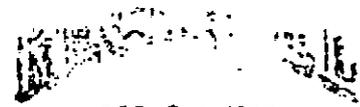


0015



SEP 27 1993

DIVISION OF
OIL GAS & MINING

BELINA MINE COMPLEX
MINING & RECLAMATION PLAN APPLICATION
ACT/007/001
R645-303-300 APPLICATION FOR APPROVAL
OF TRANSFER, ASSIGNMENT OR SALE OF PERMIT

**R645-303-321 APPLICATION FOR APPROVAL
OF TRANSFER, ASSIGNMENT OR SALE OF PERMIT**

321.100:

Existing Permittee:

Valley Camp of Utah, Inc.
206 Seneca Street
P.O. Box 900
Oil City, Pennsylvania 16301
ACT/007/001

321.200:

This is an application for transfer of all permit rights and pending applications under the Utah Coal Program for the Belina Mine Complex, located in Carbon County and Emery County, Utah, from the existing permittee, Valley Camp of Utah, Inc., a Utah corporation, to White Oak Mining & Construction Co., Inc., a Nevada corporation ("White Oak"). Upon approval of this application by the Utah Division of Oil, Gas & Mining ("Division"), the pending Mining and Reclamation Plan submitted in August, 1993 ("MRP") will be revised.

321.300:

Applicant (R645-301-112.100 and .200):

White Oak
148 South Lake Drive
Prestonburg, Kentucky 41653
(606) 886-2751

Applicant is a Nevada corporation, incorporated July 1, 1993, is duly organized, validly existing and in good standing in the State of Utah.

Resident Agent for Service (112.220):

Alexander H. Walker, Jr.
57 West 200 South, Suite 400
Salt Lake City, Utah 84101-1632

Person Who Will Pay Abandoned Mine Land Fee (112.230):

White Oak
148 South Lake Drive
Prestonburg, Kentucky 41653
(606) 886-2751

Ownership and Control (112,300 and .400):

(1) Permit Applicant:

White Oak
148 South Lake Drive
Prestonburg, Kentucky 41653
(606) 886-2751

(2) Names and Addresses of Officers and Directors of Applicant:

OFFICERS:

<u>NAME AND ADDRESS</u>	<u>POSITION</u>
Scott Kiscaden RRT. 8 Box 1055 Abington, VA 24210-8656	President
Donn Chickering 148 South Lake Drive Prestonburg, KY 41653	Vice President
Todd Kiscaden 109 Arrowhead Estates Pikeville, KY 41501	Secretary
Keith Vanhooser Scott Edition Pikeville, KY 41501	Treasurer

DIRECTORS:

Keith Vanhooser Scott Edition Pikeville, KY 41501	Director
Todd Kiscaden 109 Arrowhead Estates Pikeville, KY 41501	Director
Scott Kiscaden RRT. 8 Box 1055 Abington, VA 24210-8656	Director

(3) Names and Addresses of Principal Shareholders of Applicant:

Todd Kiscaden (50% of voting stock)
109 Arrowhead Estates
Pikeville, KY 41501

Scott Kiscaden (50% of voting stock)
RRT. 8 Box 105
Abington, VA 24210-8656

(4) Names Under Which Directors, Officers and Principal Shareholders Previously Operated Mining Activities:

- a. Donn Chickering (Exhibit A)
- b. Todd Kiscaden (Exhibit B)
- c. Scott Kiscaden (Exhibit C)
- d. Keith Vanhooser (Exhibit D)

(5) Current or Previous Coal Mining Permits or Pending Permit Application:

- a. Donn Chickering (Exhibit A)
- b. Todd Kiscaden (Exhibit B)
- c. Scott Kiscaden (Exhibit C)
- d. Keith Vanhooser (Exhibit D)

Legal or Equitable Owners of Record (112,500 and 600):

(1) The Surface Owners of Record of the Areas Affected by or Contiguous to the Surface Operations and Facilities of White Oak are:

Alexander, Brent L. & Reese A.; Bawden, Alan
1145 S. 2030 E.
Price, Utah 84501

Alpine School District
50 North Center
American Fork, Utah 84003

Carbon County School District
65 E. 400 N.
Price, Utah 84501

Coastal States Energy Co.
175 East 400 South
Salt Lake City, Utah 84111

Hellenic Orthodox Church
Price, Utah 84501

Jacob, J. Mark & James C.
754 S. Cherry
Orem, Utah 84057

Madsen, Della L. & Hilda M.
Meadow, Utah 84644

Marakis, Koula & Helen
150 E. 1st S.
P.O. Box 805
Price, Utah 84501

Mt. States Telephone
c/o US West
5295 S. 300 W.
Salt Lake City, Utah 84111

Oman, Milton A.
61 South Main
Salt Lake City, Utah 84115

Oman, Milton A. & Bessie
61 South Main
Salt Lake City, Utah 84115

Otani, Jack & Sei
P.O. Box 501
Clear Creek, Utah 84517

Jensen, Jack L.
1101 North 50 West
Orem, Utah 84057

Kosec, Louis & Anna
Rt. #1, Box 12
Helper, Utah 84526

L.D.S. Church
336 S. 3rd E.
Salt Lake City, Utah 84111

L&L Agri Business
P.O. Box 51
Moroni, Utah 84646

Lutheran High School Assn.
222 North Santiago Blvd.
Orange, CA 92667

Questar Pipeline Co.
c/o Mountain Fuel Supply Co.
P.O. Box 11368
Salt Lake City, Utah 84111

Radakovich, Robert & Ellen
340 N. 600 E.
Price, Utah 84501

Rescu-Med, Inc.
P.O. Box 1115
Provo, Utah 84601

Telonis, Evangelos George
c/o Angelo Georgedes
761 N. 300 E.
Price, Utah 84501

Theis, Anthony J.
Rt. 1 P.O. Box 33
New Ulm, Texas 78950

United States of America, Dept. of Agriculture
599 West Price River Drive
Price, Utah 84501

(2) The Legal or Equitable Owners of Record of Coal to be Mined or Coal Contiguous Thereto Are:

Carbon County
Price, Utah 84501

Telonis, Evangelos George
c/o Angelo Georgedes
761 North 300 East
Price, Utah 84501

Coastal States Energy Company
Nine Greenway Plaza
Houston, Texas 77046

Kaiser Steel Corporation
300 Lakeside Drive
Oakland, California 94666

Noal Tanner
2796 North Arapahoe Lane
Provo, Utah 84601

United States of America, Department of the Interior
Bureau of Land Management
University Club Building
Salt Lake City, Utah 84138

Utah Power & Light Company
P.O. Box 899
Salt Lake City, Utah 84110

Western Reserve Coal Company, Inc.
c/o Dean Phillips
P.O. Box 188
Lewiston, Missouri 63452

MSHA Number (112.700):

Belina No. 1 Mine	42-01279
Belina No. 2 Mine	42-01280
Valcam Loadout Facility	42-01280

Option - Contiguous Lands (112.800):

There are no outstanding interests in lands, options or pending bids on interests held or made by the applicant for lands which are contiguous to the area to be covered by the permit.

Compliance Information (113):

(1) Statement of Compliance (113.100 - .200):

Neither the applicant, nor any of its subsidiaries, affiliates or persons controlled by or under common control with the applicant has had a federal or state mining permit suspended or revoked in the last five years; nor forfeited a mining bond or similar security deposited in lieu of bond.

(2) Violation Notices (113.300):

Exhibit E sets forth violation notices received by the applicant and any person who owns or controls applicant in connection with any underground or surface coal mining activities within the last three years.

Right of Entry and Operations Information:

(1) Right of Entry (114.100):

Applicant has obtained legal right to enter and continue underground coal mining activities pursuant to instruments of conveyance dated as of September 16, 1993 between Kanawha Hocking Coal and Coke Co. and Valley Camp of Utah, Inc., grantor/assignor, and White Oak Mining & Construction Co., Inc., grantee/assignee, attached as Exhibit F.

Under these instruments, all grantor's right, title and interest in the Belina Mine as described at pages 100-17 to 100-23 of the MRP, was conveyed to White Oak.

(2) Surface Owner Consent (114.200):

Surface leases with the following individuals constitute surface owner's consent and copies of these leases are attached as Exhibit G:

Surface Lease dated January 1, 1979
Della L. Madsen
Robert G. and Hilda M. Hammond, Lessors

Surface Lease and Right of Way Agreement
dated August 14, 1975
Milton A. and Bessie G. Oman, Lessors

Surface Lease and Easement Agreement dated August 6, 1976
Helen, Nick and Koula Marakis, Lessors

Relationship to Areas Designated Unsuitable for Mining (115):

- (1) The permit area is not within an area or under study as an area designated as unsuitable for mining.
- (2) Applicant does not propose to mine within 300 feet of an occupied building or within 100 feet of a public road. See pages 100-24 of the MRP.

Permit Term (116):

- (1) Applicant proposes to continue operations under ACT/007/001 consistent with Utah Code Ann. § 40-10-9(2). The schedule of operations is set forth at pp.100-24 of 27 and 100-25 of 27 of the MRP.
- (2) The permit term is for five (5) years.

Personal Injury and Property Damage Insurance Information (117.100):

The certificate of liability insurance issued by Federal Insurance Company for White Oak is attached as Exhibit II.

322: Newspaper Advertisement and Proof of Publication

Notice of this proposed transfer was submitted for publication to the Emery County Progress and the Sun Advocate in Price, Utah in substantially the following form. Upon publication, proof will be submitted to the Division pursuant to R645-303-322 as follows:

NOTICE

Notice is hereby given that White Oak Mining & Construction Co., Inc., has submitted an application to the Division of Oil, Gas & Mining for transfer of the Belina Mine Complex, Permit No. ACT/007/001 under the provisions of R645-303-300.

The previous permittee was Valley Camp of Utah, Inc.

The mine permit area is located as follows:

T14S R7E SLB&M, Section 7 NW¼, and NW¼ of NE¼, Section 6 W½, and W½ of E½, T14S R6E SLB&M, Section 1E½, NE¼, and NE¼ of SE¼, T13S R7E SLB&M, Section 31 SW¼, and W½ of NW¼, Section 30 W½ W½, SE¼ SW¼, and NE¼ NW¼, Section 21 Parts of NW¼ NW¼, Section 20 Parts of NE¼ NE¼, Section 19 S½ SW¼, NE¼ SW¼, and parts of W½ E½, E¼ NW½, and NE¼ NE¼, Section 17 NE¼ excluding parts of SW¼ NE¼ and NE¼ NE¼, N½ SE¼, Section 16 W½ W½, NE¼ NW¼, NW¼ NE¼, Section 9 W½ SW¼, Section 8 E½ SE¼, and a Part of SW¼ SE¼, T13S R6E SLB&M, Section 36 All, Section 35 Parts of E½

E $\frac{1}{4}$, and SW $\frac{1}{4}$ of SE $\frac{1}{4}$, Section 25 E $\frac{1}{2}$, and parts of W $\frac{1}{2}$,
Section 24 SE $\frac{1}{4}$ and parts of S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, and E $\frac{1}{2}$
SW $\frac{1}{4}$.

Pertinent comments are solicited from anyone affected by this proposal. Such comments should be filed within the next thirty (30) days with:

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
III Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

340: STATEMENT

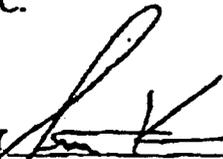
(1) White Oak Mining & Construction Co., Inc., agrees to conduct operations covered by the application and/or permit in accordance with the requirements of the Utah Coal Mining & Reclamation Act, implementing regulations and the regulatory program;

(2) Upon final approval of the application, applicant agrees to submit a letter of credit or other acceptable form of surety to secure the reclamation liability of the Belina Mine Complex; and

(3) The applicant will conduct the operations in full compliance with the terms and conditions of the application as finally approved, unless and until it has obtained a new permit.

EXECUTED this 16 day of SEPT, 1993 by the undersigned.

WHITE OAK MINING & CONSTRUCTION CO.,
INC.

BY 
SCOTT KISCADEN
ITS PRESIDENT

STATE OF Utah
COUNTY OF Salt Lake : ss.

On this 16th day of Sept, 1993, personally appeared before me Scott Kiscaden, whose identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn, did say that he is the President of White Oak Mining & Construction Co., Inc., and that said document was signed by him in behalf of said corporation by authority of its bylaws, and said Scott Kiscaden acknowledged to me that said corporation executed the same.

Renee M. Esson
Notary Public
Residing at _____

My Commission Expires:

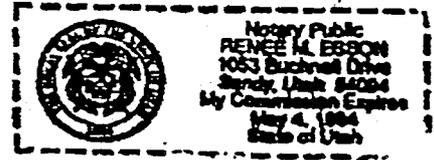


EXHIBIT F



Permit Number: UT0013
and
UT0049

INCREASE RIDER

To be attached to and form part of Bond No. 25 S 100723365 on behalf of VALLEY CAMP OF UTAH, INC., in favor of 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) effective DECEMBER 7, 1991 in the amount of TWO MILLION, THREE HUNDRED THOUSAND AND NO/100—(\$2,300,000.00)—DOLLARS.

The condition of this obligation is such that this bond is hereby increased from \$2,300,000.00 to \$5,891,000.00 effective as of September 13, 1993.

It is understood and agreed that the aggregate liability under this bond is FIVE MILLION, EIGHT HUNDRED NINETY ONE THOUSAND AND NO/100—(\$5,891,000.00)—DOLLARS.

WITNESS:

VALLEY CAMP OF UTAH, INC.

Walter G. Beckner

By David E. [Signature]
Secretary/Treasurer

WITNESS:

THE AETNA CASUALTY AND SURETY COMPANY

[Signature]

By [Signature]
Richard C. Charles, Attorney-In-Fact



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

*John E. Schneider, Richard C. Charles, Stephen M. Bynum, Robert L. Raney
John G. Emerick, Jr., Daniel A. Conti, Catherine B. Hoffman
Julie Mastrandrea, Jeffrey L. Gaines, Julie H. Coleman, Denese B. Artis **
of *Charlotte, NC*

its true and lawful Attorneys-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 instruments: 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

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 Attorneys-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 Group Executive, 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 or her.

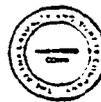
VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the Chairman, the Vice Chairman, the President, an Executive Vice President, a Group Executive, 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 Group Executive, 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 Assistant Vice President, and its corporate seal to be hereto affixed this 6th day of August, 19 93

State of Connecticut }
County of Hartford } ss. Hartford



THE AETNA CASUALTY AND SURETY COMPANY

By George W. Thompson
George W. Thompson
Assistant Vice President

On this 6th day of AUGUST, 19 93, before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Assistant 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 August 31, 1998
Dorothy L. Marti Notary Public

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 13TH day of SEPTEMBER, 19 93



By William F. DiRoberts
William F. DiRoberts
Secretary

EXHIBIT G