



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

August 5, 1992

David L. Seyler, Assistant Manager of Corporate Accounting
Valley Camp Coal Company
P.O. BOX 900
Oil City, PA 16301

RE: **Bond Replacement, Valley Camp Coal Company, Belina Mine, ACT/007/001,
Folder #4 and Bond File, Carbon County, Utah**

Bond no. 25S100723365 with Aetna Casualty And Surety Company has been accepted by the Division as replacement of bond no. 8099-56-50 with Federal Insurance Company. Enclosed, please find the original bond forms for no. 8099-56-50 as per your request. Also enclosed is a copy of the current bond with Aetna.

Replacement of the bond is considered to be effective December 7, 1991, the date of acceptance of the Stipulation to Revise the Reclamation Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Randall Harden', written over a large, stylized checkmark.

J. Randall Harden, P.E.
Sr. Reclamation Engineer

Enclosures

cc: D. Haddock

doc. bteam\valcam.ltr

Last Revised, July 1989
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

Permit Number ACT/007/001
Expiration Date _____

(FEDERAL COAL)
SURETY BOND
--oo00oo--

THIS SURETY BOND entered into and by and between the undersigned OPERATOR, and SURETY COMPANY, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining, and, the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE) in the penal sum of (\$ 2,300,000.00 *) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of this Reclamation Agreement.

This SURETY BOND shall remain in effect until all applicable rules and the OPERATOR's reclamation obligation have been met and released by the Division of Oil, Gas and Mining.

Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the OPERATOR in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

* Bond Number 8099-56-50

Last Revised, July 1989
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

So agreed this 17th day of November, 19 89.

FOR THE OPERATOR:

Valley Camp of Utah, Inc.
Operator (Company)

WALTER L WRIGHT
Company Officer - Position
Walter L. Wright, President & COO

FOR THE SURETY COMPANY:

Federal Insurance Company
Surety (Company)

John Hunt
Company Officer - Position Attorney-in-Fact

ACCEPTED BY THE STATE OF UTAH:

James P. Nelson
Director Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.



CHUBB GROUP of Insurance Companies

15 Mountain View Road, Warren, NJ 07060

COMPANY

RIDER to be attached to and form a part of Bond No. 8099-56-50 wherein FEDERAL INSURANCE COMPANY is named as Surety, on behalf of Valley Camp of Utah, Inc. as Principal, in favor of State of Utah, Div. of Oil, Gas and Mining, and U. S. Dept. of the Interior, Office of Surface Mining in the sum of \$1,521,000.00 dated 6/29/84 effective 6/29/84

IT IS HEREBY UNDERSTOOD AND AGREED that effective the 17th day of November, 1989 the penalty of this bond is increased from One Million, Five Hundred Twenty One Thousand and 00/100 (\$1,521,000.00) to Two Million, Three Hundred Thousand and 00/100 (\$2,300,000.00) as to losses occurring after the 17th day of November, 1989

Provided, however, that the liability of the Principal and Surety hereon shall not be cumulative or in any event exceed the larger amount referred to herein.

The attached bond shall be subject to all its agreements, limitations and conditions except as herein expressly modified.

Signed, sealed and dated this 14th day of November, 19 89

Valley Camp of Utah, Inc.

By: Walter L Wright (Principal)

Federal Insurance Company:

By: Mary Elizabeth Hammock (Mary Elizabeth Hammock, Attorney-in-Fact)

ACCEPTED By: [Signature] (Obligee)

11 of 24

POWER OF ATTORNEY

Know all Men by these Presents, That the FEDERAL INSURANCE COMPANY, 15 Mountain View Road, Warren, New Jersey, a New Jersey Corporation, has constituted and appointed, and does hereby constitute and appoint John W. Hunt, Ronald W. Brown, Mary Elizabeth Hammock, Muriel L. Hoh, M. Joan Norville of Winston Salem, North Carolina and Thomas W. Burke and Teresa T. Gwyn of Charlotte, North Carolina-----

each its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds of any of the following classes, to-wit:

- 1. Bonds and Undertakings filed in any suit, matter or proceeding in any Court, or filed with any Sheriff or Magistrate, for the doing or not doing of anything specified in such Bond or Undertaking.
2. Surety bonds to the United States of America or any agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; License and Permit Bonds or other indemnity bonds under the laws, ordinances or regulations of any State, City, Town, Village, Board or other body or organization, public or private; bonds to Transportation Companies, Lost Instrument bonds; Lease bonds, Workers' Compensation bonds, Miscellaneous Surety bonds and bonds on behalf of Notaries Public, Sheriffs, Deputy Sheriffs and similar public officials.
3. Bonds on behalf of contractors in connection with bids, proposals or contracts.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Assistant Vice-President and Assistant Secretary and its corporate seal to be hereto affixed this 1st day of January 19 86



Richard D. O'Connor
Assistant Secretary

FEDERAL INSURANCE COMPANY
By George McClellan
Assistant Vice-President

STATE OF NEW JERSEY
County of Somerset } ss.

On this 1st day of January 19 86, before me personally came Richard D. O'Connor to me known and by me known to be Assistant Secretary of the FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Richard D. O'Connor being by me duly sworn, did depose and say that he is Assistant Secretary of the FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority; and that he is acquainted with George McClellan and knows him to be the Assistant Vice-President of said Company, and that the signature of said George McClellan subscribed to said Power of Attorney is in the genuine handwriting of said George McClellan and was thereto subscribed by authority of said By-Laws and in deponent's presence.



Acknowledged and Sworn to before me on the date above written.
Alice Leonard
Notary Public

CERTIFICATION
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 28, 1988

STATE OF NEW JERSEY
County of Somerset } ss.

I, the undersigned, Assistant Secretary of the FEDERAL INSURANCE COMPANY, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors on March 11, 1953 and most recently amended March 11, 1983 and that this By-Law is in full force and effect.

ARTICLE XVIII.

Section 2. All bonds, undertakings, contracts and other instruments other than as above for and on behalf of the Company which it is authorized by law or its charter to execute, may and shall be executed in the name and on behalf of the Company either by the Chairman or the Vice-Chairman or the President or a Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations, except that any one or more officers or attorneys-in-fact designated in any resolution of the Board of Directors or the Executive Committee, or in any power of attorney executed as provided for in Section 3 below, may execute any such bond, undertaking or other obligation as provided in such resolution or power of attorney.

Section 3. All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the Vice-Chairman or the President or a Vice-President or an Assistant Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed."

I further certify that said FEDERAL INSURANCE COMPANY is duly licensed to transact fidelity and surety business in each of the States of the United States of America, District of Columbia, Puerto Rico, and each of the Provinces of Canada with the exception of Prince Edward Island; and is also duly licensed to become sole surety on bonds, undertakings, etc., permitted or required by law.

I, the undersigned Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney is in full force and effect.

Given under my hand and the seal of said Company at Warren, N.J., this 14th day of November 19 89



Assistant Secretary

Bond Number 8099-56-50
Permit Number UT-0013 and UT-0049
Mine Name Belina Mine Complex

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
4241 State Office Building
Salt Lake City, Utah 84114

RECEIVED

AUG 13 1984

DIVISION OF OIL
GAS & MINING

THE MINED LANDS RECLAMATION ACT

BOND

The undersigned Valley Camp of Utah, Inc.
as principal, and Federal Insurance Company as
surety, hereby jointly and severally bind ourselves, our heirs, administrators,
executors, successors and assigns unto the State of Utah, Division of Oil, Gas
and Mining, and the U. S. Department of the Interior, Office of Surface Mining
in the penal sum of one million five hundred twenty one thousand
dollars (\$1,521,000.00). Such sum shall be payable to
one, but not both, of the above-named agencies.

The principal estimated in a "Notice of Intention to Commence Mining
Operations and a Mining and Reclamation Plan," filed with the Division of Oil,
Gas and Mining on the ninth day of February,
19 81, that 79 acres of land will be disturbed by this mining
operation in the State of Utah. A description of the disturbed land is
attached hereto as Exhibit "A."

When the Division has determined that the principal has satisfactorily
reclaimed the above-mentioned lands affected by mining in accordance with the
approved Mining and Reclamation Plan and has faithfully performed all
requirements of the Mined Land Reclamation Act, and complied with the Rules
and Regulations adopted in accordance therewith, then this obligation shall be
void; otherwise it shall remain in full force and effect until the reclamation
is completed as outlined in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a
piecemeal or cyclic basis, and the land is reclaimed in accordance with such
plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area
of the land affected or increased reclamation work, then this bond may
accordingly be increased with the written approval of the surety company.

The Division shall only accept the bond of a surety company if the bond is
noncancellable by the surety at any time for any reason including, but not
limited to nonpayment of premium or bankruptcy of the permittee during the
period of liability.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

Valley Camp of Utah, Inc.

Principal (Company)

By WALTER L. WAICAT
Company Official - Position
President and Chief Operating Officer

Date: AUGUST 3, 1984

Federal Insurance Company

Surety (Company)

By Mary Elizabeth Hammock
Official of Surety - Position
Mary Elizabeth Hammock - Attorney-in-Fact

DATE: June 29, 1984

BOARD:

Doug Smith

DATE: August 23, 1984

POWER OF ATTORNEY

Know all Men by these Presents, That the FEDERAL INSURANCE COMPANY, 15 Mountain View Road, Warren, New Jersey, a New Jersey Corporation, has constituted and appointed, and does hereby constitute and appoint John W. Hunt, Julie M. Zotian, Ronald W. Brown, Mary Elizabeth Hammock, Muriel L. Hoh, Robert J. Franke, Joseph R. White, Jr., Victor G. Jamison, Jr., Thomas W. Burke and M. Joan Norville of Winston Salem, North Carolina-----

each its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds of any of the following classes, to-wit:

- 1. Bonds and Undertakings filed in any suit, matter or proceeding in any Court, or filed with any Sheriff or Magistrate, for the doing or not doing of anything specified in such Bond or Undertaking.
2. Surety bonds to the United States of America or any agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; License and Permit Bonds or other indemnity bonds under the laws, ordinances or regulations of any State, City, Town, Village, Board or other body or organization, public or private; bonds to Transportation Companies, Lost Instrument bonds; Lease bonds, Workers' Compensation bonds, Miscellaneous Surety bonds and bonds on behalf of Notaries Public, Sheriffs, Deputy Sheriffs and similar public officials.
3. Bonds on behalf of contractors in connection with bids, proposals or contracts.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Assistant Vice-President and Assistant Secretary and its corporate seal to be hereto affixed this 9th day of December 19 83

Corporate Seal



Richard D. O'Connor Assistant Secretary

FEDERAL INSURANCE COMPANY

By George McClellan Assistant Vice-President

STATE OF NEW JERSEY }
County of Somerset } SS.

On this 9th day of December 19 83, before me personally came Richard D. O'Connor to me known and by me known to be Assistant Secretary of the FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Richard D. O'Connor being by me duly sworn, did depose and say that he is Assistant Secretary of the FEDERAL INSURANCE COMPANY and knows the corporate seal thereof, that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority, and that he is acquainted with George McClellan and knows him to be the Assistant Vice-President of said Company, and that the signature of said George McClellan subscribed to said Power of Attorney is in the genuine handwriting of said George McClellan and was thereto subscribed by authority of said By-Laws and in deponent's presence

Notarial Seal



Acknowledged and Sworn to before me on the date above written.

Alice Leonard Notary Public

CERTIFICATION

ALICE LEONARD
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 28, 1988

STATE OF NEW JERSEY }
County of Somerset } SS.

I, the undersigned, Assistant Secretary of the FEDERAL INSURANCE COMPANY, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors on March 11, 1953 and most recently amended March 11, 1983 and that this By-Law is in full force and effect.

"ARTICLE XVIII.

Section 2. All bonds, undertakings, contracts and other instruments other than as above for and on behalf of the Company which it is authorized by law or its charter to execute, may and shall be executed in the name and on behalf of the Company either by the Chairman or the Vice-Chairman or the President or a Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations, except that any one or more officers or attorneys-in-fact designated in any resolution of the Board of Directors or the Executive Committee, or in any power of attorney executed as provided for in Section 3 below, may execute any such bond, undertaking or other obligation as provided in such resolution or power of attorney.

Section 3 All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the Vice-Chairman or the President or a Vice-President or an Assistant Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed."

I further certify that said FEDERAL INSURANCE COMPANY is duly licensed to transact fidelity and surety business in each of the States of the United States of America, District of Columbia, Puerto Rico, and each of the Provinces of Canada with the exception of Prince Edward Island, and is also duly licensed to become sole surety on bonds, undertakings, etc., permitted or required by law.

I, the undersigned Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney is in full force and effect.

Given under my hand and the seal of said Company at Warren, N.J., this twenty-ninth day of June 19 84

Corporate Seal



M Stanton Assistant Secretary



CHUBB GROUP of Insurance Companies

15 Mountain View Road, Warren, NJ 07060

COMPANY

RIDER to be attached to and form a part of
Bond No. 8099-56-50 wherein
FEDERAL INSURANCE COMPANY
is named as Surety, on behalf of
Valley Camp of Utah, Inc.
as Principal, in favor of State of Utah, Div. of Oil, Gas and Mining, and
U. S. Dept. of the Interior, Office of Surface Mining
in the sum of \$1,521,000.00
dated 6/29/84 effective 6/29/84

IT IS HEREBY UNDERSTOOD AND AGREED that effective the 17th day of November, 1989
the penalty of this bond is increased
from One Million, Five Hundred Twenty One Thousand and 00/100 (\$1,521,000.00)
to Two Million, Three Hundred Thousand and 00/100 (\$2,300,000.00)
as to losses occurring after the 17th day of November, 1989

Provided, however, that the liability of the Principal and Surety hereon shall not be cumulative or in any event
exceed the larger amount referred to herein.

The attached bond shall be subject to all its agreements, limitations and conditions except as herein expressly
modified.

Signed, sealed and dated this 14th day of November, 19 89

Valley Camp of Utah, Inc.

By: Walter L. WRIGHT
(Principal)

Federal Insurance Company:

By: Mary Elizabeth Hammock
Mary Elizabeth Hammock, Attorney-in-Fact

ACCEPTED
By: [Signature] Nelson
(Obligee)

POWER OF ATTORNEY

Know all Men by these Presents, That the FEDERAL INSURANCE COMPANY, 15 Mountain View Road, Warren, New Jersey, a New Jersey Corporation, has constituted and appointed, and does hereby constitute and appoint John W. Hunt, Ronald W. Brown, Mary Elizabeth Hammock, Muriel L. Hoh, M. Joan Norville of Winston Salem, North Carolina and Thomas W. Burke and Teresa T. Gwyn of Charlotte, North Carolina-----

each its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds of any of the following classes, to-wit:

- 1. Bonds and Undertakings filed in any suit, matter or proceeding in any Court, or filed with any Sheriff or Magistrate, for the doing or not doing of anything specified in such Bond or Undertaking.
2. Surety bonds to the United States of America or any agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; License and Permit Bonds or other indemnity bonds under the laws, ordinances or regulations of any State, City, Town, Village, Board or other body or organization, public or private; bonds to Transportation Companies, Lost Instrument bonds; Lease bonds, Workers' Compensation bonds, Miscellaneous Surety bonds and bonds on behalf of Notaries Public, Sheriffs, Deputy Sheriffs and similar public officials.
3. Bonds on behalf of contractors in connection with bids, proposals or contracts.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Assistant Vice-President and Assistant Secretary and its corporate seal to be hereto affixed this 1st day of January 19 86



Richard D. O'Connor
Assistant Secretary

FEDERAL INSURANCE COMPANY
By George McClellan
Assistant Vice-President

STATE OF NEW JERSEY
County of Somerset } ss.

On this 1st day of January 19 86, before me personally came Richard D. O'Connor to me known and by me known to be Assistant Secretary of the FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Richard D. O'Connor being by me duly sworn, did depose and say that he is Assistant Secretary of the FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority; and that he is acquainted with George McClellan and knows him to be the Assistant Vice-President of said Company, and that the signature of said George McClellan subscribed to said Power of Attorney is in the genuine handwriting of said George McClellan and was thereto subscribed by authority of said By-Laws and in deponent's presence.



STATE OF NEW JERSEY
County of Somerset } ss.

Acknowledged and Sworn to before me on the date above written.
Alice Leonard
Notary Public
ALICE LEONARD
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 28, 1988

I, the undersigned, Assistant Secretary of the FEDERAL INSURANCE COMPANY, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors on March 11, 1953 and most recently amended March 11, 1983 and that this By-Law is in full force and effect.

"ARTICLE XVIII.

Section 2. All bonds, undertakings, contracts and other instruments other than as above for and on behalf of the Company which it is authorized by law or its charter to execute, may and shall be executed in the name and on behalf of the Company either by the Chairman or the Vice-Chairman or the President or a Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations, except that any one or more officers or attorneys-in-fact designated in any resolution of the Board of Directors or the Executive Committee, or in any power of attorney executed as provided for in Section 3 below, may execute any such bond, undertaking or other obligation as provided in such resolution or power of attorney.

Section 3. All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the Vice-Chairman or the President or a Vice-President or an Assistant Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed."

I further certify that said FEDERAL INSURANCE COMPANY is duly licensed to transact fidelity and surety business in each of the States of the United States of America, District of Columbia, Puerto Rico, and each of the Provinces of Canada with the exception of Prince Edward Island; and is also duly licensed to become sole surety on bonds, undertakings, etc., permitted or required by law.

I, the undersigned Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney is in full force and effect.

Given under my hand and the seal of said Company at Warren, N.J., this 14th day of November 19 89



J. Mabley
Assistant Secretary

Revised April 1991
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

Permit Number: UT-0013 and UT-0049

Bond Number: 25S100723365

SURETY BOND
(FEDERAL COAL)

--ooOOoo--

THIS SURETY BOND entered into and by and between the undersigned Operator, and SURETY COMPANY, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (DIVISION), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSM) in the penal sum of (\$ 2,300,000.00) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of this Reclamation Agreement.

This SURETY BOND shall remain in effect until all of the Operator's reclamation obligation have been met and released by the DIVISION and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, SMCRA, the approved permit and the DIVISION.

The SURETY will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability.

The SURETY and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the DIVISION and OSM from any and all expenses which the DIVISION and OSM may sustain as a result of the Operator's failure to comply with the condition(s) of the reclamation obligation.

The SURETY will give prompt notice to the Operator and to the DIVISION and OSM of any notice or action involving insolvency or bankruptcy of the SURETY, or alleging any violations of regulatory requirements which could result in suspension or revocation of the SURETY's license in this state. In the event the Cooperative Agreement between the DIVISION and OSM is terminated, then the portion of the bond covering the Federal Lands will be payable only to the United States, Department of Interior, Office of Surface Mining.

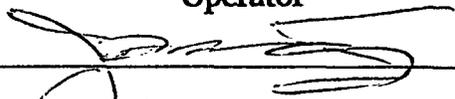
Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the Operator in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

Revised April 1991
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

IN WITNESS WHEREOF, the Operator has hereunto set its signature and seal
this 7th day of December, 19 91.

VALLEY CAMP OF UTAH, INC.

Operator

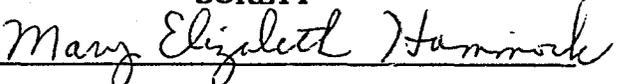
By: 

Title: Chairman

IN WITNESS WHEREOF, the SURETY has hereto set its signature and seal this
7th day of December, 19 91.

THE AETNA CASUALTY AND SURETY COMPANY

SURETY

By: 

Title: Attorney-in-Fact

ACCEPTED BY THE STATE OF UTAH:


Director - Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the Operator is a corporation, the Agreement shall be executed by its duly authorized officer.

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, THAT THE AETNA CASUALTY AND SURETY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, hath made, constituted and appointed, and does by these presents make, constitute and appoint **James P. Boone, John W. Hunt, Mary Elizabeth Hammock or Muriel L. Hoh** - -

of **Winston Salem, North Carolina**, its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated, the following instrument(s):
by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any and all consents incidents thereto **on behalf of Quaker State Corporation and wholly owned subsidiaries** -

and to bind THE AETNA CASUALTY AND SURETY COMPANY, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of THE AETNA CASUALTY AND SURETY COMPANY, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Company which Resolutions are now in full force and effect:

VOTED: That each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, may from time to time appoint Resident Vice Presidents, Resident Assistant Secretaries, Attorneys-in-Fact, and Agents to act for and on behalf of the Company and may give any such appointee such authority as his certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors may at any time remove any such appointee and revoke the power and authority given him.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the Chairman, the Vice Chairman, the President, an Executive Vice President, a Senior Vice President, a Vice President, an Assistant Vice President or by a Resident Vice President, pursuant to the power prescribed in the certificate of authority of such Resident Vice President, and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary or by a Resident Assistant Secretary, pursuant to the power prescribed in the certificate of authority of such Resident Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact pursuant to the power prescribed in his or their certificate or certificates of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Board of Directors of THE AETNA CASUALTY AND SURETY COMPANY which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, THE AETNA CASUALTY AND SURETY COMPANY has caused this instrument to be signed by its **Senior Vice President** and its corporate seal to be hereto affixed this **22nd** day of **October**, 19 **91**

State of Connecticut }
County of Hartford } ss. Hartford



THE AETNA CASUALTY AND SURETY COMPANY

By Joseph P. Kiernan
Joseph P. Kiernan
Senior Vice President

On this **22nd** day of **October**, 19 **91**, before me personally came **JOSEPH P. KIERNAN** to me known, who, being by me duly sworn, did depose and say: that he/she is **Senior Vice President** of THE AETNA CASUALTY AND SURETY COMPANY, the corporation described in and which executed the above instrument; that he/she knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; and that he/she executed the said instrument on behalf of the corporation by authority of his/her office under the Standing Resolutions thereof.



Dorothy L. Marti
My commission expires March 31, 19 **93** Notary Public
Dorothy L. Marti

CERTIFICATE

I, the undersigned, **Secretary** of THE AETNA CASUALTY AND SURETY COMPANY, a stock corporation of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Board of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this **7th** day of **December**, 19 **91**



By John W. Welch
John W. Welch
Secretary

IN WITNESS WHEREOF the Operator has hereunto set its signature and seal
this 7th day of December, 19 91.

VALLEY CAMP OF UTAH, INC.

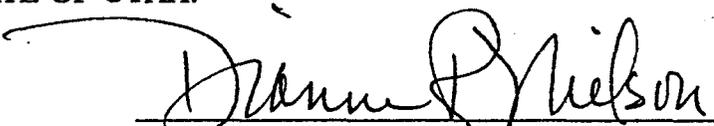
Operator

By:

Title:

Chairman

ACCEPTED BY THE STATE OF UTAH:


Director, Division of Oil, Gas and Mining

NOTE:

An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the Operator is a corporation, the Agreement shall be executed by its duly authorized officer.