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R645-301-800. BONDING AND INSURANCE.

820. REQUIREMENT TO FILE A BOND.

820.100.

The Mine Permit Renewal Application under R645-301 has been approved, and prior to the permit being issued, Valley Camp of Utah, Inc. filed with the Division, on a form prescribed and furnished by the Division, a bond for performance made payable to the Division and conditioned upon the faithful performance of all the requirements of the State Program, the Mine Permit and the Reclamation Plan.

On November 17, 1989, the Utah Division of Oil, Gas and Mining and Valley Camp of Utah, Inc. entered into a Coal Reclamation and Bonding Agreement.

BOND TYPE (Form of Bond) Performance

BOND (Bond Amount-Dollars) 2.3 Million (1993 Amount Pending)
   (Year-Dollars) 1989

INSTITUTION (Bank or Agency) Federal Insurance Co.
   (CHUBB GROUP of Insurance Co.)
   15 Mountain View Road,
   Warren, New Jersey 07060

POLICY OR ACCOUNT NUMBER: 8099-56-50

LIABILITY INSURANCE (Exp) Ongoing
   (Insurance Company)
   The Home Indemnity Company, P.O. 5160
   Manchester, New Hampshire 03108

POLICY OR ACCOUNT NUMBER GL 99 48 43

For further details see 1993 MRP.

820.110. AREAS TO BE COVERED BY THE PERFORMANCE BOND.

820.111. THRU 820.114.

The bond covers the entire Mine Permit Area which is utilized by Valley Camp's coal mining and reclamation operations.

See Reclamation maps included within the MRP for the effected and disturbed area boundaries.
820.120.

Prior to new surface disturbance, Valley Camp will adjust the performance bond to the amount approved by the Division.

820.130. THRU 820.224.

Valley Camp has furnished the Division (with the submittal of the 1993 MRP) reclamation details and calculations for the purpose of determining a performance bond amount sufficient to cover reclamation costs.

820.300. THRU 820.352. PERIOD OF LIABILITY.

The performance bond liability is for the duration of the coal mining and reclamation operations and for a period which is coincident with Valley Camp's period of extended responsibility for successful revegetation provided in 356, or until achievement of the reclamation requirements of the State Program and permit, whichever is the latter.

830. THRU 830.130. DETERMINATION OF BOND AMOUNT.

The bond amount is to be determined by the Division.

830.140. DETAILED COST ESTIMATE.

See the 1993 MRP.

830.200. THRU 830.300 MINIMUM BOND AMOUNT.

After reviewing the reclamation plan and cost calculations the Division will determine the minimum bond amount. At this time Valley Camp of Utah will provide a new Reclamation Agreement and Bond for the required amount.

830.400. THRU 830.500. ADJUSTMENT OF AMOUNT.

Valley Camp of Utah agrees to re-evaluate the bond whenever the permitted area is altered or the standards of reclamation change.

840. THRU 840.520. GENERAL TERMS AND CONDITIONS.

The bond provided by Valley Camp of Utah meets the General Terms and Conditions.

850. THRU 850.320. BONDING REQUIREMENTS.

The bond will remain in full force until reclamation is completed as described in the approved Reclamation Plan. It is not anticipated that the bond will be fully released until the period of extended responsibility for successful revegetation has expired.
860. THRU 860.380. FORMS OF BONDS.

The bond provided by Valley Camp of Utah is a Surety Bond.

870. THRU 870.200. REPLACEMENT BONDS.

If the current bond is replaced, the replacing bond will provide equivalent coverage and conditions.

880. THRU 880.932. REQUIREMENTS TO RELEASE PERFORMANCE BOND.

Valley Camp of Utah commits to meet the requirements of R645-301-880. through R645-301-880.932.

890. THRU 890.400. TERMS AND CONDITIONS OF LIABILITY.

The policy number the Valley Camp of Utah, Inc. liability insurance policy is GL 99 48 43.