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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
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June 5, 2000

CERTIFIED
P 074 978 604

Dave Miller, Resident Agent
Lodestar Energy, Inc.
HC 35 Box 370
Helper, Utah 84526

Re: Replacement of Sureties Requested, Lodestar Energy, Inc., White Oak Mine, ACT/007/001, Horizon Mine, ACT/007/020, Outgoing File

Dear Mr. Miller:

White Oak Mine is currently mining federal coal and Horizon Mine is seeking a permit to mine federal coal, but has mined through the BLM right-of-way. Federal agencies and bonds with federal obligees may only be accepted if they are written by a surety listed in the Department of Treasury, Circular 570. It has recently come to the attention of the Division that Frontier Insurance Company is no longer an acceptable surety on federal bonds, see Department of Treasury listing dated June 1, 2000 (attached). Additionally, the A.M. Best Rating Guide currently rated this company at C++ (attached). Due to the fact that the bonds are no longer acceptable for federal bond, these bonds need to be replaced.

Therefore, pursuant to the requirements of R645-301-870 please replace surety bonds # 143718 in the amount of \$4,292,000 for White Oak Mine and #125427 in the amount of \$711,000 for the Horizon Mine, both issued by Frontier Insurance Company by July 15, 2000.

If you have any questions, please call me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Pamela Grubaugh-Littig'.

Pamela Grubaugh-Littig
Permit Supervisor

pgl/sm

cc: Mary Ann Wright
Price Field Office

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Department of the Treasury's Listing of Approved Sureties (Department Circular 570)

Updated on June 1, 2000 to remove FRONTIER INSURANCE COMPANY.

- [Certified Companies](#)
- [Certified Reinsurer Companies](#)
- [Footnotes](#)
- [Sign Up for Free E-mail Notification Service](#)

WARNING
Please take note that Zenith Insurance, Ltd. is NOT a Treasury authorized surety company. DO NOT CONFUSE this company with ZENITH INSURANCE COMPANY, which IS an authorized surety company. If you have any questions regarding the authenticity of a Zenith bond, please call (616) 587-5721.

4810-35

DEPARTMENT OF THE TREASURY

FISCAL SERVICE
(Dept. Circular 570; 1999 Revision)

COMPANIES HOLDING CERTIFICATES OF AUTHORITY AS ACCEPTABLE SURETIES ON
FEDERAL BONDS AND AS ACCEPTABLE REINSURING COMPANIES



Best's Ratings

Page 1 of 1

3 companies found, results sorted by Company Name (ascending)

Criteria Used: Company Name starting with FRONTIER INSURANCE

AMB #	Bus.	Company Name	Rating	Domicile
03729	P	Frontier Insurance Company	C++	NY
18163	P	Frontier Insurance Group	C++	NY
18400	P	Frontier Insurance Group Inc	NR-5	NY

*Ratings as of 6/2/2000 11:32:05 AM E.S.T.

Business Types:

- P = Property/Casualty (non-life)
- L = Life/Health
- C = Composite/Multi-Industry

View the [Current Guide to Best's Ratings](#) for an in-depth explanation of Best's Ratings System and Procedures.

SEARCH OPTIONS

You may [Search Again](#) or sort your results using one of the following fields:

Company Name Ascending Descending