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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
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

December 13, 1991

Ms. Angie Rovetta
Risk Management
Cyprus Minerals Company
9100 East Minerals Circle
Post Office Box 3299
Englewood, Colorado 80155

Dear Ms. Rovetta:

Re: Cancellation of Bond #64S100663279, Starpoint Mines, Cyprus-Plateau Mining Corporation, ACT/007/006, Folder #4, Carbon County, Utah

Enclosed please find the sealed version of Bond #64S100662379 that is being returned for cancellation. The original bond (Bond #64S100208576) has been ridered to \$4.83 million, effective October 26, 1990 and also ridered to include the requested verbiage to said bond. I am also enclosing the rider to Bond #64S100108576BCA that added the requested verbiage to the bond only in the amount of \$3.4 million. This bond has been ridered twice to correct this situation.

If you have any questions, please call me. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in cursive script, reading "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

PGL/jbe

Revised February 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

Bond No. 64S100662379BCA
Permit Number ACT/007/006

**SURETY BOND
(FEDERAL COAL)**

THIS SURETY BOND entered into and by and between the undersigned CYPRUS PLATEAU MINING CORPORATION as OPERATOR, and THE AETNA CASUALTY AND SURETY 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 (DIVISION), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE) in the penal sum of Four Million Eight Hundred Thirty Thousand Dollars (\$4,830,000.00) 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.

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 OSMRE from any and all expenses which the DIVISION and OSMRE may sustain as a result of the OPERATOR's failure to comply with the condition(s) of the obligation.

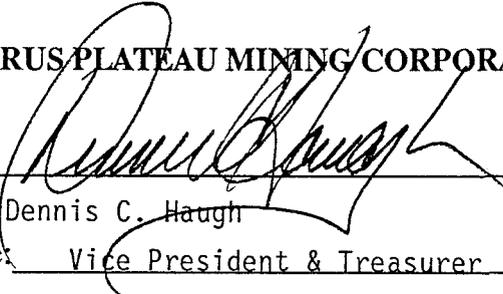
The SURETY will give prompt notice to the OPERATOR and to the DIVISION and OSMRE of any notice received or action alleging to insolvency or bankruptcy of the SURETY, or alleging any violations or regulatory requirements which could result in suspension or revocation of the SURETY's license.

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

Revised February 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

IN WITNESS WHEREOF the OPERATOR has hereunto set its signature and seal this 26th day of October, 1990.

CYPRUS PLATEAU MINING CORPORATION

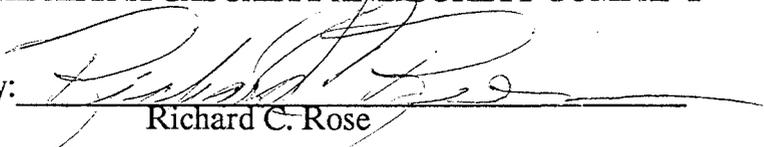
By: 

Dennis C. Haugh

Title: Vice President & Treasurer

IN WITNESS WHEREOF the SURETY has hereunto set its signature and seal this 26th day of October, 1990.

THE AETNA CASUALTY AND SURETY COMPANY

By: 

Richard C. Rose

Title: Attorney-In-Fact

ACCEPTED BY
THE STATE OF UTAH:

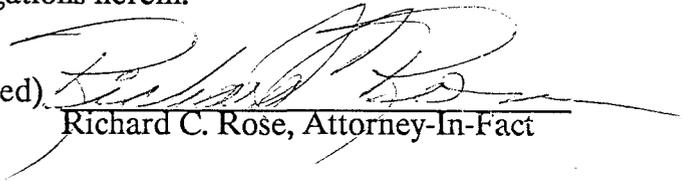

Director - Division of Oil, Gas and Mining

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.

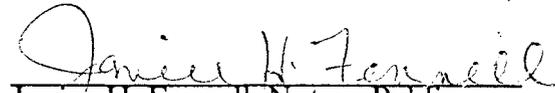
Last Revised, July 1989

**AFFIDAVIT OF QUALIFICATION
SURETY COMPANY**

I, Janice H. Fennell, being first duly sworn under oath, deposes and says that Richard C. Rose is the Attorney-In-Fact of The Aetna Casualty and Surety Company, and that he 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.

(Signed) 
Richard C. Rose, Attorney-In-Fact

Subscribed and sworn to before me this 26th day of October, 1990.


Janice H. Fennell, Notary Public

My Commission Expires:
June 17, 1991

Attest:

STATE OF TENNESSEE)
COUNTY OF KNOX)

ss:

file fireproof file

RIDER

To be attached to Bond No. 64S100208576BCA issued by
THE AETNA CASUALTY AND SURETY COMPANY, of Hartford, Connecticut,
(As Surety) in the amount of Three Million Four Hundred Seven Thousand
Three Hundred Twenty-Two and No/100----- (\$ 3,407,322.00)
Dollars, effective the 26th day of November, 19 85.

ON BEHALF OF Plateau Mining Company, a Delaware Corporation
State of Utah, Division of Oil, Gas and Mining, and the
IN FAVOR OF U.S. Department of the Interior, Office of Surface Mining

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the Surety that:

Bond language is hereby amended to include the following:
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.

All other items, limitations and conditions of said bond except as herein expressly modified shall remain unchanged.

This Rider shall be effective as of the 12th day of September,
19 91.

Signed, sealed and dated this 12th day of September,
19 91.

Plateau Mining Company, a Delaware Corporation
BY: *Dennis C. Haugh*
Dennis C. Haugh - Vice President & Treasurer
THE AETNA CASUALTY AND SURETY COMPANY

Accepted:
Dennis C. Haugh

BY: *Richard C. Rose*
Richard C. Rose, 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 **Richard G. Anderson, Tom H. McCarley, III, Richard C. Rose, Janice Fennell, Kent C. Hermes, James F. Oakes, Linda M. Howard or Frank A. Word** - -

of **Knoxville, Tennessee**, 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

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 **April**, 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 **April**, 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 **12th** day of **September**, 19 **91**



By John W. Welch
John W. Welch
Secretary