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

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

September 11, 1998

Johnny Pappas, Sr. Environmental Engineer
Castle Gate Holding Company
P.O. Drawer PMC
Price, Utah 84501

Re: Permit Transfer from AMAX Coal Company to Castle Gate Holding Company, Castle Gate Mine, Castle Gate Holding Company, ACT/007/004, Folder #3, Carbon County, Utah

Dear Mr. Pappas: 

The permit transfer of the Castle Gate Mine from AMAX Coal Company to Castle Gate Holding Company is approved. Please find enclosed the decision document including two original permits that require the official from Castle Gate Holding Company to sign. Please return one original permit to the Division.

The ownership and control information that was included in the permit transfer application must be submitted for inclusion in the plan by October 13, 1998.

If you have any questions, please call me or Pamela Grubaugh-Littig.

Sincerely,


Lowell P. Braxton
Acting Director

Enclosure

cc: Paul Baker
PFO

O:\007004.CG\FINAL\PERMIT\TRNFRLTR.WPD

**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
PERMIT TRANSFER**

Castle Gate Holding Company
Castle Gate Mine
ACT/007/004
Carbon County, Utah

September 11, 1998

CONTENTS

- * Administrative Overview
- * Permitting Chronology
- * Findings
- * Permit
- * Section 510 (c) Finding, September 11, 1998
- * Affidavit of Publication
- * Surety and Certificate of Insurance

ADMINISTRATIVE OVERVIEW

Castle Gate Holding Company
Castle Gate Mine
ACT/007/004
Carbon County, Utah

September 11, 1998

PROPOSAL

Castle Gate Holding Company submitted an application to transfer the permit rights for the Castle Gate Mine on July 9, 1998. This transfer application was submitted to reflect the change in corporate ownership and control of mining operations, including the Castle Gate Mine, as a result of the proposed stock and asset transfer from Amax Coal to Castle Gate Holding Company.

RECOMMENDATION

All of the information submitted by Castle Gate Holding Company has been found adequate. The permit transfer was published in the Price Sun Advocate on August 6, 1998. A 510 (c) clearance was verified on September 11, 1998 with a "conditional issue" recommendation.

Adequate bond and liability insurance have been posted by Castle Gate Holding Company. It is, therefore, recommended that approval be given for the transfer of the permit rights to Castle Gate Holding Company.

PERMITTING CHRONOLOGY

Castle Gate Holding Company
Castle Gate Mine
ACT/007/004
Carbon County, Utah

September 11, 1998

- July 9, 1998 Castle Gate Holding Company submits a permit transfer application.
- August 6, 1998 The permit transfer notice is published in the Price Sun Advocate.
- August 31, 1998 The bond rider to change the documents from Amax Coal Company to Castle Gate Holding Company is received at the Division. The public liability insurance was included with the original submittal.
- September 11, 1998 A "conditional issue" recommendation for the Castle Gate Mine permit transfer from AVS.
- September 11, 1998 Permit Transfer.

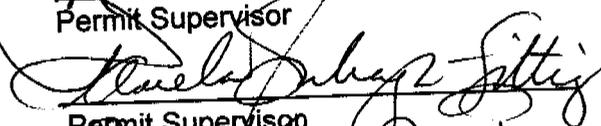
FINDINGS

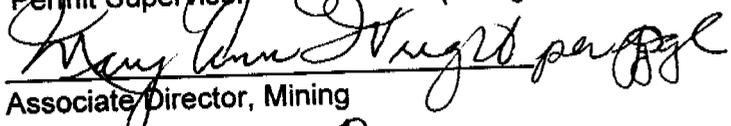
Castle Gate Holding Company
Castle Gate Mine
ACT/007/004
Carbon County, Utah

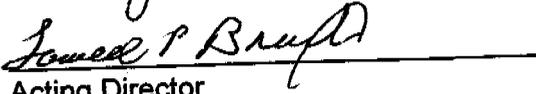
September 11, 1998

1. Division records and the results of the 510 (c) clearance check, show that neither Castle Gate Holding Company nor any affiliates control or have controlled coal mining and reclamation operations with a demonstrated pattern of willful violation of the Act of such nature and duration and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the Act. The Applicant Violator System recommendation was "conditional issue" pending completion of the Pittston Settlement Agreement.
2. The Division has determined that the application for transfer of permit rights is accurate and complete, and complies with the requirements of R645-300-133.100.
3. The applicant has the legal right to enter and begin coal mining activities at the Castle Gate Mine. (R645-301-114)
4. Amax Coal Company and Castle Gate Holding Company have paid all reclamation fees from previous and existing coal mining and reclamation operations as required by 30 CFR Part 870. (R645-300-133.730)
5. Procedures for public participation have complied with the requirements of the Act and the Utah State Program. Notice was published in the Price Sun Advocate on August 6, 1998 as required by R645-303-322.
6. The applicant has obtained a performance bond equivalent to the bonding requirements of the existing permit, in the amount of \$1,804,000. (R645-303-342).


Permit Supervisor


Permit Supervisor


Associate Director, Mining


Acting Director

FEDERAL

PERMIT
ACT/007/004

September 11, 1998

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

This permit, ACT/007/004, is issued for the State of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

Castle Gate Holding Company
9100 East Mineral Circle
Englewood, CO 80155-3299
(303) 643-5000

for the Castle Gate Mine. Castle Gate Holding Company has rights of entry to the permit area described below, and these rights of entry are contained in leases, subleases and related documentation. A Surety Bond is filed with the Division in the amount of \$1,804,000, payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSM).

- Sec. 1** **STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.
- Sec. 2** **PERMIT AREA** - The permittee is authorized to conduct underground coal mining activities on the following described lands within the permit area at the Castle Gate Mine situated in the state of Utah, Carbon County, and located in:

Township 12 South, Range 9 East, SLB & M

- Section 22:** Portions of SE1/4 SW1/4 and S1/2 SE1/4
Section 26: Portions of W1/2
Section 27: All except portions of NW1/4 and NW1/4 NW1/4 SW1/4
Section 28: All except portions of SE1/4 SE1/4 NE1/4, SE1/4, and SW1/4
Section 29: All except N1/2 NW1/4, NW1/4 NE1/4 and portions of S1/2 NE1/4, and N1/2 SE1/4
Section 30: All except N1/2 N1/2
Sec. 31, 32,
Sec. 33, 34: All
Section 35: Portions of N1/2, W1/2 SW1/4, and SE1/4

Township 13 South, Range 9 East, SLB & M

- Section 1:** Portions of NW1/4 NW1/4
- Section 2:** Portions of NE1/4 and NW1/4
- Section 3:** NW1/4 and portions of NE1/4, SE1/4 and SW1/4
- Section 4:** N1/2 and portions of SE1/4 and SW1/4
- Section 5:** NE1/4 and portions of NW1/4, SE1/4 and SW1/4
- Section 6:** N1/2 and portions of SW1/4 and SE1/4
- Section 8:** Portion of NE1/4
- Section 9:** Portions of NE1/4, NW1/4 and SW1/4
- Section 10:** Portions of NE1/4 and NW1/4

This legal description is for the permit area of the Castle Gate Mine as shown on Plate 1-1 of the approved Mining and Reclamation Plan. The permittee is authorized to conduct underground coal mining activities and related surface activities on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

- Sec. 3** **COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4** **PERMIT TERM** - This permit expires on December 24, 1999.
- Sec. 5** **ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.
- Sec. 6** **RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials and without delay to:
 - (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;

- (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by a private person.

Sec. 7 SCOPE OF OPERATIONS - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.

Sec. 8 ENVIRONMENTAL IMPACTS - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:

- (a) Any accelerated or additional monitoring necessary to determine the nature of noncompliance and the results of the noncompliance;
- (b) Immediate implementation of measures necessary to comply; and
- (c) Warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

Sec. 9 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

Sec. 10 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:

- (a) In accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
- (b) Utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

- Sec. 11** **EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 12** **RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 13** **AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 14** **COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq.), and the Clean Air Act (42 USC 7401 et seq.), UCA 26-11-1 et seq., and UCA 26-13-1 et seq.
- Sec. 15** **PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas with the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 16** **CULTURAL RESOURCES** - If, during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by Division within the time frame specified by Division.
- Sec. 17** **APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.

The above conditions (Secs. 1-17) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

Permit
ACT/007/004
September 11, 1998
Page 5

THE STATE OF UTAH

By: James P. Bradford
Date: 9/14/98

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

PERMITTEE

Authorized Representative of Permittee

Date

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and that the first publication was on the 6th day of August, 1998 and that the last publication of such notice was in the issue of such newspaper dated the 6th day of August, 1998.

Kevin Ashby
Kevin Ashby - Publisher

Subscribed and sworn to before me this 6th day of August, 1998.

Linda Thayne
Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$ 72.00

**NOTICE OF APPLICATION
FOR TRANSFER, ASSIGNMENT OR SALE OF A PERMIT
by Castle Gate Holding Company**

Notice is hereby given that Castle Gate Holding Company, 9100 East Mineral Circle, Englewood, Colorado 80112, has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas & Mining for transfer of Permit ACT/007/004 to operate under the provisions of the Utah Coal Mining and Reclamation Act pursuant to R645-303300 of the Utah Coal Program Regulations. The present permittee under the permit is Amax Coal Company. The permit transfer is necessary due to the proposed restructuring of Cyprus Amax Minerals Company's coal business. The permit area is located in Carbon County, Utah as follows:

Township 12 South Range 9 East, SLBM - Section 22: Portions of SE 1/4 SW 1/4 and S 1/2 SE 1/4 Section 26: Portions W 1/2; Section 27: All except portions of NW 1/4 and NW 1/4 NW 1/4 SW 1/4; Section 28: All except portions of SE 1/4 SE 1/4 NE 1/4 SE 1/4, and SW 1/4; Section 29: All except N 1/2 NW 1/4, NW 1/4 NE 1/4, and portions of S 1/2 NE 1/4 and N 1/2 SE 1/4; Section 30 all except N 1/2 N 1/2; Section 31; Section 32; Section 33; Section 34; Section 35: Portions of N 1/2, W 1/2 SW 1/4, and SE 1/4

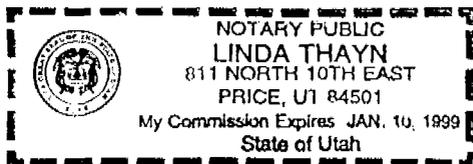
Township 13 South, Range 9 East, SLBM - Section 1: Portions of the NW 1/4 NW 1/4; Section 2: Portions of NE 1/4 and NW 1/4; Section 3: NW 1/4 and portions of NE 1/4, SE 1/4, and SW 1/4; Section 4: N 1/2 and portions of SE 1/4 and SW 1/4; Section 5: NE 1/4 and portions of NW 1/4, SE 1/4 and SW 1/4; Section 6: N 1/2 and portions SW 1/4 and SE 1/4; Section 8: Portion of NE 1/4; Section 9: Portions of NE 1/4, NW 1/4, and SW 1/4; Section 10: Portions of NE 1/4 and NW 1/4

The permit area is shown on the following U.S. Geological Survey 7.5-minute maps: Standardville, Kyune, Matt's Summit, Helper, and Deadman Canyon.

Any person having an interest which is or may be adversely affected by a decision on the transfer, assignment or sale of the permit rights, including an official of any federal, state or local government agency, may submit written comments within thirty (30) days of the date of this publication to:

Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Published in the Sun Advocate August 6, 1998.





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

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

September 11, 1998

To: File

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

Re: Compliance Review for Section 510 (c) Findings - Permit Transfer, Castle Gate Mine, Castle Gate Holding Company, ACT/007/004, Folder #3, Carbon County, Utah

As of the writing of this memo, there are no NOVS or COs which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of Castle Gate Holding Company or Amax Coal Company. Castle Gate Holding Company or Amax Coal Company do not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

As of this date, the OSM recommendation from the Applicant Violator System (AVS) denotes "conditional issue" for the ongoing Pittston settlement agreement; see attached.

Applicant Evaluation

Applicant Violator System

11-Sep-1998 08:34:03

State : UT	Permit No :	Appl No : ACT007004
Applicant : 146020(CASTLE GATE HOLDING CO)		Seqno : 7

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

SYSTEM RECOMMENDATION	: COND ISSUE	09/11/1998
PREVIOUS SYSTEM RECOMMENDATION	: DENY	09/10/1998

Records retrieved : 12

ST	PERMIT	RP ID	SEQ	VTTYPE	VIOLNO	VIOLDATE
VA	1200551	065862	0	FORF		07/13/1993
VA	1200724	065861	0	FORF		01/29/1993
VA	2339	059695	0	CMIS	C80-001-018-004	05/02/1980
VA	2339	130846	0	FORF		09/04/1980
VA	2503	059695	0	CMIS	C80-001-018-005	05/01/1980

RCM_MNT(F7) PERMIT/APPL(F8) REPORTS(F9)
 PRV_SCR(F3) VIOL(F4) EVOFT(F5) VOFT(F6) CHOICES(F10)



Certificate of Insurance

Trueproof file
Copy #4
Aon Risk Services

To: State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Castle Gate Mines
Castle Gate Holding Company,
Permit No. ACT/007/004, Folder No. 4
Carbon County, Utah
Fax to: Johnny Pappas - 435-472-4782

Assured: Cyprus Amax Minerals Company et al including Castle Gate Holding Company
9100 East Mineral Circle
Englewood, CO 80112

This is to certify that the policies of insurance listed below have been issued to the Insured named above for the policy period indicated, notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain. The insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

Type of Insurance	Policy No.	Policy Period	Policy Limits/Values
A) Commercial General Liability	RMGL6121972	07/01/98 - 07/01/99	\$ 6,000,000 General Aggregate \$ 6,000,000 Products/Completed Operations Aggregate \$ 1,000,000 Personal and Advertising Injury \$ 1,000,000 Each Occurrence \$ 1,000,000 Fire Damage (Any One Fire) \$ 10,000 Medical Expense (Any One Person)
Insurance Company(ies)	National Union Fire Insurance Company of Pittsburgh, PA		
B) Auto Liability	RMCA3209148	07/01/98 - 07/01/99	\$ 2,000,000 CSL Each Occurrence
Insurance Company(ies)	National Union Fire Insurance Company of Pittsburgh, PA		
C) Workers' Compensation Employers' Liability	OC-01611906	09/01/98 - 09/01/99	WC: Statutory EL: \$1,000,000 Each Accident \$1,000,000 Disease - Policy Limit \$1,000,000 Disease - Each Employee
Insurance Company(ies)	Old Republic Insurance Co.		
D) Excess Workers' Compensation	EX358	09/01/98 - 09/01/99	Statutory Excess of a Self Insured Retention: \$1,000,000 any one occurrence
Insurance Company(ies)	Old Republic Insurance Co.		

Commercial General Liability includes X, C, U Coverage.

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any cosubscribing insurer who for any reason does not satisfy all or part of its obligations.

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy(ies) shown hereon. Should any of the above described policies be canceled before the expiration date thereof, this agency, on behalf of the issuing company(ies), will endeavor to mail 45 days written notice to the above named certificate holder, but failure to mail such notice shall not constitute a breach of the obligation of the issuing company(ies) to provide such notice.

Aon Risk Services of Texas, Inc.

Date: August 27, 1998

By: *Steve J. McKinnon*

File ACT/007/004
Folder #5

MR FORM 5

(Revised August 1985)
(Federal)

Bond Number 929 80 55
Permit Number ACT/007/004
Mine Name Castle Gate Coal Company

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

RECEIVED
FEB 05 1986

THE MINED LANDS RECLAMATION ACT

DIVISION OF
OIL, GAS & MINING

BOND

The undersigned Castle Gate Coal Company
as principal, and National Fire Insurance Company of Hartford 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 Two million six hundred eighty three thousand six hundred and three
dollars (\$2,683,603.00). Such sum shall be payable to
one, but not both, of the above-named agencies.

The principal estimated in the Mining and Reclamation Plan filed with the
Division of Oil, Gas and Mining on the 24th day of December
19 84, that 134.5 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.

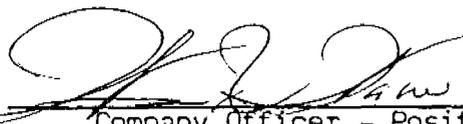
If the approved plan provides for reclamation of the land affected on a
piecemeal or cyclic basis, and the land is reclaimed in accordance with such
plan, then this bond may be reduced periodically.

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.

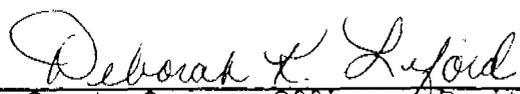
NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officer.

CASTLE GATE COAL COMPANY
Principal (Company)

By 
Company Officer - Position
William R. Wahl - President

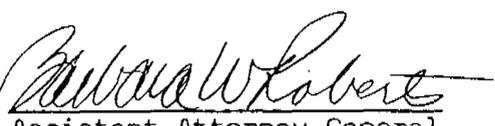
Date: 1/31/84

National Fire Insurance Company of Hartford
Surety (Company)

By 
Surety Company Officer Position
Deborah K. Liford Attorney in Fact

DATE: 1/31/86

APPROVED AS TO FORM:

By 
Assistant Attorney General

AFFIDAVIT OF QUALIFICATION

Deborah K. Liford, being first duly sworn, on oath deposes and
Attorney in Fact of
says that he/she is the (officer or agent) National Fire Insurance Company of
Hartford
of said Surety Company, and that he/she is duly authorized to execute and
deliver the foregoing obligations; that said Surety Company is authorized to
execute the same and has complied in all respects with the laws of Utah in
reference to becoming sole surety upon bonds, undertakings and obligations.

(Signed) Deborah K. Liford
Surety Company Officer - Position
Deborah K. Liford Attorney in Fact

Subscribed and sworn to before me this 31st day of January, 19 86.

Sandra Kay Burge
Notary Public

My Commission Expires:

2-17, 19 89

Office/Chicago, Illinois

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men by these Presents, That the NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, a corporation duly organized and existing under the laws of the State of Connecticut, and having its general administrative office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint Deborah K. Liford, Individually

of Indianapolis, Indiana
 its true and lawful Attorney-in-Fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature
- In Unlimited Amounts -

and to bind the NATIONAL FIRE INSURANCE COMPANY OF HARTFORD thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of NATIONAL FIRE INSURANCE COMPANY OF HARTFORD and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following Resolution duly adopted on February 21, 1955 by the Board of Directors of the Company.

RESOLVED: That the President, an Executive Vice President or any Vice President of the Corporation may, from time to time, appoint, by written certificates, Attorneys-in-Fact to act in behalf of the Corporation in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such Attorneys-in-Fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Corporation by their signature and execution of any such instrument and to attach the seal of the Corporation thereto. The President, an Executive Vice President, any Vice President or the Board of Directors may at any time revoke all power and authority previously given to any Attorney-in-Fact.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 14th day of May, 1964.

RESOLVED: That the signature of the President, an Executive Vice President or a Vice President and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to the Resolution adopted by this Board of Directors on February 21, 1955 and the signature of a Secretary or an Assistant Secretary and the seal of the Corporation may be affixed by facsimile to any certificate of any such power, and any power or certificate bearing such facsimile signatures and seal shall be valid and binding on the Corporation. Any such power so executed and sealed and certified by certificate so executed and sealed, shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Corporation.

In Witness Whereof, the NATIONAL FIRE INSURANCE COMPANY OF HARTFORD has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed this 13th day of May, 1985.



NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
J. E. Purtell
 Vice President.

State of Illinois, County of Cook, ss:

On this 13th day of May, 1985, before me personally came J. E. Purtell, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Glenview, State of Illinois; that he is a Vice-President of the NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, the corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Leslie A. Smith
 Notary Public.
 My Commission Expires November 12, 1988

CERTIFICATE

I, M. C. Vonnahme, Assistant Secretary of the NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the Resolutions of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed by name and affixed the seal of the said Company this 31st day of January, 1986.



M. C. Vonnahme
 Assistant Secretary.

Original to fireproof
file
ACT/007/004



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GENERAL PURPOSE RIDER

To be attached to and form part of Bond Number 929 80 55 effective January 31, 1986
issued by the National Fire Insurance Company of Hartford in the amount of
One Million Eight Hundred Four Thousand
and No/100-----DOLLARS, on behalf of Amax Coal Company

as Principal and in favor of State of Utah, Division of Oil, Gas and Mining, and as obligee:
the U.S. Department of the Interior

Now, Therefore, it is agreed that:

The Principal's name is hereby changed:

From: Amax Coal Company

To: Castle Gate Holding Company

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

This rider is to be effective the 12th day of August 19 98.

Signed, sealed and dated this 12th day of August 19 98.

Castle Gate Holding Company (Principal)

National Fire Insurance Company of Hartford (Surety)

By: Denise R. Danner
Denise R. Danner
Director of Financial Reporting

By: Wendy W. Stuckey
Wendy W. Stuckey, Attorney-in-Fact

Accepted By:

Division of Oil, Gas & Mining

Lowell P. Braxton
Lowell P. Braxton Acting Director

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That CONTINENTAL CASUALTY COMPANY, an Illinois corporation, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, a Connecticut corporation, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a Pennsylvania corporation (herein collectively called "the CCC Surety Companies"), are duly organized and existing corporations having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signature and seals herein affixed hereby make, constitute and appoint William N. Burke, Jr., Dan W. Burton, Wendy W. Stuckey, Michael J. Herrod, Lupe Tamayo, Joan Bagnall, Joy Hajovsky, James W. Baughman, Individually

of Houston, Texas

their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their corporations and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Laws and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the corporations.

In Witness Whereof, the CCC Surety Companies have caused these presents to be signed by their Group Vice President and their corporate seals to be hereto affixed on this 29th day of June, 1998.



CONTINENTAL CASUALTY COMPANY
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

Marvin J. Cashion

Group Vice President

State of Illinois, County of Cook, ss:

On this 29th day of June, 1998, before me personally came Marvin J. Cashion, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Chicago, State of Illinois; that he is a Group Vice President of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA described in and which executed the above instrument; that he knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



My Commission Expires March 6, 2000

Mary Jo Abel

Notary Public

CERTIFICATE

I, Mary A. Ribikawskis, Assistant Secretary of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of each corporation printed on the reverse hereof are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seals of the said corporations this 12th day of August, 1998.



CONTINENTAL CASUALTY COMPANY
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

Mary A. Ribikawskis

Assistant Secretary

DELEGATION OF AUTHORITY

January 6, 1998

I, Gerald J. Malys, Senior Vice President and Chief Financial Officer of Cyprus Amax Minerals Company ("Cyprus"), hereby delegate my authority to Denise R. Danner, Director of Financial Reporting, to execute on behalf of Cyprus, and any of its subsidiaries, surety bonds, routine insurance applications, and any and all documents relating to workers' compensation matters, including but not limited to, self-insurance permits, state fund accounts, assigned risk accounts, Federal USL&H permits, and Federal black lung permits.

This delegation of authority will expire on December 31, 1998.



Gerald J. Malys
Senior Vice President and
Chief Financial Officer



For All the Commitments You Make[®]

GENERAL PURPOSE RIDER

To be attached to and form part of Bond Number 929 80 55

effective January 31, 1986

issued by the National Fire Insurance Company of Hartford
Six Million Seven Hundred Fifty Seven
Thousand Four Hundred Fifty DOLLARS, on behalf of Amax Coal Company
One and No/100-----

in the amount of

as Principal and in favor of State of Utah, Division of Oil, Gas and Mining, and
the U.S. Department of the Interior

as obligee:

Now, Therefore, it is agreed that:

The penal sum of the bond is hereby decreased from the above to:

One Million Eight Hundred Four Thousand and No/100 Dollars (\$1,804,000.00)

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

This rider is to be effective the 9th day of September 19 97

Signed, sealed and dated this 9th day of September 19 97

Amax Coal Company (Principal)
By: Denise R. Danver

National Fire Insurance Company of Hartford (Surety)
By: Wendy W. Stuckey
Wendy W. Stuckey Attorney-in-Fact

Accepted By:

James P. Braxton 9/23/97



For All the Commitments You Make

AN ILLINOIS CORPORATION

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men by these Presents, That CONTINENTAL CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Illinois, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint Mary C. Jones, William N. Burke, Jr., Dan W. Burton, Michelle M. Ulery, Karen D. Grammer, Wendy W. Stuckey, Individually

of Houston, Texas its true and lawful Attorney-in-fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature - In Unlimited Amounts -

and to bind CONTINENTAL CASUALTY COMPANY thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of CONTINENTAL CASUALTY COMPANY and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

Article IX-Execution of Documents

Section 3. Appointment of Attorney-in-fact. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President or the Board of Directors, may, at any time, revoke all power and authority previously given to any attorney-in-fact.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 3 of Article IX of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company.

In Witness Whereof, CONTINENTAL CASUALTY COMPANY has caused these presents to be signed by its Group Vice President and its corporate seal to be hereto affixed on this 8th day of August, 1994.

State of Illinois } ss
County of Cook }

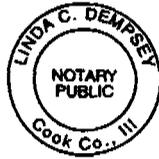


CONTINENTAL CASUALTY COMPANY

M. C. Vonnahme Group Vice President.

On this 8th day of August, 1994, before me personally came

M. C. Vonnahme, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Downers Grove, State of Illinois; that he is a Group Vice President of CONTINENTAL CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Linda C. Dempsey Notary Public. My Commission Expires October 19, 1994

CERTIFICATE

I, George R. Hobagah, Assistant Secretary of CONTINENTAL CASUALTY COMPANY, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 3 of Article IX of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 9th day of September, 1997.



George R. Hobagah Assistant Secretary.

DELEGATION OF AUTHORITY

January 2, 1997

I, Gerald J. Malys, Senior Vice President and Chief Financial Officer of Cyprus Amax Minerals Company ("Cyprus"), hereby delegate my authority to Denise R. Danner, Director of Financial Reporting, to execute on behalf of Cyprus, and any of its subsidiaries, surety bonds, routine insurance applications, and any and all documents relating to workers' compensation matters, including but not limited to, self-insurance permits, state fund accounts, assigned risk accounts, Federal USL&H permits, and Federal black lung permits.

This delegation of authority will expire on December 31, 1997.


Gerald J. Malys
Senior Vice President and
Chief Financial Officer