant to this Agreement, including any other person residing in the same household and any other person in title to a property involved in the Employee's relocation, such as a spouse.
- (e) Initiation: HSR's receipt of the Company's notification, pursuant to Section 4 below, that HSR is to provide services to an Employee.

- (e) Service Fees: The fees HSR charges the Company for the services described in Section 3 below.

Section 3. Services Provided

At the Company's request, HSR shall provide services for Company's designated Employees as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Section 4. Company's Request for Services

When the Company desires HSR to make available to an Employee any of the services described in this Agreement, an Authorized Representative shall notify HSR in writing or electronically of the Employees eligibility to participate in the benefit program and of the services available to such Employee.

Section 5. Service Fees and Other Charges.

The Company shall pay to HSR the following service fees and other charges in accordance with the billing schedule set forth in Section 6 of this Agreement:

- (a) Service Fees: The fee for the services described in Section 3 of this Agreement is a one time fee of \$500 for each Employee.
- (b) Direct Costs: The Company shall pay to HSR Direct Costs as described in Section 2(c) this Agreement.

Section 6. Billing and Payment Procedures

All billing will be sent to the Company as set forth in Exhibit B which is attached hereto and incorporated herein by reference.

- (a) Monthly Billing. HSR shall bill the Company for all Service Fees due based on Initiations made by Company in the prior calendar month.
- (b) Expense Billing. After each Initiation, HSR shall bill the Company for Direct Costs associated with services provided to each Employee as referenced in Exhibit B.
- (c) Final Bill. After services provided to an Employee are completed or otherwise terminated, HSR may issue a final bill for any remaining costs or expenses due for payment or to make any necessary adjustments or credits for amounts previously billed and/or paid.
- (d) Payment Due; Late Charges. All HSR bills shall be due and payable within thirty (30) days from the invoice date. If HSR has not received payment within forty-five (45) days of the invoice date, it shall assess a late charge of one percent (1%) for each thirty (30) day period thereafter, until the invoice has been paid in full. If a

dispute arises with respect to a portion of any invoice, the undisputed portion shall be due and payable in accordance with the above stipulated billing terms.

Section 7. Accounting and Audit

HSR shall keep adequate records and books of account with respect to the transactions to be performed pursuant to this Agreement, with complete entries made in accordance with generally accepted accounting principles. Such records and books of account shall be made available at reasonable times and upon reasonable advance written notice for examination and auditing by the Company or its representatives, during the term of this Agreement, and for six (6) months subsequent to termination by either Party. Notwithstanding the foregoing, HSR shall continue to maintain such records regarding each Employee for two (2) years after the services for such Employee are completed.

Section 8. Survival

Sections 5, 6, 7, 9, and 10 hereof shall survive termination.

Section 9. Indemnification

- (a) The Company agrees to indemnify and hold HSR, its officers, directors, employees, representatives, agents and affiliates harmless from and against any and all claims, liabilities, losses, damages, expenses, costs and lawsuits (including reasonable attorneys' fees) incurred or suffered by HSR, its officers, directors, employees, representatives, agents and affiliates (i) arising out of or in connection with any action or failure to act by any Employee or any other person to whom services are provided pursuant to the terms of this Agreement, including, but not limited to fraud, deceit, misrepresentation, negligent acts or omissions by the Employee or such other person and failure or inability of the Employee or such other person to fulfill any contractual obligations; (ii) arising out of or in connection with any negligence or willful misconduct of the Company, its officers, directors, employees or Authorized Representative(s); (iii) as a result of HSR following any instruction given properly given by the Company or Authorized Representative(s) in accordance with the terms of this Agreement; (iv) the breach by the Company or any Authorized Representative of any provision of this Agreement. The right to indemnification provided for herein shall survive termination of this Agreement. Upon performance of its aforesaid obligation to indemnify HSR, the Company shall be subrogated to any rights of HSR against the Employee or any other person.
- (b) HSR agrees to indemnify and hold the Company, its officers, directors, employees, representatives, agents and affiliates harmless from and against any and all claims, liabilities, losses, damages, expenses, costs and lawsuits (including reasonable attorneys fees) incurred or suffered by the Company, its officers, directors, employees, representatives, agents and affiliates (i) as a result of any breach by HSR of any provision of this Agreement; or (ii) arising out of or in connection with the negligence or willful misconduct of HSR, its officers, directors, employees or agents. The right to indemnification provided for herein shall survive termination of

this Agreement. Upon performance of aforesaid obligation to indemnify the Company, HSR shall be subrogated to the Company's rights against any other person.

Section 10. Arbitration

- (a) Arbitration: If disputes between the Parties arise with respect to the terms and conditions of this Agreement, such disputes shall be resolved by and through an arbitration proceeding to be conducted under the auspices of the American Arbitration Association (or any like organization successor thereto) in Rock Springs, Wyoming. Such arbitration proceeding shall be conducted in as expedited a manner as is then permitted by the American Arbitration Association's commercial arbitration rules (formal or informal), and the arbitrator or arbitrators in any such arbitration (an "Arbitration") shall be persons who are knowledgeable in the subject matter of the dispute. No demand for arbitration may be made after the date when the institution of legal or equitable proceedings based on such claim or dispute would be barred by the applicable statute of limitations. Both the foregoing agreement of the Parties to arbitrate any and all such claims, and the results, determinations, findings, judgments and/or awards rendered through such Arbitration, shall be final and binding on the Parties and may be specifically enforced by legal proceedings.
- (b) Procedure: Any arbitration shall be conducted before a panel of arbitrators selected in accordance with the rules of the American Arbitration Association. Each Party shall bear separately the cost of their respective attorneys, witnesses and experts in connection with such arbitration. Time is of the essence regarding this arbitration procedure, and the arbitrators shall be instructed and required to render their decision within 10 days following completion of the Arbitration.
- (c) Fees: The Parties also agree that all awards, decisions and remedies in favor of a winning Party hereunder with respect to any issue shall be proportional to the violation caused by the losing Party with respect to that issue. All costs in conducting the Arbitration including the Arbitration filing fee, the arbitrator's fees and expenses, and the prevailing Party's reasonable legal fees and expenses (including legal fees and costs the prevailing Party incurs in seeking or resisting temporary or provisional court relief as set forth in Section 10(d) below), shall be the losing Party's responsibility as directed by the arbitrator. If there are multiple issues in dispute and no Party prevails on them all, costs and legal fees shall be apportioned by the arbitrator according to the relative dollar value of each issue. The arbitrator's award shall be final and binding. If either Party must resort to the judicial process to enforce the provisions of this Agreement, the award of an arbitrator or equitable relief granted by an arbitrator, the Party seeking enforcement shall be entitled to recover from the other Party all costs of litigation including reasonable attorneys' fees and court costs.
- (d) Injunctive Relief: The Parties agree and acknowledge that money damages may not be an adequate remedy for any breach of this Agreement's provisions and that any

Party may, in its sole discretion, apply for and secure specific performance and/or injunctive relief, without bond, pending final resolution on the merits in order to enforce or prevent any violations of this Agreement's provisions.

Section 11. General Provisions

- (a) Attorneys' Fees. In the event of any litigation between the Parties to this Agreement, the prevailing Party shall be entitled to immediate payment of all costs it incurred in the dispute, including, but not limited to, court or arbitration costs and reasonable attorneys' fees.
- (b) Governing Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Wyoming.
- (c) Assignment. Neither Party may assign this Agreement without the other Party's prior written consent, which consent shall not be unreasonably withheld, except that each Party may assign its interest to an affiliated or successor entity upon prior written notice to the other Party. If an assignment is permitted, the assigning Party shall remain liable for all of its duties and obligations hereunder. Any purported assignment in violation of the provisions hereof shall be void and of no effect. The terms, covenants, conditions and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties' successors.
- (d) No Third Party Beneficiaries. No Employee or other person, or entity, except for the Company and HSR shall have any enforceable rights under this Agreement.
- (e) No Waiver. Either Party's failure to insist, in any one or more instances, on strict performance of any of the provisions or terms of this Agreement shall not be construed as a waiver or relinquishment of any such provision or term, but the same shall continue and remain in full force and effect.
- (f) Entire Agreement. This Agreement, together with the exhibits annexed hereto, contains the Parties' entire agreement with respect to the subject matter hereof and supersedes any prior oral or written understandings between the Parties regarding the same.
- (g) No Oral Modification. This Agreement may not be terminated, modified, altered or amended orally. Any such termination, modification, alteration or amendment shall be in writing, duly executed by both Parties.
- (h) Severability. If any provision in this Agreement shall be determined to be invalid, illegal or unenforceable in any respect, the remaining provisions of this Agreement shall not be impaired in any way, and the illegal, invalid or unenforceable provision shall be fully severed from this Agreement, and there shall be automatically added a replacement provision as similar in terms and intent to such severed provision as may be legal, valid and enforceable.

- (i) Captions. The captions and headings in this Agreement are included for convenience of reference only and shall not be interpreted to affect the substance of the provisions of this Agreement.
- (j) Notices. All notices given by either Party to the other shall be in writing and shall be given personally or sent by certified mail, postage prepaid, return receipt requested, to the Parties' respective addresses set forth at the head of this Agreement. Any Party may change the address to which notices are to be sent by giving notice to the other in the manner provided above. Notices shall be deemed given upon receipt or three (3) days after mailing as aforesaid, whichever is earlier.
- (k) Equal Opportunity; Non-Discrimination. HSR is an equal opportunity employer and HSR shall sell, list and otherwise deal with all properties in full compliance with all laws prohibiting discrimination on the basis of age, race, religion, sex, handicap, familial status, color, national origin or marital status.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized respective officers.

HOMESERVICES RELOCATION, LLC

PACIFIC MINERALS, INC., Joint Venture

BY: _____
[Name]

BY: Neil Getzelman
Neil Getzelman

TITLE: _____

TITLE: President

DATE SIGNED: _____

DATE SIGNED: 10/10/07

EXHIBIT A



Bridger Coal Housing Assistance Benefit Policy Communication

Benefits are being provided to assist eligible Bridger Coal employees with the significant housing market situation being driven by the energy boom affecting the Rock Springs/Green River, Wyoming area.

Eligibility for assistance has been determined based on an assessment of housing market escalation over the last five years and in conjunction with workforce demands. All eligible employees that request and receive housing assistance benefits will be required to sign a retention housing assistance agreement.

- **Housing Assistance Eligibility:**

Bridger Coal employees, salaried and hourly, with a Bridger Coal facility hire date on or after August 1, 2004, who

- ❖ Were hired from an area outside of Rock Springs/Green River (100 mile radius), and
- ❖ Sign a retention housing assistance agreement at the time benefits are committed, with an agreement term consistent with the elected program's benefit payout term

Housing assistance benefits will be available only through the defined programs. Employees need to contact the following individual to determine the level of benefit and program they qualify for:

Contact Tammy Rivard, Home Services, at (866) 401-1876 ext. 57336 or via email at tammy.rivard@hslrelocation.com.

- **Term of Housing Assistance Benefit Offering:**

1. Housing assistance benefits are being offered starting June 2007 to eligible employees, based on the above eligibility criteria.
2. The housing assistance benefit offering will be in place until December 31, 2008.
3. The company can terminate and/or extend the offering at any time based on management's discretion.

- **Housing Assistance Benefits:**

Housing assistance benefits are being offered to eligible employees based on two categories and through the below defined programs:



Bridger Coal Housing Assistance Benefit Policy Communication

Category 1-Rent Assistance (for those not purchasing a home)

1. Total gross assistance benefit of \$20,000 and reduced by any sign-on bonus amounts for non-represented eligible employees.
2. Fifty (50) percent of net benefit to be paid in five annual cash payments, at the completion of each 12 months employment from the date of signed five-year retention housing assistance agreement with:
 - a. The remaining fifty (50) percent of net benefit paid at the completion of the full five-year retention housing assistance agreement term.
 - b. Housing assistance benefit payments will be processed through ordinary payroll processes and are subject to payroll taxes.



Bridger Coal Housing Assistance Benefit Policy Communication

Category 2 – Home Ownership Assistance

1. Total gross assistance benefit of twenty (20) percent of purchase price of home or \$50,000, whichever is less, reduced by any sign-on bonus amounts for non-represented eligible employees, and
2. Paid in accordance with one of the following programs:
 - ❖ **Mortgage Interest Subsidy** (for those eligible who have not purchased a home, but plan to)
 - a. Set dollar amount annually, paid over a minimum five-year term directly to lender.
 - b. Execution of a five-year retention housing assistance agreement.
 - c. Termination of benefits if employee terminates, is severed or relocates.
 - d. Housing assistance benefit amounts are processed as taxable income annually.

Mortgage Interest Subsidy						
1. Set dollar amount annually, paid by company directly to lender monthly						
2. Minimum term of 5 years, maximum of 10 years						
Attributes:						
1. Lowers employee payments for 5+ years resulting in gradual payment rise as employee compensation rises						
2. Subsidy covers interest but employee gets interest tax benefit when filing personal income tax returns						
3. Employee responsible for payroll taxes on monthly subsidy payment – handled automatically through payroll processing						
4. Employee must qualify for full finance amount but 100% financing is allowable under the program						
Assumptions:						
Loan Amount		\$250,000				
Mortgage Note Rate		6.25%				
Qualifying Note Rate		6.25%				
Term:		30 Yr Fixed Rate				
Subsidy EXAMPLE (\$50,000- 5 years)						
	Year	Interest Rate	P&I at Note Rate	P&I Paid by Employee	Monthly Subsidy Assistance	Annual Subsidy Rec'd By Employee
	1	.110%	\$1,539.29	\$ 705.96	\$833.33	\$10,000
	2	.110%	\$1,539.29	\$ 705.96	\$833.33	\$10,000
	3	.110%	\$1,539.29	\$ 705.96	\$833.33	\$10,000
	4	.110%	\$1,539.29	\$ 705.96	\$833.33	\$10,000
	5	.110%	\$1,539.29	\$ 705.96	\$833.33	\$10,000
	6.	6.25%	\$1,539.29	\$1,539.29	-0-	-0-
Total Subsidy Cost:						\$50,000



Bridger Coal Housing Assistance Benefit Policy Communication

- ❖ Corporate Second Mortgage Guaranty (for those eligible who have not purchased a home, but plan to)
 - a. Execution of a five-year retention housing assistance agreement.
 - b. Second mortgage established for total benefit amount.
 - c. Second mortgage term is five years.
 - d. Company pays monthly second mortgage payments.
 - e. Second mortgage is recorded as lien on property.
 - f. Guarantor (Company) has right to call principal due, if employee terminates, is severed or relocates.
 - g. Housing assistance benefit amounts are processed as taxable income annually.

2nd Mortgage Guaranty	
1. Company Guarantees 2 nd Mortgage for benefit amount (20% of purchase price up to maximum of \$50,000) 2. Recorded as lien on Property, Guarantor has right to call the principal due if employee terminates or relocates	
Attributes:	
1. Serves as down payment 2. Employee only required to qualify for 1 st mortgage amount with 100% financing allowable under the program 3. Likely avoids mortgage insurance resulting in lower payments for term of 1 st mortgage 4. Employee gets interest tax benefit when filing personal income tax returns 5. Employee responsible for payroll taxes on monthly 2 nd payment – handled automatically through payroll processing	
Corporate Second EXAMPLE (\$50,000)	
Example without Corporate Second Purchase - \$250,000 Mortgage Amt - \$250,000 Interest Rate – 6.25% (used for example) Product – 30 Year Fixed Principal + Interest Pymt. = \$1,539.29/mo Note: Mortgage Insurance Additional	Example with Corporate Second Purchase - \$250,000 Corporate 2 nd - \$50,000 Mortgage Amt - \$200,000 Interest Rate – 6.25% (used for example) Product – 30 Year Fixed Principal + Interest Pymt. = \$1,231.43/mo Note: Mortgage Insurance Avoided



Bridger Coal Housing Assistance Benefit Policy Communication

- ❖ **Cash Payment Program** (for those eligible who have already purchased a home)
 - a. Execution of a five-year retention housing assistance agreement with Bridger Coal, service to date applied, and a minimum three-year future commitment to remain from date of execution.
 - b. Benefit amount to be based on proof of mortgage purchase price and date, pro-rated over five-year term then adjusted (reduced) for:
 - Sign-on bonus amounts (if previously provided) for non-represented employees, and
 - Up to a maximum of three service years completed with remaining benefit to be paid directly to employee through payroll processing in annual installments, paid at the completion of each 12 months employment from the date of signed retention housing assistance agreement for remaining agreement term.
 - c. Housing assistance benefit payments will be processed through ordinary payroll processes and subject to payroll taxes.

Cash Payment Attributes

1. Benefit amount = 20% of purchase price or \$50,000, whichever is lower
 - Prorated over five-year employment term = annual gross benefit
 - Annual gross benefit reduced for sign-on bonus (for non-represented eligible employees) and then reduced for term from purchase date (maximum three years) = net benefit to be paid over minimum three-year remaining employment term
2. Annual net benefit amounts paid to employee through payroll processing following completion of each 12 months employment from signature date of employment agreement

Cash Payment EXAMPLE (\$50,000)

2004	Purchase Date			Minimum 3 Yr Employment Commitment				Net Benefit	Net benefit
	2005	2006	2007	2008	2009	2010	2011		
Yr1									
10000	Yr2								
	10000	Yr3							
		10000	Yr4	Yr5					
			6666	6667	6667			\$ 50,000	\$ 20,000
	Yr1								
	10000	Yr2							
		10000	Yr3	Yr4	Yr5				
			10000	10000	10000	10000		\$ 50,000	\$ 30,000
	Yr1								
	10000	Yr2	Yr3	Yr4	Yr5				
			10000	10000	10000	10000	10000	\$ 50,000	\$ 40,000
	Yr1								
	6000	Yr2	Yr3	Yr4	Yr5				
			6000	6000	6000	6000	6000	\$ 30,000	\$ 24,000

EXHIBIT 2

Master Subsidy Agreement between
HomeServices Lending and Bridger Coal Company

MASTER SUBSIDY AGREEMENT

THIS MASTER SUBSIDY AGREEMENT ("Agreement") is made effective as of October 22, 2007, by and between HomeServices Lending ("HSL"), having an office at One Home Campus, Des Moines, Iowa 50328-0001 and Bridger Coal Company, a joint venture with Pacific Minerals, Inc., a Wyoming Corporation and Idaho Energy Resources Company, a Wyoming Corporation, having an office at P.O. Box 68, Point of Rocks, Wyoming 82942.

RECITALS:

HomeServices Lending ("HSL") makes residential mortgage loans ("Mortgage Loans") available to relocating employees of corporate clients through HSL's relocation mortgage program; and

Company desires to participate in the program and make its subsidy plan available to its eligible employees obtaining a Mortgage Loan with HSL; and

The parties wish to enter into an agreement to set forth the terms and conditions for billing, payment and application of subsidy funds for Mortgage Loans originated by HSL for Company's relocating employees.

NOW THEREFORE, Company and HSL agree as provided below. Any terms not herein defined are defined as specified in the attached Exhibit A.

1. AUTHORIZATION AND PAYMENT OBLIGATIONS

The Company, or its authorized agent, will inform HSL in writing or via email of the name of each employee who is authorized to receive a closing cost and/or subsidy contribution from the Company ("Authorized Employee"), together with any terms and conditions of the contribution. Such written or email authorization will be sufficient to establish the Company's obligation to reimburse HSL for such costs and charges in accordance with this Agreement. Each Authorized Employee will be required to sign an individual subsidy agreement ("Individual Subsidy Agreement") in a form substantially similar to that in Exhibit A, which is attached to this Agreement and incorporated by reference, the terms to which Company agrees. Company shall pay to HSL the total Subsidy Funds required by the Plan as specified for each Authorized Employee in his/her Individual Subsidy Agreement.

2. BILLING AND PAYMENT OF SUBSIDY

- (a) Initial Billing. The total amount of the Subsidy Funds payable during the Initial Period will be billed to the Company or, if instructed by Company, Company's authorized agent by HSL after the closing of each Authorized Employee's Mortgage Loan at an address agreed to by the parties. The Company agrees to pay HSL the full amount of the invoice within thirty (30) days of the invoice date.

- (b) Annual Billing. On or about December 1 of each year the Individual Subsidy Agreements remain in effect, HSL shall bill the Company or, if instructed by Company, Company's authorized agent for the total amount of Subsidy Funds due and payable by the Company with respect to the following calendar year. The payment due date for these annual invoices will be on or about January 1 of the following year.
- (c) Late Charge. The Company will be required to pay a late charge accruing at the rate of 12% per annum on all amounts not received by HSL within thirty (30) days of any invoice date, commencing on the thirty-first (31st) day.

3. APPLICATION OF SUBSIDY FUNDS

- (a) Generally. Provided HSL has received from the Company sufficient Subsidy Funds, HSL shall, upon receipt of the Mortgagor Monthly Payment Amount, apply the Monthly Assistance Payment to the payment due under each Mortgage Note.
- (b) In the event of default or foreclosure. No Subsidy Funds shall be applied to (i) satisfy any past due payments owed by any Authorized Employee, (ii) cure any delinquency or default under the terms of any Mortgage Note and/or Mortgage, or (iii) reinstate any Mortgage Loan. Upon the occurrence of any default, HSL will be entitled to exercise any and all rights to which it is entitled under the terms of the respective Mortgage Note and/or Mortgage. The Subsidy Funds are not a prepayment of interest nor a partial satisfaction of any Authorized Employee's obligation under his or her Mortgage Note. If the property securing any Mortgage Note and/or Mortgage is sold pursuant to a non-judicial or judicial foreclosure proceeding, the Monthly Assistance Payments provided by Company for the remaining term of the applicable subsidy period shall not be applied toward any sums due from the respective Authorized Employee. In the event of commencement of foreclosure proceedings or the acceptance of a deed in lieu of foreclosure, the respective Individual Subsidy Agreement will terminate in accordance with paragraph 5 below and any remaining unapplied Subsidy Funds will be paid to Company in accordance with said paragraph of this Agreement.

4. INTEREST IN SUBSIDY FUNDS

The parties acknowledge that the purpose of the Subsidy Funds is solely for the use by HSL to apply as Monthly Assistance Payments toward payment of the amount of principal and interest due for the scheduled monthly payments under the terms of the Mortgage Note(s). Except as provided in paragraphs 3(b) and 5(c) herein, the Company relinquishes any right, title or interest in the Subsidy Funds. No Subsidy Funds shall be pledged or otherwise set aside for the benefit of any Authorized Employee or Company or their successors, except as otherwise provided in this Agreement.

5. TERMINATION OF SUBSIDY

- (a) Prior to expiration of subsidy period. Each Individual Subsidy Agreement shall terminate, and no further Subsidy Funds for the respective Authorized Employee shall be applied, upon (i) receipt by HSL from the Company of written notice of the death, retirement, resignation or termination of employment of said Authorized Employee (or any other event which results in the Authorized Employee no longer performing substantial services as an employee of the Company), (ii) the full prepayment of the Mortgage Loan by the Authorized Employee, (iii) the sale or transfer by the Authorized Employee of the property securing the Mortgage Loan as a result of which HSL is entitled to accelerate the Mortgage Loan pursuant to the "due-on-sale" clause contained in the Mortgage, or (iv) the commencement of foreclosure proceedings or the acceptance of a deed in lieu of foreclosure. Any such notice of termination by Company will be effective as of the first day of the month after notice is given, provided that the notice of termination has been received by HSL in writing no less than fifteen (15) days prior to the first day of the month. In addition, in the event HSL does not receive the Subsidy Funds as provided under the terms of this Agreement, HSL has the option to terminate the affected Individual Subsidy Agreement and this Agreement (as applicable) for breach effective immediately upon notice from HSL to Company and the affected Authorized Employee(s).
- (b) Expiration of subsidy period. If not earlier terminated pursuant to paragraph 5(a) herein, the Authorized Employee's benefits under his or her Individual Subsidy Agreement(s) shall automatically terminate as of the effective date of termination specified in the Individual Subsidy Agreement, and no additional Subsidy Funds for that Authorized Employee shall be applied subsequent to such date.
- (c) Payment obligations upon termination of subsidy. Upon termination of the Individual Subsidy Agreement, beginning with the first monthly payment of principal and interest due after the termination of said agreement and continuing for the remainder of the term of the respective Mortgage Loan, the Authorized Employee shall pay the entire monthly installment of principal and interest, as provided in his or her Mortgage Note. After termination of each Individual Subsidy Agreement, Company shall still be responsible for paying any unpaid Subsidy Funds and late charges due and owing to HSL during the term of said agreement. Similarly, HSL shall, within sixty (60) days of the effective date of termination, be responsible for paying to Company any remaining Subsidy Funds received but unapplied under the terms of the respective Individual Subsidy Agreement, as of the effective date of termination.

6. PAYMENT LIABILITY UNDER THE MORTGAGE NOTE

During the full term of each Mortgage Note, including the subsidy period, each Mortgage Loan will amortize at its Mortgage Note interest rate. Each Authorized Employee will remain primarily liable for payment of the full monthly payment of principal and interest as provided in the Authorized Employee's Mortgage Note, and for all other obligations of the Authorized

Employee as provided in his or her Mortgage Note and Mortgage, notwithstanding the Company's obligations under this Agreement. The Company is not a borrower, co-signer or obligor on the Authorized Employee's Mortgage Note and has no obligation to repay any portion of the amounts due under the Mortgage Note.

7. INDEMNIFICATION

- (a) The Company agrees to indemnify HSL, its officers, directors, agents and employees, and any other person or entity who acquires any interest in any Authorized Employee Mortgage Loan, and defend and hold them harmless against any liability or loss resulting from (i) any failure by the Company, its officers, directors, agents and employees to comply with any and all applicable federal, state and local income tax laws and regulations in connection with this Agreement or the Plan; and (ii) any claim of any Authorized Employee arising out of the Plan, this Agreement or out of the Company's termination of this Agreement or the Plan, except to the extent such claim arises from the acts or omissions of HSL, its officer, directors, agents and employees.
- (b) HSL agrees to indemnify the Company, its officers, directors, agents and employees, and defend and hold them harmless against any liability or loss resulting from (i) any failure by HSL to comply with any and all applicable federal, state and local laws and regulations in connection with this Agreement or the Plan; and (ii) any claim of any Authorized Employee arising out of the Plan, this Agreement or out of the Company's termination of this Agreement or the Plan, to the extent such claim arises from the acts or omissions of HSL, its officer, directors, agents and employees.
- (c) With respect to the provisions of Section 13 of this Agreement, each party shall indemnify, defend and hold harmless the other parties against any and all losses, damages, claims, expenses and attorneys' fees incurred or suffered by the other parties as a result of a breach of Section 13 of this Agreement by the indemnifying party or any of its representatives, including without limitation the cost of notifying any customer or consumer of any unauthorized access to Nonpublic Personal Information (as defined below).

8. TERMINATION OF AGREEMENT

In addition to termination as provided in paragraph 5(a) herein, this Agreement may be terminated by either HSL or the Company upon ninety (90) days prior written notice to the other party, but no termination of this Agreement shall affect the rights of the parties with respect to (a) Mortgage Loans held by HSL, its successors or assigns, including but not limited to any subsidy Mortgage Loan, originated by HSL under the terms of any Authorized Employee's Individual Subsidy Agreement, or (b) Mortgage Loans committed to be made by HSL but unfunded as of the date of termination. Termination of this Agreement does not terminate any Authorized Employee's Individual Subsidy Agreement or any obligation by Company as it relates to any such individual subsidy agreement, including but not limited to Company's Subsidy Fund payment obligation.

9. NOTICES

Except as to communications under paragraphs 1 and 2, all notices, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person, by reputable express mail carrier, or by United States mail, certified or registered with return receipt requested to the address(es) as follows:

If to Company: Bridger Coal Company
 P.O. Box 68
 Point of Rocks, WY 82942
 Attn: Carl Polson

with a copy to: Bridger Coal Company
 P.O. Box 68
 Point of Rocks, WY 82942
 Attn: Patrick Akers

If to HSL: HomeServices Lending
 333 South 7th Street, 27th Floor
 Minneapolis, MN 55402
 Attn: General Counsel

with a copy to: Wells Fargo Home Mortgage
 One Home Campus
 MAC X2406-011
 Des Moines, Iowa 50328-0001
 Attn: General Counsel

The persons and addresses to whom mailings or deliveries shall be made may change by notice to the other party.

10. SUCCESSORS AND ASSIGNS

All terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective transferees, successors and assigns.

11. GOVERNING LAW

This Agreement shall be construed and enforced in accordance with the laws of the State of Iowa.

12. ENTIRE AGREEMENT

This Agreement embodies the entire understanding of the parties and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof. This instrument may only be amended or modified by written instrument signed by both parties or their duly authorized agents.

13. CONFIDENTIALITY

(a) Confidential Information.

(1) "Confidential Information" means any information that is transmitted or otherwise provided by or on behalf of one party (the "Discloser") to any other party (the "Recipient") to this Agreement in connection with, or as a result of, this Agreement and which should reasonably be understood by the Recipient to be proprietary and/or confidential to the Discloser.

(2) Confidential Information also includes (a) "nonpublic personal information" about "customers" and "consumers" (as those terms are defined in Title V of the Gramm-Leach-Bliley Act and its related privacy regulations), and (b) any information subject to Section 628 of the Fair Credit Reporting Act and any related regulations or guidelines (collectively referred to in this Agreement as "Nonpublic Personal Information"). Title V of the Gramm-Leach-Bliley Act, Section 628 of the Fair Credit Reporting Act, and any related regulations or guidelines, are collectively referred to in this Agreement as the "Privacy Regulation."

(3) Confidential Information does not include information that (i) is in the public domain as demonstrated by written or other tangible evidence or enters into the public domain through no wrongful act or breach of any obligation of confidentiality by a Recipient; (ii) was in the knowledge and possession of Recipient free of any confidentiality obligation, or was independently developed by Recipient prior to the time it was disclosed to Recipient by Discloser; (iii) is at any time rightfully received by the Recipient from a third party who has an independent right to such information; or (iv) is identified by Discloser as no longer confidential or is approved in writing for release by the Discloser prior to such release.

(b) Protection of Confidential Information.

(1) Recipient acknowledges that Confidential Information has been developed or obtained by Discloser by the investment of significant time, effort and expense, and that Confidential Information is a valuable, special and unique asset of Discloser, which provides Discloser a significant competitive advantage. Therefore, Recipient agrees to hold in confidence and to not disclose Confidential Information to any person or entity, except as expressly authorized in this Agreement or otherwise with the express prior written consent of Discloser.

(2) Recipient agrees (i) to use Confidential Information solely for the purpose of carrying out the transactions undertaken in the context of such business relationship; (ii) to not, directly or indirectly, otherwise use any Confidential Information for Recipient's own benefit or on its own behalf or for the benefit or on behalf of others for any other purpose; (iii) to use the same degree of care to maintain the security of Confidential Information as Recipient uses to protect its own confidential and proprietary information (which shall be a degree of care not less than may be required by applicable law, if any, or otherwise as followed in the industry); (iv) to safely and

securely dispose of all Confidential Information, and (v) to disclose Confidential Information to Recipient's Representatives under confidentiality obligations consistent with this Agreement and only on a need-to-know basis for performance of such Representative's duties in connection with an authorized use of the Confidential Information.

(c) Special Provisions for Use of Nonpublic Personal Information.

(1) Each Recipient represents and warrants to the Discloser with respect to any Nonpublic Personal Information disclosed to it: (i) Recipient controls access to the network (information system) on which any such Nonpublic Personal Information is stored, through the compliance with and utilization of its information security measures which restrict access; and (ii) Recipient shall comply with its information security measures.

(2) Each Recipient covenants to the other parties that with respect to Nonpublic Personal Information Disclosed to the Recipient under this Agreement, the Recipient will (i) comply with the terms and provisions of the Privacy Regulation, including the provisions regarding the sharing of Nonpublic Personal Information; (ii) not disclose or use any Nonpublic Personal Information that it receives from a Discloser except to carry out the purposes for which such Nonpublic Personal Information was provided, or as otherwise permitted by the Privacy Regulation and other applicable laws; (iii) comply with its information security standards; (iv) properly and securely dispose of all Nonpublic Personal Information; (v) not make any changes to its security measures that would increase the risk of an unauthorized access; and (vi) not disclose any Nonpublic Personal Information disclosed to it to any other entity, except as follows: (A) to Discloser's affiliates, with the prior consent of Discloser; (B) to its own affiliates, provided, that its affiliates may, in turn, disclose and use the information only to the extent that Recipient may disclose itself and use the information; and (C) to a nonaffiliated third party, in the ordinary course of business in order to carry out the activity for which the information was disclosed to Recipient pursuant to one of the exceptions to the Privacy Regulation. Recipient agrees to promptly notify any customer whose Nonpublic Personal Information is accessed by any unauthorized person while in the custody of Recipient or any of its affiliates or subcontractors. Provided, that with respect to any consumer who becomes a customer of HSL, the use of Nonpublic Personal Information of such customer by HSL shall thereafter be governed by HSL's then-current Privacy Policy and all applicable state and federal law, and not this Agreement.

(d) The parties agree that the Confidential Information disclosed pursuant to this Agreement are of a special, unique, and extraordinary character, that the Discloser would be irreparably harmed by any disclosure of the Confidential Information in violation of this Agreement, and that the use of the Confidential Information for the business purposes of any party other than in connection with this Agreement or any third party, would enable such party or third party to compete unfairly with the Discloser. For these reasons, the Recipient agrees that the Discloser shall be entitled to injunctive relief to prevent further use and/or disclosure in addition to all

other remedies available to the Discloser in law or in equity for any breach of this Agreement.

HOMESERVICES LENDING

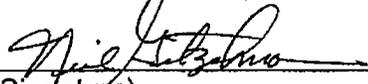
(Signature)

(Name)

(Title)

(Date)

PACIFIC MINERALS, INC. ON BEHALF OF
BRIDGER COAL COMPANY



(Signature)

Neil L. Getzelman

(Name)

President, Pacific Minerals, Inc. and
member of Bridger Management
Committee

(Title)

10/10/07

(Date)

EXHIBIT 3

Employee Home Equity Financing Guaranty Agreement between
Wells Fargo Home Equity and Bridger Coal Company

Employee Home Equity Financing Guaranty Agreement

1. **Parties.** The Parties to this Employee Home Equity Financing Guaranty Agreement effective October 22, 2007("Agreement"), are Bridger Coal Company, a joint venture with Pacific Minerals, Inc., a Wyoming Corporation and Idaho Energy Resources Company, a Wyoming Corporation ("Employer") and Wells Fargo Home Equity a division of Bank, National Association ("Wells Fargo Home Equity") (Employer and Wells Fargo Home Equity are individually and collectively the "Party" and the "Parties" respectively.).
2. **Recitals.** This Agreement documents the terms and conditions under which Wells Fargo Home Equity will offer Employer's Eligible Employees (as designated by Employer in writing pursuant to Attachment A) home equity financing. As set forth herein, Wells Fargo Home Equity shall provide Eligible Employees with a home equity loan secured by a second or subordinate position lien on the Eligible Employee's residence, the repayment of which is guaranteed in whole by the Employer (the "Loan"). Employer agrees that the Employer shall purchase the Loan of any Eligible Employee whose employment with Employer terminates for any reason or who has defaulted in his/her obligations under the Loan and that Employer guarantees all payments to Wells Fargo Home Equity of principal, interest, costs and expenses for each such Loan.
3. **Agreement.** In consideration of the mutual promises in this Agreement and for other good and valuable consideration, the receipt and adequacy of which the Parties hereby acknowledge, Wells Fargo Home Equity agrees to make Loans to Eligible Employees as defined in Attachment A to this Agreement, in accordance with the Lending Procedures set forth in Attachment A to this Agreement ("Lending Procedures"), a copy of which is attached hereto and incorporated herein by this reference as though set forth in full. Employer agrees to purchase the Loan of any Eligible Employee in the event that the Eligible Employee's employment with Employer terminates for any reason whatsoever or in the event that the Eligible Employee defaults under the terms of the Loan documents, including but not limited to the loan agreement, the mortgage, or the deed (the "Loan Documents") Furthermore, the Employer agrees to guaranty all payments of principal and interest, as well as the reasonable costs and expenses incurred by Wells Fargo Home Equity, if any, in connection with each Loan.
4. **Purchase of Loan.** In the event Eligible Employee's employment has terminated, Employer shall promptly notify Wells Fargo Home Equity in writing and Employer is obligated to purchase the Loan. Within ten (10) days of its receipt of such notification, Wells Fargo Home Equity shall notify Employer in writing of the purchase price for such Loan. In the event that the Eligible Employee has defaulted in his/her obligations under the Loan Documents, Wells Fargo Home Equity shall notify the Employer in writing of the default and the amount of the purchase price for such Loan. The purchase price shall equal the unpaid principal balance of such Loan plus all accrued and unpaid interest, unpaid closing costs, as well as costs, and expenses, if any, thereon up to the date that

Wells Fargo Home Equity sells, transfers and assigns the Loan to Employer. Employer shall remit payment for any purchased Loan to Wells Fargo Home Equity by wire or Employer's check within thirty (30) days of receipt of notification by Wells Fargo Home Equity of the purchase price of the Loan.

5. **Employer Guaranty.** To induce Wells Fargo Home Equity to make Loans to Eligible Employees, Employer absolutely and unconditionally guaranties to Wells Fargo Home Equity the full and prompt payment when due of each and every Loan, including all monthly and annual payments of interest or principal and interest, payments due at maturity, payments due upon acceleration of the Loan, payments due in the event Employer purchases a Loan, and closing costs for each Loan including, but not limited to, title insurance, homeowner's insurance, flood insurance (if required), recording fees, origination fees, commitment fees, and any state or local taxes and any other costs or expenses incurred in connection with the collateral property or Eligible Employee's default, if any. Employer understands that this guaranty is irrevocable; that this guaranty is one of payment and not collection, which means Wells Fargo Home Equity can insist that Employer pay it immediately; that Wells Fargo Home Equity is not required to attempt to collect from an Eligible Employee; and that if any moneys become available to apply to a Loan, Wells Fargo Home Equity shall apply them in accordance with the terms of the written Loan agreement between Wells Fargo Home Equity and such Eligible Employee. Employer understands and agrees that Wells Fargo Home Equity has information or may obtain information regarding the Eligible Employee that is protected by law from disclosure to Employer. Furthermore, Employer agrees that Wells Fargo Home Equity is not required to exercise any rights that it has against an Eligible Employee or the collateral property in order for Wells Fargo Home Equity to exercise its rights under this Agreement.

If Employer is a corporation, Employer represents and warrants that it expects to derive substantial benefits from the Eligible Employee and from any Loans, and that this guaranty is given for a corporate purpose. So long as this guaranty remains in effect, Wells Fargo Home Equity may rely conclusively on a continuing warranty, hereby made, that Employer continues to be benefited by this guaranty and Wells Fargo Home Equity shall have no duty to inquire into or confirm the receipt of any such benefits, and this guaranty shall be effective and enforceable by Wells Fargo Home Equity without regard to the receipt, nature or value of any such benefits.

It is the intent of Employer and Wells Fargo Home Equity that Employer's obligations and liabilities under this Section shall be absolute and unconditional under any and all circumstances. Employer waives (a) any and all requirements that Wells Fargo Home Equity institute any actions or proceedings or exhaust any or all Wells Fargo Home Equity's rights or remedies against any Eligible Employee or any other person as a condition precedent to requesting payment from Employer under this Guaranty, and (b) any defense arising by reason of any disability, insolvency, lack of capacity or authority, death or any other defense of any Eligible Employee, it being agreed that Employer shall

remain liable hereunder, regardless of whether Eligible Employee or any other person is not liable under the Loan Agreement for any reason.

6. **Expenses.** Wells Fargo Home Equity shall bear the expense of preparing, delivering and mailing all Loan Documents, forms, statements and notices, including adverse action notices, required by law to be delivered to Eligible Employees. Each Party to this Agreement shall otherwise pay its own costs and expenses (including attorneys' fees) incurred with the preparation, negotiation, and administration of this Agreement. Nothing in this Section 6 shall be construed to limit or qualify Employer's obligations to reimburse and indemnify Wells Fargo Home Equity in connection with certain expenses incurred by Wells Fargo Home Equity, as more fully provided in this Agreement.

7. **A. Representations and Warranties of Employer.** Employer represents and warrants to Wells Fargo Home Equity that:

- (1) Employer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it has been incorporated and has the corporate power and authority necessary to own its assets, carry on its business and enter into and perform its obligations hereunder.
- (2) The execution, delivery and performance of this Agreement are within Employer's power and authority, have been duly authorized by all necessary corporate action, and do not contravene (i) Employer's articles of incorporation or by-laws, (ii) any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or (iii) any contractual restriction binding on or affecting Employer or its assets.
- (3) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery or performance by Employer of this Agreement.
- (4) The Agreement is, or when executed and delivered by Employer will be, the legal, valid and binding obligation of Employer enforceable against Employer in accordance with its terms.

- B. Representations and Warranties of Wells Fargo Home Equity.** Wells Fargo Home Equity represents and warrants to Employer that:

- (1) **Wells Fargo Home Equity** (i) is a national banking association, validly existing and in good standing under the laws of the United States of America, and (ii) has the power and authority necessary to own its assets, carry on its business and enter into and perform its obligations hereunder.

- (2) The execution, delivery and performance of this Agreement are within Wells Fargo Home Equity's power and authority, have been duly authorized by all necessary action, and do not contravene (i) Wells Fargo Home Equity's charter or by-laws, (ii) any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or (iii) any contractual restriction binding on or affecting Wells Fargo Home Equity or its assets.
- (3) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery or performance by Wells Fargo Home Equity of this Agreement.
- (4) The Agreement is, or when executed and delivered by Wells Fargo Home Equity will be, the legal, valid and binding obligation of Wells Fargo Home Equity enforceable against Wells Fargo Home Equity in accordance with its terms.

8. **Credit Qualification on Loans.** Employer understands that its obligations and responsibilities hereunder apply regardless of whether Wells Fargo performs a credit qualification of the Eligible Employee and the Eligible Employee's residence and/or requires that the Eligible Employee and the Eligible Employee's residence meet Wells Fargo Home Equity's then current credit underwriting standards. In its sole discretion, Wells Fargo Home Equity may agree to make Loans available to Eligible Employees based on the Employer's guaranty and agreement hereunder; however, it is Wells Fargo Home Equity's intent to require each Eligible Employee and the Eligible Employee's residence to meet Wells Fargo Home Equity's then current credit underwriting standards. Nevertheless, whether Wells Fargo Home Equity requires or does not require credit qualification with respect to any Loan(s), the Employer's guaranty and repurchase obligations as to the Loan(s) shall not be changed, limited or modified in any way. Employer agrees that Wells Fargo Home Equity has no duty to share with or disclose to, and in fact, is prohibited by law, from disclosing any information resulting from any credit qualification of the Eligible Employee or the Eligible Employee's residence with the Employer.

9. **Modification, Renewal or Extension of Loans.** In the event that Employer fails to meet its obligations hereunder, including but not limited to, its timely failure to purchase a Loan or its timely failure to make the required payments on a Loan, Wells Fargo Home Equity may modify, renew or amend the Loan, in accordance with applicable law and prudent commercial and consumer banking standards. Notwithstanding any such modification, renewal or extension, the Loan shall remain subject to the Employer's guaranty of payment and purchase obligation as described herein.

- 10. Indemnification.** Except as otherwise provided in this Agreement, Employer agrees to indemnify and hold Wells Fargo Home Equity harmless from and against all liability, loss, damage and expense (including the actual and reasonable cost and expense of enforcing its rights under this Section, if any) actually suffered or incurred by Wells Fargo Home Equity in any case where such liability, loss, damage or expense arises from or relates to any breach by Employer of any representation or warranty made by Employer hereunder, or the failure by Employer to observe any of its covenants or obligations hereunder. Except as otherwise provided in this Agreement, Wells Fargo Home Equity agrees to indemnify and hold Employer harmless from and against all liability, loss, damage and expense (including the actual and reasonable cost and expense of enforcing its rights under this Section, if any), actually suffered or incurred by Employer in any case where such liability, loss, damage or expense arises from or relates to any breach by Wells Fargo Home Equity of any representation or warranty made by Wells Fargo Home Equity hereunder, or by the failure by Wells Fargo Home Equity to observe any of its covenants or obligations hereunder. The Parties' obligations under this Section 10 shall survive the termination of this Agreement.
- 11. Termination.** Either Party may terminate this Agreement by giving the other Party written notice thereof. Such termination shall be effective thirty (30) days after receipt of such written notice, except that any such termination shall not affect the rights and obligations of the Parties hereunder in respect to any Loans outstanding as of termination and any advances to be made thereafter pursuant to the terms of any Loans outstanding, including the obligations of Employer under Sections 4 and 5 of this Agreement and the obligations of Employer and Wells Fargo Home Equity under Sections 8 through 10 and 15 of this Agreement.
- 12. Notices.** All notices and other communication by either Party under this Agreement shall be in writing, and shall be (a) personally delivered, (b) transmitted by telegram, telecopier or telefacsimile, or (c) mailed via United States registered or certified mail, return receipt requested, electronic mail, postage prepaid, to the other Party at its address indicated below, or to such other address as such other Party shall specify by notice hereunder. A notice or other communication to a Party shall be effective the date of delivery to such address of the Party.

If to Employer:

Bridger Coal Company
P.O. Box 68
Point of Rocks, WY 82942
Attn: Carl Polson

with a copy to:

Bridger Coal Company
P.O. Box 68
Point of Rocks, WY 82942
Attn: Patrick Akers

California selected by the AAA or other administrator. All statutes of limitation applicable to any Dispute shall apply to any arbitration proceeding. All discovery activities shall be expressly limited to matters directly relevant to the Dispute being arbitrated. Judgment upon any award rendered in an arbitration may be entered in any court having jurisdiction; provided however, that nothing contained herein shall be deemed to be a waiver, by any Party that is a bank, of the protections afforded to it under 12 U.S.C. §91 or any similar applicable state law.

C. Ancillary Remedies. No provision hereof shall limit the right of either Party to obtain provisional or ancillary remedies, including without limitation injunctive relief, attachment or the appointment of a receiver, from a court of competent jurisdiction before, after or during any arbitration or other proceeding. The exercise of any such remedy shall not waive the right of a Party to compel arbitration hereunder.

D. Arbitrator & Choice of Law. Arbitrators must be active members of the California State Bar or retired judges of the state or federal judiciary of California, with expertise in the substantive laws applicable to the subject matter of the Dispute. Arbitrators are empowered to resolve Disputes by summary rulings in response to motions filed prior to the final arbitration hearing. Arbitrators (i) shall resolve all Disputes in accordance with the substantive law of the state of California, (ii) may grant any remedy or relief that a court of the state of California could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award, and (iii) shall have the power to award recovery of all costs and fees, to impose sanctions and to take such other actions as they deem necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the California Rules of Civil Procedure or other applicable law. Any Dispute in which the amount in controversy is \$5,000,000 or less shall be decided by a single arbitrator who shall not render an award of greater than \$5,000,000 (including damages, costs, fees and expenses). By submission to a single arbitrator, each Party expressly waives any right or claim to recover more than \$5,000,000. Any Dispute in which the amount in controversy exceeds \$5,000,000 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations.

1. Findings and Conclusions. Notwithstanding anything herein to the contrary, in any arbitration in which the amount in controversy exceeds \$5,000,000, the arbitrator shall be required to make specific, written findings of fact and conclusions of law.

2. Damages. The arbitrator(s) shall have no authority to award punitive or other damages not measured by the prevailing Party's actual damages, except as may be required by statute. The arbitrator(s) shall not award incidental or consequential damages in any arbitration initiated under this Section.

3. Other. To the maximum extent practicable, the AAA, the arbitrators and the Parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. No arbitrator or other Party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a Party required in the ordinary course of its business, by applicable law or regulation, or

to the extent necessary to exercise any judicial review rights set forth herein. This arbitration provision shall survive termination, cancellation, expiration or amendment of the Agreement or any other relationship between the Parties.

16. **Governing Law.** The laws of the State of California, without regard to conflicts of law principles, shall govern the execution, interpretation and performance of this Agreement.
17. **Joint Document.** This Agreement has been, and shall be construed to have been, drafted by Employer and Wells Fargo Home Equity.
18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original; however, all such counterparts shall together constitute one and the same instrument.
19. **Waiver.** Failure of any Party to insist, in any one or more instances, on strict performance of any provisions of this Agreement, or to exercise any right, remedy or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver or relinquishment for the future of any such provisions, rights, remedies or options, and no waiver of any provision of this Agreement shall be deemed effective unless made in writing and signed by the Parties hereto.
20. **Severability.** Wherever possible, any provision of this Agreement shall be interpreted in such manner as to be effective and valid under Governing Law, but if any provision of this Agreement shall be prohibited by or invalid under Governing Law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

Wells Fargo Bank, National Association

Pacific Minerals, Inc. on behalf of Bridger Coal Company

By: _____

By:  _____

Name: _____

Name: Neil L. Getzelman

Title: _____

Title: President, Pacific Minerals, Inc.
and member of Bridger Management Committee

EXHIBIT 4

Relocation Services Agreement between
HomeServices Relocation, LLC and PacifiCorpEnergy

RELOCATION SERVICES AGREEMENT

This Relocation Services Agreement (this "Agreement") is entered into by and between HOMESERVICES RELOCATION, LLC a Delaware limited liability company, with an office at 6800 France Avenue South, Suite 355, Minneapolis, MN 55435 (herein referred to as "HSR") and PacifiCorp Energy a division of PacifiCorp, an Oregon corporation (collectively with all its affiliates, subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys "PacifiCorp"), having an office at P.O. Box 158, Point of Rocks, WY 82942 (herein referred to as the "Company") and is effective as of the October 22, 2007 (the "Effective Date").

In consideration of the covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the aforementioned parties to this Agreement (the "Parties" or, individually, a "Party") agree as follows:

Section 1. Term

The term of this Agreement shall begin on the Effective Date and continue for an initial period of one year; at the conclusion of the initial one-year period, this Agreement shall renew automatically for successive a one-year periods. Either party may terminate this agreement at any time upon 30 days' notice.

Section 2. Definitions

As used in this Agreement, the following words and phrases shall have the following meanings:

Authorized Representative(s): An individual or individuals the Company designates in writing as having authority to request that HSR provide services to an Employee pursuant to the terms of this Agreement.

Company: Bridger Coal Company.

Direct Costs: Any and all costs, fees or expenses HSR incurs or accrues as agreed to in advance in writing by the parties in providing services under this Agreement, at any time, whether during or after the term of this Agreement, including but not limited to payments made to an Employee as reimbursement for relocation-related expenses and payments made directly to vendors on behalf of an Employee for relocation-related services provided by the vendor.

- (d) Employee: Any person the Company designates as being eligible to receive services from HSR pursuant to this Agreement, including any other person residing in the same household and any other person in title to a property involved in the Employee's relocation, such as a spouse.

Initiation: HSR's receipt of the Company's notification, pursuant to Section 4 below, that HSR is to provide services to an Employee.

Service Fees: The fees HSR charges the Company for the services described in Section 3 below.

Section 3. Services Provided

At the Company's request, HSR shall provide services for Company's designated Employees as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Section 4. Company's Request for Services

When the Company desires HSR to make available to an Employee any of the services described in this Agreement, an Authorized Representative shall notify HSR in writing or electronically of the Employees eligibility to participate in the benefit program and of the services available to such Employee.

Section 5. Service Fees and Other Charges.

The Company shall pay to HSR the following service fees and other charges in accordance with the billing schedule set forth in Section 6 of this Agreement:

Service Fees: The fee for the services described in Section 3 of this Agreement is a one time fee of \$500 for each Employee.

Direct Costs: The Company shall pay to HSR Direct Costs as described in Section 2(c) this Agreement.

Section 6. Billing and Payment Procedures

All billing will be sent to the Company as set forth in Exhibit B which is attached hereto and incorporated herein by reference.

- (a) Monthly Billing. HSR shall bill the Company for all Service Fees due based on Initiations made by Company in the prior calendar month.

Expense Billing. After each Initiation, HSR shall bill the Company for Direct Costs associated with services provided to each Employee as referenced in Exhibit B.

- (c) Final Bill. After services provided to an Employee are completed or otherwise terminated, HSR may issue a final bill for any remaining costs or expenses due for payment or to make any necessary adjustments or credits for amounts previously billed and/or paid.

- (d) Payment Due; Late Charges. All HSR bills shall be due and payable within thirty (30) days from the invoice date. If HSR has not received payment within forty-five (45) days of the invoice date, it shall assess a late charge of one percent (1%) for each thirty (30) day period thereafter, until the invoice has been paid in full. If a

dispute arises with respect to a portion of any invoice, the undisputed portion shall be due and payable in accordance with the above stipulated billing terms.

Section 7. Accounting and Audit

HSR shall keep adequate records and books of account with respect to the transactions to be performed pursuant to this Agreement, with complete entries made in accordance with generally accepted accounting principles. Such records and books of account shall be made available at reasonable times and upon reasonable advance written notice for examination and auditing by the Company or its representatives, during the term of this Agreement, and for six (6) months subsequent to termination by either Party. Notwithstanding the foregoing, HSR shall continue to maintain such records regarding each Employee for two (2) years after the services for such Employee are completed.

Section 8. Survival

Sections 5, 6, 7, 9, and 10 hereof shall survive termination.

Section 9. Indemnification

The Company agrees to indemnify and hold HSR, its officers, directors, employees, representatives, agents and affiliates harmless from and against any and all claims, liabilities, losses, damages, expenses, costs and lawsuits (including reasonable attorneys' fees) incurred or suffered by HSR, its officers, directors, employees, representatives, agents and affiliates (i) arising out of or in connection with any action or failure to act by any Employee or any other person to whom services are provided pursuant to the terms of this Agreement, including, but not limited to fraud, deceit, misrepresentation, negligent acts or omissions by the Employee or such other person and failure or inability of the Employee or such other person to fulfill any contractual obligations; (ii) arising out of or in connection with any negligence or willful misconduct of the Company, its officers, directors, employees or Authorized Representative(s); (iii) as a result of HSR following any instruction given properly given by the Company or Authorized Representative(s) in accordance with the terms of this Agreement; (iv) the breach by the Company or any Authorized Representative of any provision of this Agreement. The right to indemnification provided for herein shall survive termination of this Agreement. Upon performance of its aforesaid obligation to indemnify HSR, the Company shall be subrogated to any rights of HSR against the Employee or any other person.

HSR agrees to indemnify and hold the Company, its officers, directors, employees, representatives, agents and affiliates harmless from and against any and all claims, liabilities, losses, damages, expenses, costs and lawsuits (including reasonable attorneys fees) incurred or suffered by the Company, its officers, directors, employees, representatives, agents and affiliates (i) as a result of any breach by HSR of any provision of this Agreement; or (ii) arising out of or in connection with the negligence or willful misconduct of HSR, its officers, directors, employees or agents. The right to indemnification provided for herein shall survive termination of

this Agreement. Upon performance of aforesaid obligation to indemnify the Company, HSR shall be subrogated to the Company's rights against any other person.

Section 10. Arbitration

Arbitration: If disputes between the Parties arise with respect to the terms and conditions of this Agreement, such disputes shall be resolved by and through an arbitration proceeding to be conducted under the auspices of the American Arbitration Association (or any like organization successor thereto) in Rock Springs, Wyoming. Such arbitration proceeding shall be conducted in as expedited a manner as is then permitted by the American Arbitration Association's commercial arbitration rules (formal or informal), and the arbitrator or arbitrators in any such arbitration (an "Arbitration") shall be persons who are knowledgeable in the subject matter of the dispute. No demand for arbitration may be made after the date when the institution of legal or equitable proceedings based on such claim or dispute would be barred by the applicable statute of limitations. Both the foregoing agreement of the Parties to arbitrate any and all such claims, and the results, determinations, findings, judgments and/or awards rendered through such Arbitration, shall be final and binding on the Parties and may be specifically enforced by legal proceedings.

Procedure: Any arbitration shall be conducted before a panel of arbitrators selected in accordance with the rules of the American Arbitration Association. Each Party shall bear separately the cost of their respective attorneys, witnesses and experts in connection with such arbitration. Time is of the essence regarding this arbitration procedure, and the arbitrators shall be instructed and required to render their decision within 10 days following completion of the Arbitration.

- (c) **Fees:** The Parties also agree that all awards, decisions and remedies in favor of a winning Party hereunder with respect to any issue shall be proportional to the violation caused by the losing Party with respect to that issue. All costs in conducting the Arbitration including the Arbitration filing fee, the arbitrator's fees and expenses, and the prevailing Party's reasonable legal fees and expenses (including legal fees and costs the prevailing Party incurs in seeking or resisting temporary or provisional court relief as set forth in Section 10(d) below), shall be the losing Party's responsibility as directed by the arbitrator. If there are multiple issues in dispute and no Party prevails on them all, costs and legal fees shall be apportioned by the arbitrator according to the relative dollar value of each issue. The arbitrator's award shall be final and binding. If either Party must resort to the judicial process to enforce the provisions of this Agreement, the award of an arbitrator or equitable relief granted by an arbitrator, the Party seeking enforcement shall be entitled to recover from the other Party all costs of litigation including reasonable attorneys' fees and court costs.
- (d) **Injunctive Relief:** The Parties agree and acknowledge that money damages may not be an adequate remedy for any breach of this Agreement's provisions and that any

Party may, in its sole discretion, apply for and secure specific performance and/or injunctive relief, without bond, pending final resolution on the merits in order to enforce or prevent any violations of this Agreement's provisions.

Section 11. General Provisions

Attorneys' Fees. In the event of any litigation between the Parties to this Agreement, the prevailing Party shall be entitled to immediate payment of all costs it incurred in the dispute, including, but not limited to, court or arbitration costs and reasonable attorneys' fees.

- (b) **Governing Law.** This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Wyoming.
- (c) **Assignment.** Neither Party may assign this Agreement without the other Party's prior written consent, which consent shall not be unreasonably withheld, except that each Party may assign its interest to an affiliated or successor entity upon prior written notice to the other Party. If an assignment is permitted, the assigning Party shall remain liable for all of its duties and obligations hereunder. Any purported assignment in violation of the provisions hereof shall be void and of no effect. The terms, covenants, conditions and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties' successors.

No Third Party Beneficiaries. No Employee or other person, or entity, except for the Company and HSR shall have any enforceable rights under this Agreement.

No Waiver. Either Party's failure to insist, in any one or more instances, on strict performance of any of the provisions or terms of this Agreement shall not be construed as a waiver or relinquishment of any such provision or term, but the same shall continue and remain in full force and effect.

- (f) **Entire Agreement.** This Agreement, together with the exhibits annexed hereto, contains the Parties' entire agreement with respect to the subject matter hereof and supersedes any prior oral or written understandings between the Parties regarding the same.

No Oral Modification. This Agreement may not be terminated, modified, altered or amended orally. Any such termination, modification, alteration or amendment shall be in writing, duly executed by both Parties.

Severability. If any provision in this Agreement shall be determined to be invalid, illegal or unenforceable in any respect, the remaining provisions of this Agreement shall not be impaired in any way, and the illegal, invalid or unenforceable provision shall be fully severed from this Agreement, and there shall be automatically added a replacement provision as similar in terms and intent to such severed provision as may be legal, valid and enforceable.

- (i) Captions. The captions and headings in this Agreement are included for convenience of reference only and shall not be interpreted to affect the substance of the provisions of this Agreement.
- (j) Notices. All notices given by either Party to the other shall be in writing and shall be given personally or sent by certified mail, postage prepaid, return receipt requested, to the Parties' respective addresses set forth at the head of this Agreement. Any Party may change the address to which notices are to be sent by giving notice to the other in the manner provided above. Notices shall be deemed given upon receipt or three (3) days after mailing as aforesaid, whichever is earlier.
- (k) Equal Opportunity; Non-Discrimination. HSR is an equal opportunity employer and HSR shall sell, list and otherwise deal with all properties in full compliance with all laws prohibiting discrimination on the basis of age, race, religion, sex, handicap, familial status, color, national origin or marital status.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized respective officers. ;

HOMESERVICES RELOCATION, LLC

PACIFICORP ENERGY

BY: _____
[Name]

BY: Bob Arambel
BOB ARAMBEL

TITLE: _____

TITLE: MANAGING DIRECTOR

DATE: _____

DATE: 10/9/07

EXHIBIT A

EXHIBIT 5

Master Subsidy Agreement between
HomeServices Lending and PacifiCorp Energy

MASTER SUBSIDY AGREEMENT

THIS MASTER SUBSIDY AGREEMENT ("Agreement") is made effective as of October 22, 2007, by and between HomeServices Lending ("HSL"), having an office at One Home Campus, Des Moines, Iowa 50328-0001 and PacifiCorp Energy a division of PacifiCorp, an Oregon corporation (collectively with all its affiliates, subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys "PacifiCorp"), having an office at P.O. Box 158, Point of Rocks, WY 82942.

RECITALS:

HomeServices Lending ("HSL") makes residential mortgage loans ("Mortgage Loans") available to relocating employees of corporate clients through HSL's relocation mortgage program; and

Company desires to participate in the program and make its subsidy plan available to its eligible employees obtaining a Mortgage Loan with HSL; and

The parties wish to enter into an agreement to set forth the terms and conditions for billing, payment and application of subsidy funds for Mortgage Loans originated by HSL for Company's relocating employees.

NOW THEREFORE, Company and HSL agree as provided below. Any terms not herein defined are defined as specified in the attached Exhibit A.

AUTHORIZATION AND PAYMENT OBLIGATIONS

The Company, or its authorized agent, will inform HSL in writing or via email of the name of each employee who is authorized to receive a closing cost and/or subsidy contribution from the Company ("Authorized Employee"), together with any terms and conditions of the contribution. Such written or email authorization will be sufficient to establish the Company's obligation to reimburse HSL for such costs and charges in accordance with this Agreement. Each Authorized Employee will be required to sign an individual subsidy agreement ("Individual Subsidy Agreement") in a form substantially similar to that in Exhibit A, which is attached to this Agreement and incorporated by reference, the terms to which Company agrees. Company shall pay to HSL the total Subsidy Funds required by the Plan as specified for each Authorized Employee in his/her Individual Subsidy Agreement.

2. BILLING AND PAYMENT OF SUBSIDY

- (a) Initial Billing. The total amount of the Subsidy Funds payable during the Initial Period will be billed to the Company or, if instructed by Company, Company's authorized agent by HSL after the closing of each Authorized Employee's Mortgage Loan at an address agreed to by the parties. The Company agrees to pay HSL the full amount of the invoice within thirty (30) days of the invoice date.

- (b) Annual Billing. On or about December 1 of each year the Individual Subsidy Agreements remain in effect, HSL shall bill the Company or, if instructed by Company, Company's authorized agent for the total amount of Subsidy Funds due and payable by the Company with respect to the following calendar year. The payment due date for these annual invoices will be on or about January 1 of the following year.
- (c) Late Charge. The Company will be required to pay a late charge accruing at the rate of 12% per annum on all amounts not received by HSL within thirty (30) days of any invoice date, commencing on the thirty-first (31st) day.

3. APPLICATION OF SUBSIDY FUNDS

- (a) Generally. Provided HSL has received from the Company sufficient Subsidy Funds, HSL shall, upon receipt of the Mortgage Monthly Payment Amount, apply the Monthly Assistance Payment to the payment due under each Mortgage Note.
- (b) In the event of default or foreclosure. No Subsidy Funds shall be applied to (i) satisfy any past due payments owed by any Authorized Employee, (ii) cure any delinquency or default under the terms of any Mortgage Note and/or Mortgage, or (iii) reinstate any Mortgage Loan. Upon the occurrence of any default, HSL will be entitled to exercise any and all rights to which it is entitled under the terms of the respective Mortgage Note and/or Mortgage. The Subsidy Funds are not a prepayment of interest nor a partial satisfaction of any Authorized Employee's obligation under his or her Mortgage Note. If the property securing any Mortgage Note and/or Mortgage is sold pursuant to a non-judicial or judicial foreclosure proceeding, the Monthly Assistance Payments provided by Company for the remaining term of the applicable subsidy period shall not be applied toward any sums due from the respective Authorized Employee. In the event of commencement of foreclosure proceedings or the acceptance of a deed in lieu of foreclosure, the respective Individual Subsidy Agreement will terminate in accordance with paragraph 5 below and any remaining unapplied Subsidy Funds will be paid to Company in accordance with said paragraph of this Agreement.

4. INTEREST IN SUBSIDY FUNDS

The parties acknowledge that the purpose of the Subsidy Funds is solely for the use by HSL to apply as Monthly Assistance Payments toward payment of the amount of principal and interest due for the scheduled monthly payments under the terms of the Mortgage Note(s). Except as provided in paragraphs 3(b) and 5(c) herein, the Company relinquishes any right, title or interest in the Subsidy Funds. No Subsidy Funds shall be pledged or otherwise set aside for the benefit of any Authorized Employee or Company or their successors, except as otherwise provided in this Agreement.

5. TERMINATION OF SUBSIDY

- (a) Prior to expiration of subsidy period. Each Individual Subsidy Agreement shall terminate, and no further Subsidy Funds for the respective Authorized Employee shall be applied, upon (i) receipt by HSL from the Company of written notice of the death, retirement, resignation or termination of employment of said Authorized Employee (or any other event which results in the Authorized Employee no longer performing substantial services as an employee of the Company), (ii) the full prepayment of the Mortgage Loan by the Authorized Employee, (iii) the sale or transfer by the Authorized Employee of the property securing the Mortgage Loan as a result of which HSL is entitled to accelerate the Mortgage Loan pursuant to the "due-on-sale" clause contained in the Mortgage, or (iv) the commencement of foreclosure proceedings or the acceptance of a deed in lieu of foreclosure. Any such notice of termination by Company will be effective as of the first day of the month after notice is given, provided that the notice of termination has been received by HSL in writing no less than fifteen (15) days prior to the first day of the month. In addition, in the event HSL does not receive the Subsidy Funds as provided under the terms of this Agreement, HSL has the option to terminate the affected Individual Subsidy Agreement and this Agreement (as applicable) for breach effective immediately upon notice from HSL to Company and the affected Authorized Employee(s).
- (b) Expiration of subsidy period. If not earlier terminated pursuant to paragraph 5(a) herein, the Authorized Employee's benefits under his or her Individual Subsidy Agreement(s) shall automatically terminate as of the effective date of termination specified in the Individual Subsidy Agreement, and no additional Subsidy Funds for that Authorized Employee shall be applied subsequent to such date.
- (c) Payment obligations upon termination of subsidy. Upon termination of the Individual Subsidy Agreement, beginning with the first monthly payment of principal and interest due after the termination of said agreement and continuing for the remainder of the term of the respective Mortgage Loan, the Authorized Employee shall pay the entire monthly installment of principal and interest, as provided in his or her Mortgage Note. After termination of each Individual Subsidy Agreement, Company shall still be responsible for paying any unpaid Subsidy Funds and late charges due and owing to HSL during the term of said agreement. Similarly, HSL shall, within sixty (60) days of the effective date of termination, be responsible for paying to Company any remaining Subsidy Funds received but unapplied under the terms of the respective Individual Subsidy Agreement, as of the effective date of termination.

6. PAYMENT LIABILITY UNDER THE MORTGAGE NOTE

During the full term of each Mortgage Note, including the subsidy period, each Mortgage Loan will amortize at its Mortgage Note interest rate. Each Authorized Employee will remain primarily liable for payment of the full monthly payment of principal and interest as provided in the Authorized Employee's Mortgage Note, and for all other obligations of the Authorized

Employee as provided in his or her Mortgage Note and Mortgage, notwithstanding the Company's obligations under this Agreement. The Company is not a borrower, co-signer or obligor on the Authorized Employee's Mortgage Note and has no obligation to repay any portion of the amounts due under the Mortgage Note.

7. INDEMNIFICATION

The Company agrees to indemnify HSL, its officers, directors, agents and employees, and any other person or entity who acquires any interest in any Authorized Employee Mortgage Loan, and defend and hold them harmless against any liability or loss resulting from (i) any failure by the Company, its officers, directors, agents and employees to comply with any and all applicable federal, state and local income tax laws and regulations in connection with this Agreement or the Plan; and (ii) any claim of any Authorized Employee arising out of the Plan, this Agreement or out of the Company's termination of this Agreement or the Plan, except to the extent such claim arises from the acts or omissions of HSL, its officer, directors, agents and employees.

HSL agrees to indemnify the Company, its officers, directors, agents and employees, and defend and hold them harmless against any liability or loss resulting from (i) any failure by HSL to comply with any and all applicable federal, state and local laws and regulations in connection with this Agreement or the Plan; and (ii) any claim of any Authorized Employee arising out of the Plan, this Agreement or out of the Company's termination of this Agreement or the Plan, to the extent such claim arises from the acts or omissions of HSL, its officer, directors, agents and employees.

With respect to the provisions of Section 13 of this Agreement, each party shall indemnify, defend and hold harmless the other parties against any and all losses, damages, claims, expenses and attorneys' fees incurred or suffered by the other parties as a result of a breach of Section 13 of this Agreement by the indemnifying party or any of its representatives, including without limitation the cost of notifying any customer or consumer of any unauthorized access to Nonpublic Personal Information (as defined below).

8. TERMINATION OF AGREEMENT

In addition to termination as provided in paragraph 5(a) herein, this Agreement may be terminated by either HSL or the Company upon ninety (90) days prior written notice to the other party, but no termination of this Agreement shall affect the rights of the parties with respect to (a) Mortgage Loans held by HSL, its successors or assigns, including but not limited to any subsidy Mortgage Loan, originated by HSL under the terms of any Authorized Employee's Individual Subsidy Agreement, or (b) Mortgage Loans committed to be made by HSL but unfunded as of the date of termination. Termination of this Agreement does not terminate any Authorized Employee's Individual Subsidy Agreement or any obligation by Company as it relates to any such individual subsidy agreement, including but not limited to Company's Subsidy Fund payment obligation.

9. NOTICES

Except as to communications under paragraphs 1 and 2, all notices, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person, by reputable express mail carrier, or by United States mail, certified or registered with return receipt requested to the address(es) as follows:

If to Company: Jim Bridger Plant
 PO Box 158
 Point of Rocks, WY 82942
 Attn: Bob Arambel

If to HSL: HomeServices Lending
 333 South 7th Street, 27th Floor
 Minneapolis, MN 55402
 Attn: General Counsel

with a copy to: Wells Fargo Home Mortgage
 One Home Campus
 MAC X2406-011
 Des Moines, Iowa 50328-0001
 Attn: General Counsel

The persons and addresses to whom mailings or deliveries shall be made may change by notice to the other party.

10. SUCCESSORS AND ASSIGNS

All terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective transferees, successors and assigns.

11. GOVERNING LAW

This Agreement shall be construed and enforced in accordance with the laws of the State of Iowa.

12. ENTIRE AGREEMENT

This Agreement embodies the entire understanding of the parties and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof. This instrument may only be amended or modified by written instrument signed by both parties or their duly authorized agents.

13. CONFIDENTIALITY

(a) Confidential Information.

(1) "Confidential Information" means any information that is transmitted or otherwise provided by or on behalf of one party (the "Discloser") to any other party (the "Recipient") to this Agreement in connection with, or as a result of, this Agreement and which should reasonably be understood by the Recipient to be proprietary and/or confidential to the Discloser.

(2) Confidential Information also includes (a) "nonpublic personal information" about "customers" and "consumers" (as those terms are defined in Title V of the Gramm-Leach-Bliley Act and its related privacy regulations), and (b) any information subject to Section 628 of the Fair Credit Reporting Act and any related regulations or guidelines (collectively referred to in this Agreement as "Nonpublic Personal Information"). Title V of the Gramm-Leach-Bliley Act, Section 628 of the Fair Credit Reporting Act, and any related regulations or guidelines, are collectively referred to in this Agreement as the "Privacy Regulation."

(3) Confidential Information does not include information that (i) is in the public domain as demonstrated by written or other tangible evidence or enters into the public domain through no wrongful act or breach of any obligation of confidentiality by a Recipient; (ii) was in the knowledge and possession of Recipient free of any confidentiality obligation, or was independently developed by Recipient prior to the time it was disclosed to Recipient by Discloser; (iii) is at any time rightfully received by the Recipient from a third party who has an independent right to such information; or (iv) is identified by Discloser as no longer confidential or is approved in writing for release by the Discloser prior to such release.

(b) Protection of Confidential Information

(1) Recipient acknowledges that Confidential Information has been developed or obtained by Discloser by the investment of significant time, effort and expense, and that Confidential Information is a valuable, special and unique asset of Discloser, which provides Discloser a significant competitive advantage. Therefore, Recipient agrees to hold in confidence and to not disclose Confidential Information to any person or entity, except as expressly authorized in this Agreement or otherwise with the express prior written consent of Discloser.

(2) Recipient agrees (i) to use Confidential Information solely for the purpose of carrying out the transactions undertaken in the context of such business relationship; (ii) to not, directly or indirectly, otherwise use any Confidential Information for Recipient's own benefit or on its own behalf or for the benefit or on behalf of others for any other purpose; (iii) to use the same degree of care to maintain the security of Confidential Information as Recipient uses to protect its own confidential and proprietary information (which shall be a degree of care not less than may be required by applicable law, if any, or otherwise as followed in the industry); (iv) to safely and securely dispose of all Confidential Information, and (v) to disclose Confidential

Information to Recipient's Representatives under confidentiality obligations consistent with this Agreement and only on a need-to-know basis for performance of such Representative's duties in connection with an authorized use of the Confidential Information.

(c) Special Provisions for Use of Nonpublic Personal Information.

(1) Each Recipient represents and warrants to the Discloser with respect to any Nonpublic Personal Information disclosed to it: (i) Recipient controls access to the network (information system) on which any such Nonpublic Personal Information is stored, through the compliance with and utilization of its information security measures which restrict access; and (ii) Recipient shall comply with its information security measures.

(2) Each Recipient covenants to the other parties that with respect to Nonpublic Personal Information Disclosed to the Recipient under this Agreement, the Recipient will (i) comply with the terms and provisions of the Privacy Regulation, including the provisions regarding the sharing of Nonpublic Personal Information; (ii) not disclose or use any Nonpublic Personal Information that it receives from a Discloser except to carry out the purposes for which such Nonpublic Personal Information was provided, or as otherwise permitted by the Privacy Regulation and other applicable laws; (iii) comply with its information security standards; (iv) properly and securely dispose of all Nonpublic Personal Information; (v) not make any changes to its security measures that would increase the risk of an unauthorized access; and (vi) not disclose any Nonpublic Personal Information disclosed to it to any other entity, except as follows: (A) to Discloser's affiliates, with the prior consent of Discloser; (B) to its own affiliates, provided, that its affiliates may, in turn, disclose and use the information only to the extent that Recipient may disclose itself and use the information; and (C) to a nonaffiliated third party, in the ordinary course of business in order to carry out the activity for which the information was disclosed to Recipient pursuant to one of the exceptions to the Privacy Regulation. Recipient agrees to promptly notify any customer whose Nonpublic Personal Information is accessed by any unauthorized person while in the custody of Recipient or any of its affiliates or subcontractors. Provided, that with respect to any consumer who becomes a customer of HSL, the use of Nonpublic Personal Information of such customer by HSL shall thereafter be governed by HSL's then-current Privacy Policy and all applicable state and federal law, and not this Agreement.

(d) The parties agree that the Confidential Information disclosed pursuant to this Agreement are of a special, unique, and extraordinary character, that the Discloser would be irreparably harmed by any disclosure of the Confidential Information in violation of this Agreement, and that the use of the Confidential Information for the business purposes of any party other than in connection with this Agreement or any third party, would enable such party or third party to compete unfairly with the Discloser. For these reasons, the Recipient agrees that the Discloser shall be entitled to injunctive relief to prevent further use and/or disclosure in addition to all other remedies available to the Discloser in law or in equity for any breach of this Agreement.

HOMESERVICES LENDING

(Signature)

(Name)

(Title)

PACIFICORP ENERGY



(Signature)

Bob Arambel

(Name)

Managing Director, Jim Bridger Plant

(Title)

EXHIBIT 6

Employee Home Equity Financing Guaranty Agreement between
Wells Fargo Home Equity and PacifiCorp Energy

Employee Home Equity Financing Guaranty Agreement

- 1. Parties.** The Parties to this Employee Home Equity Financing Guaranty Agreement dated October 22, 2007 ("Agreement"), are PacifiCorp Energy a division of PacifiCorp, an Oregon corporation (collectively with all its affiliates, subsidiaries, officers, directors, members, managers, employees, agents, accountants and attorneys "PacifiCorp") ("Employer") and Wells Fargo Home Equity a division of Bank, National Association ("Wells Fargo Home Equity") (Employer and Wells Fargo Home Equity are individually and collectively the "Party" and the "Parties" respectively.).
- 2. Recitals.** This Agreement documents the terms and conditions under which Wells Fargo Home Equity will offer Employer's Eligible Employees (as designated by Employer in writing pursuant to Attachment A) home equity financing. As set forth herein, Wells Fargo Home Equity shall provide Eligible Employees with a home equity loan secured by a second or subordinate position lien on the Eligible Employee's residence, the repayment of which is guaranteed in whole by the Employer (the "Loan"). Employer agrees that the Employer shall purchase the Loan of any Eligible Employee whose employment with Employer terminates for any reason or who has defaulted in his/her obligations under the Loan and that Employer guarantees all payments to Wells Fargo Home Equity of principal, interest, costs and expenses for each such Loan.
- 3. Agreement.** In consideration of the mutual promises in this Agreement and for other good and valuable consideration, the receipt and adequacy of which the Parties hereby acknowledge, Wells Fargo Home Equity agrees to make Loans to Eligible Employees as defined in Attachment A to this Agreement, in accordance with the Lending Procedures set forth in Attachment A to this Agreement ("Lending Procedures"), a copy of which is attached hereto and incorporated herein by this reference as though set forth in full. Employer agrees to purchase the Loan of any Eligible Employee in the event that the Eligible Employee's employment with Employer terminates for any reason whatsoever or in the event that the Eligible Employee defaults under the terms of the Loan documents, including but not limited to the loan agreement, the mortgage, or the deed (the "Loan Documents") Furthermore, the Employer agrees to guaranty all payments of principal and interest, as well as the reasonable costs and expenses incurred by Wells Fargo Home Equity, if any, in connection with each Loan.
- 4. Purchase of Loan.** In the event Eligible Employee's employment has terminated, Employer shall promptly notify Wells Fargo Home Equity in writing and Employer is obligated to purchase the Loan. Within ten (10) days of its receipt of such notification, Wells Fargo Home Equity shall notify Employer in writing of the purchase price for such Loan. In the event that the Eligible Employee has defaulted in his/her obligations under the Loan Documents, Wells Fargo Home Equity shall notify the Employer in writing of the default and the amount of the purchase price for such Loan. The purchase price shall equal the unpaid principal balance of such Loan plus all accrued and unpaid interest,

unpaid closing costs, as well as costs, and expenses, if any, thereon up to the date that Wells Fargo Home Equity sells, transfers and assigns the Loan to Employer. Employer shall remit payment for any purchased Loan to Wells Fargo Home Equity by wire or Employer's check within thirty (30) days of receipt of notification by Wells Fargo Home Equity of the purchase price of the Loan..

5. **Employer Guaranty.** To induce Wells Fargo Home Equity to make Loans to Eligible Employees, Employer absolutely and unconditionally guaranties to Wells Fargo Home Equity the full and prompt payment when due of each and every Loan, including all monthly and annual payments of interest or principal and interest, payments due at maturity, payments due upon acceleration of the Loan, payments due in the event Employer purchases a Loan, and closing costs for each Loan including, but not limited to, title insurance, homeowner's insurance, flood insurance (if required), recording fees, origination fees, commitment fees, and any state or local taxes and any other costs or expenses incurred in connection with the collateral property or Eligible Employee's default, if any. Employer understands that this guaranty is irrevocable; that this guaranty is one of payment and not collection, which means Wells Fargo Home Equity can insist that Employer pay it immediately; that Wells Fargo Home Equity is not required to attempt to collect from an Eligible Employee; and that if any moneys become available to apply to a Loan, Wells Fargo Home Equity shall apply them in accordance with the terms of the written Loan agreement between Wells Fargo Home Equity and such Eligible Employee. Employer understands and agrees that Wells Fargo Home Equity has information or may obtain information regarding the Eligible Employee that is protected by law from disclosure to Employer. Furthermore, Employer agrees that Wells Fargo Home Equity is not required to exercise any rights that it has against an Eligible Employee or the collateral property in order for Wells Fargo Home Equity to exercise its rights under this Agreement.

If Employer is a corporation, Employer represents and warrants that it expects to derive substantial benefits from the Eligible Employee and from any Loans, and that this guaranty is given for a corporate purpose. So long as this guaranty remains in effect, Wells Fargo Home Equity may rely conclusively on a continuing warranty, hereby made, that Employer continues to be benefited by this guaranty and Wells Fargo Home Equity shall have no duty to inquire into or confirm the receipt of any such benefits, and this guaranty shall be effective and enforceable by Wells Fargo Home Equity without regard to the receipt, nature or value of any such benefits.

It is the intent of Employer and Wells Fargo Home Equity that Employer's obligations and liabilities under this Section shall be absolute and unconditional under any and all circumstances. Employer waives (a) any and all requirements that Wells Fargo Home Equity institute any actions or proceedings or exhaust any or all Wells Fargo Home Equity's rights or remedies against any Eligible Employee or any other person as a condition precedent to requesting payment from Employer under this Guaranty, and (b) any defense arising by reason of any disability, insolvency, lack of capacity or authority, death or any other defense of any Eligible Employee, it being agreed that Employer shall

remain liable hereunder, regardless of whether Eligible Employee or any other person is not liable under the Loan Agreement for any reason.

6. Expenses. Wells Fargo Home Equity shall bear the expense of preparing, delivering and mailing all Loan Documents, forms, statements and notices, including adverse action notices, required by law to be delivered to Eligible Employees. Each Party to this Agreement shall otherwise pay its own costs and expenses (including attorneys' fees) incurred with the preparation, negotiation, and administration of this Agreement. Nothing in this Section 6 shall be construed to limit or qualify Employer's obligations to reimburse and indemnify Wells Fargo Home Equity in connection with certain expenses incurred by Wells Fargo Home Equity, as more fully provided in this Agreement.

7. A. Representations and Warranties of Employer. Employer represents and warrants to Wells Fargo Home Equity that:

Employer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it has been incorporated and has the corporate power and authority necessary to own its assets, carry on its business and enter into and perform its obligations hereunder.

The execution, delivery and performance of this Agreement are within Employer's power and authority, have been duly authorized by all necessary corporate action, and do not contravene (i) Employer's articles of incorporation or by-laws, (ii) any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or (iii) any contractual restriction binding on or affecting Employer or its assets.

(3) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery or performance by Employer of this Agreement.

(4) The Agreement is, or when executed and delivered by Employer will be, the legal, valid and binding obligation of Employer enforceable against Employer in accordance with its terms.

B. Representations and Warranties of Wells Fargo Home Equity. Wells Fargo Home Equity represents and warrants to Employer that:

(1) Wells Fargo Home Equity (i) is a national banking association, validly existing and in good standing under the laws of the United States of America, and (ii) has the power and authority necessary to own its assets, carry on its business and enter into and perform its obligations hereunder.

- (2) The execution, delivery and performance of this Agreement are within Wells Fargo Home Equity's power and authority, have been duly authorized by all necessary action, and do not contravene (i) Wells Fargo Home Equity's charter or by-laws, (ii) any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or (iii) any contractual restriction binding on or affecting Wells Fargo Home Equity or its assets.

No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery or performance by Wells Fargo Home Equity of this Agreement.

The Agreement is, or when executed and delivered by Wells Fargo Home Equity will be, the legal, valid and binding obligation of Wells Fargo Home Equity enforceable against Wells Fargo Home Equity in accordance with its terms.

8. **Credit Qualification on Loans.** Employer understands that its obligations and responsibilities hereunder apply regardless of whether Wells Fargo performs a credit qualification of the Eligible Employee and the Eligible Employee's residence and/or requires that the Eligible Employee and the Eligible Employee's residence meet Wells Fargo Home Equity's then current credit underwriting standards. In its sole discretion, Wells Fargo Home Equity may agree to make Loans available to Eligible Employees based on the Employer's guaranty and agreement hereunder; however, it is Wells Fargo Home Equity's intent to require each Eligible Employee and the Eligible Employee's residence to meet Wells Fargo Home Equity's then current credit underwriting standards. Nevertheless, whether Wells Fargo Home Equity requires or does not require credit qualification with respect to any Loan(s), the Employer's guaranty and repurchase obligations as to the Loan(s) shall not be changed, limited or modified in any way. Employer agrees that Wells Fargo Home Equity has no duty to share with or disclose to, and in fact, is prohibited by law, from disclosing any information resulting from any credit qualification of the Eligible Employee or the Eligible Employee's residence with the Employer.
9. **Modification, Renewal or Extension of Loans.** In the event that Employer fails to meet its obligations hereunder, including but not limited to, its timely failure to purchase a Loan or its timely failure to make the required payments on a Loan, Wells Fargo Home Equity may modify, renew or amend the Loan, in accordance with applicable law and prudent commercial and consumer banking standards. Notwithstanding any such modification, renewal or extension, the Loan shall remain subject to the Employer's guaranty of payment and purchase obligation as described herein.
10. **Indemnification.** Except as otherwise provided in this Agreement, Employer agrees to indemnify and hold Wells Fargo Home Equity harmless from and against all liability,

loss, damage and expense (including the actual and reasonable cost and expense of enforcing its rights under this Section, if any) actually suffered or incurred by Wells Fargo Home Equity in any case where such liability, loss, damage or expense arises from or relates to any breach by Employer of any representation or warranty made by Employer hereunder, or the failure by Employer to observe any of its covenants or obligations hereunder. Except as otherwise provided in this Agreement, Wells Fargo Home Equity agrees to indemnify and hold Employer harmless from and against all liability, loss, damage and expense (including the actual and reasonable cost and expense of enforcing its rights under this Section, if any), actually suffered or incurred by Employer in any case where such liability, loss, damage or expense arises from or relates to any breach by Wells Fargo Home Equity of any representation or warranty made by Wells Fargo Home Equity hereunder, or by the failure by Wells Fargo Home Equity to observe any of its covenants or obligations hereunder. The Parties' obligations under this Section 10 shall survive the termination of this Agreement.

11. **Termination.** Either Party may terminate this Agreement by giving the other Party written notice thereof. Such termination shall be effective thirty (30) days after receipt of such written notice, except that any such termination shall not affect the rights and obligations of the Parties hereunder in respect to any Loans outstanding as of termination and any advances to be made thereafter pursuant to the terms of any Loans outstanding, including the obligations of Employer under Sections 4 and 5 of this Agreement and the obligations of Employer and Wells Fargo Home Equity under Sections 8 through 10 and 15 of this Agreement.
12. **Notices.** All notices and other communication by either Party under this Agreement shall be in writing, and shall be (a) personally delivered, (b) transmitted by telegram, telecopier or telefacsimile, or (c) mailed via United States registered or certified mail, return receipt requested, electronic mail, postage prepaid, to the other Party at its address indicated below, or to such other address as such other Party shall specify by notice hereunder. A notice or other communication to a Party shall be effective the date of delivery to such address of the Party.

If to Employer:

Jim Bridger Plant
PO Box 158
Point of Rocks, WY 82942
Attn: Bob Arambel

If to Wells Fargo Home Equity:

Sandra Leyerle
Administrative Assistant
526 Chapel Hills Drive
Colorado Springs, CO 80920
MAC # C7622-01W
Phone: (719) 264-4095

13. **Assignment and Binding Effect.** This Agreement shall not be assigned or transferred by either Party without the prior written consent of the other Party, provided, however, Wells Fargo Home Equity may assign Loans and the right to make Loans from time to time to its affiliates, and Wells Fargo Home Equity shall promptly notify Employer of any such assignment. Any assignment attempted in violation of this Agreement shall be null and void. This Agreement and the Parties' respective rights and obligations hereunder shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

14. **Entire Agreement.** This Agreement and the Attachments hereto constitute a complete statement of all the arrangements between the Parties as of the date hereof with respect to the transactions contemplated hereby, and supersede all prior agreements and understandings between them relating to the subject matter hereof. This Agreement may be modified, revised or amended only by consent of the Parties as evidenced by a written agreement duly executed by the Parties hereto.

15. **Settlement of Disputes.**

A. Binding Arbitration Required. Upon the demand of either Party, any Dispute shall be resolved by binding arbitration in accordance with the terms of this Section 14 except as set forth in subsection (e) below. A "Dispute" shall mean any action, dispute, claim or controversy of any kind, whether in contract or tort, statutory or common law, legal or equitable, now existing or hereafter arising under or in connection with, or in any way pertaining to this Agreement. Any Party may, by summary proceedings, bring an action in court to compel arbitration of a Dispute. Any Party who fails or refuses to submit to arbitration following a lawful demand by the other Party shall bear all costs and expenses incurred by such other Party in compelling arbitration of any Dispute.

B. Arbitration Association and Rules. Arbitration proceedings shall be administered by the American Arbitration Association ("AAA"), or such other administrator as the Parties shall mutually agree upon. Arbitration shall be conducted in accordance with the AAA Commercial Arbitration Rules. If there is any inconsistency between the terms hereof and any such rules, the terms and procedures set forth herein shall control. All Disputes submitted to arbitration shall be resolved in accordance with the Federal Arbitration Act (Title 9 of the United States Code): The arbitration shall be conducted at a location in California selected by the AAA or other administrator. All statutes of limitation applicable to any Dispute shall apply to any arbitration proceeding. All discovery activities shall be expressly limited to matters directly relevant to the Dispute being arbitrated. Judgment upon any award rendered in an arbitration may be entered in any court having jurisdiction; provided however, that nothing contained herein shall be deemed to be a waiver, by any Party that is a bank, of the protections afforded to it under 12 U.S.C. §91 or any similar applicable state law.

C. Ancillary Remedies. No provision hereof shall limit the right of either Party to obtain provisional or ancillary remedies, including without limitation injunctive relief, attachment or the appointment of a receiver, from a court of competent jurisdiction before, after or during

any arbitration or other proceeding. The exercise of any such remedy shall not waive the right of a Party to compel arbitration hereunder.

D. Arbitrator & Choice of Law. Arbitrators must be active members of the California State Bar or retired judges of the state or federal judiciary of California, with expertise in the substantive laws applicable to the subject matter of the Dispute. Arbitrators are empowered to resolve Disputes by summary rulings in response to motions filed prior to the final arbitration hearing. Arbitrators (i) shall resolve all Disputes in accordance with the substantive law of the state of California, (ii) may grant any remedy or relief that a court of the state of California could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award, and (iii) shall have the power to award recovery of all costs and fees, to impose sanctions and to take such other actions as they deem necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the California Rules of Civil Procedure or other applicable law. Any Dispute in which the amount in controversy is \$5,000,000 or less shall be decided by a single arbitrator who shall not render an award of greater than \$5,000,000 (including damages, costs, fees and expenses). By submission to a single arbitrator, each Party expressly waives any right or claim to recover more than \$5,000,000. Any Dispute in which the amount in controversy exceeds \$5,000,000 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations.

1. Findings and Conclusions. Notwithstanding anything herein to the contrary, in any arbitration in which the amount in controversy exceeds \$5,000,000, the arbitrator shall be required to make specific, written findings of fact and conclusions of law.

2. Damages. The arbitrator(s) shall have no authority to award punitive or other damages not measured by the prevailing Party's actual damages, except as may be required by statute. The arbitrator(s) shall not award incidental or consequential damages in any arbitration initiated under this Section.

3. Other. To the maximum extent practicable, the AAA, the arbitrators and the Parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. No arbitrator or other Party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a Party required in the ordinary course of its business, by applicable law or regulation, or to the extent necessary to exercise any judicial review rights set forth herein. This arbitration provision shall survive termination, cancellation, expiration or amendment of the Agreement or any other relationship between the Parties.

- 16. Governing Law.** The laws of the State of California, without regard to conflicts of law principles, shall govern the execution, interpretation and performance of this Agreement.
- 17. Joint Document.** This Agreement has been, and shall be construed to have been, drafted by Employer and Wells Fargo Home Equity.

18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original; however, all such counterparts shall together constitute one and the same instrument.
19. **Waiver.** Failure of any Party to insist, in any one or more instances, on strict performance of any provisions of this Agreement, or to exercise any right, remedy or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver or relinquishment for the future of any such provisions, rights, remedies or options, and no waiver of any provision of this Agreement shall be deemed effective unless made in writing and signed by the Parties hereto.
20. **Severability.** Wherever possible, any provision of this Agreement shall be interpreted in such manner as to be effective and valid under Governing Law, but if any provision of this Agreement shall be prohibited by or invalid under Governing Law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

Wells Fargo Bank, National Association

PacifiCorp Energy

By: _____

By: Robert Arambel

Name: _____

Name: Bob Arambel

Title: _____

Title: Managing Director, Plant