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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Gen. Coal. Corresp

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June 30, 1992

TO: Dianne R. Nielson, Director
Lowell P. Braxton, Associate Director, Mining
Daron Haddock, Permit Supervisor

FROM: Pamela Grubaugh-Littig, Permit Supervisor *pgl*

RE: Coal Bond Status Report as of June 30, 1992

Attached is a copy of the current coal bond status report. Presently, the coal program has a total of \$45,736,804.60 in various forms of reclamation bonds.

Corporate Sureties (26)	\$37,170,719.60	81%
Irrevocable Letters of Credit (5)	\$ 3,291,797	7%
Subordination Agreements (Real Estate) (3)	\$ 2,860,288	6%
Self Bond (1)	\$ 2,329,000	5%
Certificate of Deposit (1)	\$ 75,000	less than 1%
Cash (1)	\$ <u>10,000</u>	less than 1%
	\$45,736,804.60	

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Attachment
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COAL BONDS

As of June 30, 1992

Dollar Year	NAME OF PROJECT	Disturbed Surface Acres	Present Bond Amount	Type of Bond Posted	Principal Holder (Best's Rating) 1991	Year Date Posted (Ridered)	Cost per Acre	Date Original Permit Issued (5-Yr Renewal)	Comments
1989	Valley Camp of Utah, Inc. Belina Mines Complex ACT/007/001	79	\$2,300,000	Surety (Ridered)	Federal Insurance Co. #8099-56-50 (A+)	6/29/84 (11/30/89)	\$29,114.00	8/24/84 (11/17/89)	Bond #8093-48-78 for \$190,000 Released 2/90
1986	Blackhawk Coal Company Willow Creek INA/007/002	4.2	\$10,000	Surety	Safeco Insurance Co. #5615354 (A+)	7/12/84 (7/30/90)	\$2381.00	12/24/84	(Original Posted) (Released \$91,550 8/13/85) \$2,585,609 released 7/30/90
1987	Amax Coal Industries Castle Gate Mine ACT/007/004	134.5	\$2,683,603	Surety	National Fire Insurance Company Hartford #929-80-55 (A+)	1/31/86	\$19,952.00 Permit Transfer	12/24/84 (12/24/90)	
1994	Coastal States Energy Skyline Mine ACT/007/005	62.41	\$3,180,000	Surety	United Pacific Ins. Co. #U605244-6 (A-)		\$42,493.00	6/20/80 (4/30/87) (5/1/92)	Original Bond Amount - \$1,850,500 (6/20/89); Bonds replaced 7/30/90; Rider added 3/15/90; Rider added 6/9/92
1993	Cyprus-Plateau Mining Co Star Point Mine ACT/007/006	173.2	\$4,830,000	Surety	Aetna Casualty & Surety Co. 64ST00208576BCA (A)	11/26/85	\$27,887.00	(8/7/87) (1/28/92)	Reclamation Agreement Signed 11/2/90; Ridered *termination* language 9/91
1991	Sunnyside Coal Company Sunnyside Mine ACT/007/007	287.4	\$2,639,088	Combination	C.D. Issued for \$75,000 at Zions First National Bank.* First Deed of Trust for Undisturbed Land and Water Rights; Agreement 8/28/89	8/31/89	\$9,182.63	1/6/86 (1/6/91)	*Escrow Agreement Finalized 6/90 3/13/89 Active Status; Transferred from Kaiser Coal Co. 5/26/89
	Kaiser Coal Corp. Sunnyside Mine ACT/007/007		(\$3,397,349)		Filed Chapter 11 2/13/87; Agreement with SRS 3/9/89; Transferred to SRS Replaced by SRS Bond	1/6/86			

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1984	Sunedco Sage Point-Dugout Canyon REV/007/009	No Disturbance	(\$611,875) (Released)	Surety (Released)	Federal Insurance Co. #8090-86-10 (A+)	12/8/80	Bond released 5/19/87 No disturbance	(Permit Revoked) 5/19/87	
1991	U. S. Fuel Co. Hiawatha Mines Complex ACT/007/011	290	\$1,450,000 \$2,329,000	Surety Self Bond	Insurance Company of North America K01733369 (A) DOGM and OSM	4/15/83 12/16/86	\$13,031.00	3/13/87 (3/13/92)	
	Kaiser Coal Corp. Wellington Prep. Plant ACT/007/012	356	(\$4,360,775)	Self-Bond	Division of Oil, Gas and Mining; Filed Chapter 11 2/13/87; Replaced by Genwal ILOC	1/31/86 Permit Transferred 10/10/89	\$12,249.00	12/10/84	Bankrupt
1989	Castle Valley Resources Wellington Prep. Plant ACT/007/012	356	\$2,591,000	Surety Bond	Safeco Insurance Co. #5612986 (A+)	10/26/89	\$ 7,278.00	(12/10/89)	Permit Transfer to Genwal 10/10/89; Permit Transfer to Castle Valley Resources 12/5/91
1989	Kaiser Coal Corp. Geneva (Horse Canyon Mine) ACT/007/013	50	(\$918,649)	Self Bond	Division of Oil, Gas and Mining, and OSM	Filed Chapter 11 2/13/87	\$18,373.00		Transferred from U.S. Steel 11/4/85
1991	Kaiser Coal Corp. Horse Canyon Mine ACT/007/013	50	(\$1,359,600)	Irrevocable Letter of Credit	Chase Manhattan Bank No. PG632732	4/12/90			Released by OSM 1/26/91; DOGM 1/27/91
1991	Intermountain Power Agency Horse Canyon Mine ACT/007/013	50	\$1,950,002	Irrevocable Letter of Credit	Zions First National Bank	7/2/90		5/6/91	IPA Acquired Horse Canyon Mine 4/5/90; Permit Issued 5/6/91; Bond Increased 5/3/91
1994	Mountain Coal Co. Gordon Creek #2, 7 & 8 ACT/007/016	17.58	\$641,443 \$45,900	Surety Surety	United Pacific Insurance Co U-62-99-65 (A-) #8082-93-00 (A-)	8/14/87 11/22/77	\$39,098.00	8/27/84 (8/28/89)	Ridered "termination" language 9/91

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1991	Mountain Coal Co. Gordon Creek #3 & #6 ACT/007/017	17.3	\$138,400	Surety	United Pacific Insurance Co. U-629895 (A-) Phase I-Bond Release Effective 6/26/87 Ridered 7/13/87	9/19/86 7/13/87	\$8,000.00	9/19/86 (11/13/91)	Original Bond Amount \$346,000
1989	Soldier Creek Coal Co. Soldier Canyon Mine ACT/007/018	22.80	\$3,238,000	Surety	Federal Insurance Co. #8107-37-63 (A+) Rider	9/87 (5/91)		6/10/85 (2/3/92)	Increased from \$577,000 5/2/91; Increased in conjunction with renewal
1986	Andalex Resources Centennial Project ACT/007/019	34.2	\$381,839 \$699,000	Surety Surety	Utica Mutual Insurance #34593 (A) & SU1354086	5/16/83 (7/3/90)	\$31,603.00	1/4/82 (3/3/87) (1/3/92)	Increased to \$1,080,839 on 7/3/90
1986	North American Equities Blazon #1 Mine REC/007/021	1.5	\$38,000 (Forfeited)	Irrevocable Letter of Credit S43865	United Bank of Denver	5/5/89	\$25,333.00	11/12/85	LOC with First Interstate Bank replaced 2/91; Amount reduced from \$48,400 4/30/91; Bond forfeited 5/24/91-Cashier's Check to Division
1994	Mountain Coal Co. C.V. Spur ACT/007/022	160	\$2,441,745	Surety	United Pacific Insurance Company (A-) U-629894	4/22/87	\$15,260.00	8/6/85 (8/6/89)	Ridered "termination" language 9/91
1993	Andalex Resources, Inc. Wildcat Loadout Facility ACT/007/033	60	\$813,795	Irrevocable Letter of Credit	Citizen's Fidelity Bank #13076	4/24/92	\$13,563.00	5/5/89	Changed from Pittsburgh National Bank in 4/92
1993	Soldier Creek Coal Co. Banning Sliding ACT/007/034	21.4	\$211,000	Surety	Federal Ins. Co. #8107-37-63 (A+)	10/12/88	\$9,860.00	10/24/88	
1996	Western States Minerals J. B. King ACT/015/002	28	\$126,078	Surety	Seaboard Surety Co. #104570 (A+) Phase I Bond Release (effective 5/20/86) Ridered-4/28/86	(4/28/86)	\$4,503.00	8/13/85 (8/13/90)	Original Bond Amount - \$262,577

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1989	Mountain Coal Co. Huntington #4 ACT/015/004	12.5	\$144,041.60	Surety (Ridered)	Federal Ins. Co. #8082-89-88 (A+) (Phase I-60% bond release effective 11/10/86 rider - 12/31/86)	4/15/85 (12/12/86) 12/12/86	\$11,523.00	4/29/85 (4/29/90)	Original Bond Amount - \$360,102; Ridered "termination" language 9/91
1987	Hidden Valley Coal Co. Hidden Valley Mine REC/015/007	6.7	\$68,606	Surety	St. Paul Fire & Marine Ins. Co. #400 HJ 8041 (A) Phase I bond release effective 7/17/88	12/30/86 (7/17/88)	\$10,239.00	1/28/87 (1/29/92)	Original Bond Amount - \$171,515
1989	Mountain Coal Company Trail Mountain #9 Mine ACT/015/009	9.45	\$662,811	Surety	United Pacific Insurance Co. U63-04-13 (A+)	State Permit issued 2/21/85 Federal Mine Approval Tract 1 & 2 Transfer effective 11/23/87		2/21/85 (2/21/90)	Federal Lease Tract approved 5/15/91; Ridered "termination" language 9/91; Ridered increased amount and disturbance on 4/28/92 (from \$463,711 and from 8.8 acres)
1990	Consolidation Coal Co. Emery Deep ACT/015/015	247	\$3,454,443 (for mine & prep plant areas)	Surety	Seaboard Surety #188617	12/11/85	\$13,986.00	6/8/82 & 1/7/86 (1/8/91)	
1989	Pacificorp Electric Operations Des-Bee-Dove ACT/015/017	74.5	\$1,837,712	Surety	American Casualty Co. of Reading, PA. #926-00-83 (A+)	1/25/85	\$24,667.00	8/29/85 (5/31/91)	New Bond Submitted for PacificCorp 12/90; Ridered "termination" language 9/91
1989	Pacificorp Electric Operations Deer Creek ACT/015/018	56	\$1,724,000	Surety	American Casualty Co. of Reading, PA. #927-21-58 (A+) Rider effective 9/8/88	3/15/85 (9/8/88)	\$30,786.00	2/7/86 (2/7/91)	Waste Rock Storage Added 9/88; Original Bond Amount - \$1,224,000; New Bond Submitted for PacificCorp 12/90; Ridered "termination" language 9/91

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1994	Pacificorp Electric Operations Cottonwood/Wilberg ACT/015/019	66.92	\$2,071,098	Surety	American Casualty Co. of Reading, PA. #924-98-19 (A+)	6/15/84 (11/3/89) (6/7/90)	\$30,949.00	7/6/84 (7/6/89)	Original Bond Amount-\$1,294,522 Ridered 6/7/90 for Waste Rock Site - \$1,586,008 (New Bond Submitted 11/20/90 for Pacificorp with revised amount); Ridered "termination" language 9/91
1994	Co-op Mining Co. Trail Canyon ACT/015/021	10	\$200,000	Irrevocable Letter of Credit	West One Bank #S-557	6/15/89	\$20,000.00	5/30/89	Automatically Renewable
1995	Co-op Mining Co. Bear Canyon ACT/015/025	10	\$290,000	Irrevocable Letter of Credit	Capital City Bank Matures 7/12/92 - #1055	7/12/90 (Amended) (for C.W. Mining) Expires 7/12/92	\$29,000.00	11/1/85 (5/20/91)	Automatically Renewable
1992	Genwal Coal Co. Crandall Canyon Mine ACT/015/032	9.7	\$268,000	Surety	Safeco Ins. Co. #4689175 (A+)	7/30/90	\$27,630.00	(6/14/89)	Replaced ILOC 7/30/90 with Surety
1982	Genwal Coal Co. Crandall Canyon Mine ACT/015/032	5.1	\$10,000	Cash	(Invalid Loadout)	7/11/88			Still held but should probably be released
1991	Southern Utah Fuel Co. Convulsion Canyon Mine ACT/041/002	67.79	\$1,172,000	Surety	Travelers Indemnity Co. #029-899G373-6 (A-) Waste Rock area added 8/88	8/26/88	\$17,288.69	5/19/87 (6/20/92)	Division has ordered readjustment of bond amount to be done by 7/10/92
	Coal Search Corp. Knight Mine ACT/041/005	40	\$800,000	Surety	Seaboard Surety Co. #164898 (A+)	9/16/90	\$20,000.00	10/31/88	Federal Ins. Co. Surety replaced 9/16/90

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1990	New Tech Mining Co. (Exploration) Black Jack #1 Mine ACT/019/004	7.2	(\$30,534.49)	Escrow Account	First Interstate Bank #72-3024-006 Revoked Permit 9/88	1/23/84 & 12/14/79	\$4,241.00		Bond forfeited; Division preparing reclamation contract to complete reclamation in 1992
1990	Summit Minerals Blackhawk Mine REV/043/001	19	\$120,300	Subord. Agreement	Division (Real Estate in Wallsburg, UT) (Permit Denied)	6/4/86	\$6,332.00	2/26/88 Permit Denial	In process of selling collateral bond
1986	Summit Coal Co. Boyer Mine ACT/043/008	7	\$100,900	Subord. Agreement	Division (Real Estate in Park City, Utah) Permit Revoked 8/4/89	8/2/85	\$14,414.00	5/15/87	In process of selling collateral bond

*All of the bonding companies are listed in the Federal Register, June 29, 1990, the Department of Treasury listing of Surety Companies acceptable on Federal bonds.

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