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## Foundation Coal Holdings, Inc. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you. Our first question comes from the line of Jim Rollyson with Raymond James. Please proceed with your question.

#### Jim Rollyson – Raymond James

Good morning everyone.

#### Jim Roberts

Good morning.

#### Kurt Kost

Hi, Jim.

#### Jim Rollyson – Raymond James

Jim, you are talking about timing of Northern App the long wall move in the third quarter and obviously having both long walls back in the fourth quarter, so, as far as a volumes go you are going to be fourth quarter weighted. And I know you'll usually give this the detailed guidance, but any thoughts on the second half relative to your full year guidance. What you think the overall weighting might look like? How much more fourth quarter versus third quarter just on timing?

#### Jim Roberts

Well, if you look at what we expect on each mine on a single long wall basis it's about, it's about 25,000 in round numbers clean tons per day. You have to base it on the number of days that the wells will be running and we expect in the fourth quarter that all three. This means two primary wells with one backup will be available throughout all of the fourth quarter. There may be a couple of days in October of ramping up the backup long wall, but the primary long wall will be running full time.

The fourth quarter and a comparative basis to the third quarter will be minus the long wall move at Cumberland. Cumberland will be down approximately 10 or 12 days in the third quarter moving its drilled well. We won't have that in the first quarter. We'll have approximately two weeks more production, in the first quarter. If you want to look at the total times from a perspective just to track what we have produced in the first half \$14 million tons, which is what we expect to do in the second half of the year.

**Jim Rollyson – Raymond James**

To return to the bigger picture commentary, you talked about just all the fundamental drivers of what's going on and the volatility in kind of the financial markets. Have you seen the same kind of volatility in your contract discussions with folks in the last month, it looks like we have seen and say the NYMEX?

**Jim Roberts**

Jim, let me just correct something you just said. You said the back half would be \$6.5 included in our shipments from the Northern App is purchased coal.

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