

- 0010

*Outgoing*  
*C/007/0004*  
*R*

**From:** Angela Nance  
**To:** mwong@foundactioncoal.com  
**Date:** 7/6/2009 5:15 PM  
**Subject:** Bond - Castle Gate Mine  
**Attachments:** 20090706154455.pdf; 20090706154529.pdf

Hi Mary,

Upon review of the bond for the Caste Gate Mine (C/007/0004), I noticed that we have an Exhibit "D" on file to reduce the bond amount from \$680,154 to \$490,100 (attached), but we do not have a bond rider to reflect the decreased amount. The current Bonding Agreement is for \$680,154 (attached).

Could you please send me a Rider that reflects the bond decrease to \$490,100 and I will attach it to the original Bonding Agreement? If you prefer to complete an entirely new Bonding Agreement that is fine too - just let me know and I will forward the documents to you.

Thank you,  
Angela Nance  
Bond Coordinator  
[angelanance@utah.gov](mailto:angelanance@utah.gov)  
(801) 538-5264

0006



Mary S. Wong  
Risk Manager

999 Corporate Boulevard, Suite 300  
Linthicum Heights, MD 21090-2227

VIA OVERNIGHT DELIVERY

May 17, 2006

Ms. Pam Grubaugh-Littig  
State of Utah  
1594 West North Temple  
Suite 1210  
Salt Lake City, UT 84114-5801

*Direct*  
*4/007/0038*  
*cc: 00070004*

Re: Approval of Phase I bond Releases (Sowbelly Gulch Substation and Hardscrabble Substation at the Castle Gate Mine) Conditional Approval of Phase I Bond Releases (Adit #1 at the Castle Gate Mine and Gravel Canyon at the Willow Creek Mine), Castle Gate Mine, Castle Gate Holding Company, C/007/0004, Willow Creek Mine, Plateau Mining Corporation, C/007/0038, Outgoing File

Dear Pam:

Concerning the captioned matter, enclosed please find the Affidavits of Publication and Exhibit D for both Plateau Mining Corporation and Castle Gate Holding.

Should you have any further questions concerning this matter, please do not hesitate to contact Mary Wong, Risk Manager, at (410) 689-7557 or via email at [mwong@foundationcoal.com](mailto:mwong@foundationcoal.com).

Sincerely,

A handwritten signature in black ink, appearing to read 'CLS', is written over a horizontal line.

Connie L. Saunders  
Insurance Assistant

/cls

Enclosures (2)

RECEIVED  
MAY 18 2006  
DIV. OF OIL, GAS & MINING

Permit Number: C/007/004

Effective Date: 3/20/06

Bond Number: 104329369

**COAL**  
**STIPULATION TO REVISE RECLAMATION AGREEMENT**  
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

Bond Amount is Decreased from Six Hundred Eighty Thousand One Hundred Fifty Four and 00/100(\$680,154.00) to Four Hundred Ninety Thousand One Hundred and 00/100(\$490,100.00).

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

- Replace the Reclamation agreement in its entirety.
- Replace Exhibit "A"- permit area.
- Replace Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$680,154.00 to \$490,100.00.

The bonding type is changed from \_\_\_\_\_ to \_\_\_\_\_.

The surface disturbance is revised from \_\_\_\_\_ acres to \_\_\_\_\_ acres.

The expiration date is revised from \_\_\_\_\_ to \_\_\_\_\_.

The liability insurance carrier is changed from \_\_\_\_\_ to \_\_\_\_\_.

Exhibit "D"  
Stipulation to Revise  
Reclamation Agreement  
Federal

The amount of insurance coverage for bodily injury and property damage is changed  
from  
\$ \_\_\_\_\_ to \$ \_\_\_\_\_.

IN WITNESS WHEREOF, Castle Gate Holding Company, the PERMITTEE  
has hereunto set its signature and seal this 5th day of May, 2006.

Castle Gate Holding Company  
**PERMITTEE**

By: James Anderson

Title: CORPORATE CONTROLLER

ACCEPTED BY THE STATE OF UTAH this 9th day of May, 2006.

J. R. Bay  
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 or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

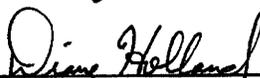
Bond Number 104329369

**AFFIDAVIT OF QUALIFICATION  
DIRECTOR  
--ooOOoo--**

John R. Baza, being first duly sworn under oath, deposes and says that he is the Director for the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah; and that he is duly authorized to execute and deliver the foregoing obligations; and that said Director is authorized to execute the same by authority of laws on behalf of the State of Utah.

  
John R. Baza, Director  
Division of Oil, Gas and Mining

Subscribed and sworn to before me this 24<sup>th</sup> day of May 2006.

  
Diane Holland  
Notary Public

My Commission Expires:

May 8, 2010



Attest:

STATE OF Utah )

COUNTY OF Salt Lake )

) SS:

Bond Number 104329369

**AFFIDAVIT OF QUALIFICATION  
PERMITTEE/OPERATOR**

--ooOOoo--

James Anderson, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Controller of Castle Gate Holding Company; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE/OPERATOR is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

James Anderson - Controller  
(Signed)  
Name - Position

Subscribed and sworn to before me this 9<sup>th</sup> day of May, 20 06.

Mary S. [Signature]  
Notary Public

My Commission Expires:

March 1, 20 09.

Attest:

STATE OF Maryland )

COUNTY OF Anne Arundel )

ss:

Bond Number 104329369

**AFFIDAVIT OF QUALIFICATION  
SURETY COMPANY**

--ooOOoo--

I, Joseph R. Poplawski, being first duly sworn under oath, deposes and says that he/she

is the (officer or agent) Attorney-in-Fact of Travelers Casualty and Surety Company of America;

and that he/she is duly authorized to execute and deliver the foregoing obligations; and 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 herein.

Travelers Casualty and Surety Company  
of America

BY: Joseph R. Poplawski  
(Signed) Joseph R. Poplawski, Attorney-In-Fact  
Surety Company Officer - Position

Subscribed and sworn to before me this 5th day of May 2006.



Mary Y. Volmar  
Notary Public  
Mary Y. Volmar

My Commission Expires:

July 13, 2008.

Attest:

STATE OF Tennessee )

) ss:

COUNTY OF Knox )



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 215311

Certificate No. 000332985

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Debra Elaine Clark, Joseph R. Poplawski, Joy M. Williams, Elizabeth A. Hartzberg, and Carolyn E. Wheeler

of the City of Knoxville, State of Tennessee, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 31st day of March, 2006

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
George W. Thompson, Senior Vice President

On this the 31st day of March, 2006, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2006.



[Signature]
Marie C. Tetreault, Notary Public

Replaces Travelers Casualty and Surety Company of America Bond No. 103198931-148, and St. Paul Fire and Marine Insurance Company Bond No. KA2990-148, and National Union Fire Insurance Company of Pittsburgh, PA Bond No. 210067-148

Exhibit "B" – **BONDING AGREEMENT**  
**SURETY BOND**

Bond No. 104329369

Permit Number: ACT/007/004

**SURETY BOND**  
**(FEDERAL COAL)**

**THIS SURETY BOND** entered into and by and between the undersigned **PERMITTEE**, 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 & Mining (**DIVISION**), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (**OSM**) in the penal sum of \$680,154.00 (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 **PERMITTEE**'s reclamation obligation have been met and released by the **DIVISION** and is conditioned upon faithful performance of all of the requirement 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 **PERMITTEE**'s failure to comply with the condition(s) of the reclamation obligation.

The **SURETY** will give prompt notice to the **PERMITTEE** and to the **DIVISION** and **OSM** of any notice received or action alleging to insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirement which could result in suspension or revocation of the **SURETY**'s license.

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

**IN WITNESS WHEREOF**, the **PERMITTEE** has hereunto set its signature and seal this 5<sup>th</sup> day of August, 2004.

**CASTLE GATE HOLDING COMPANY**  
**PERMITTEE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

*David A. Roland*  
VP & CONTROLLER