



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

November 23, 2004

RF

Mary Wong, Risk Manager
Foundation Coal Corporation
999 Corporate Boulevard, Suite 300
Linthicum Heights, Maryland 21090-2227

Re: Bond No. 104329368, Plateau Mining Corporation, Star Point Mine,
C/007/0006, Outgoing File

Dear Ms. Wong:

The Division received the original decrease riders for the above-mentioned mine in the total amount of \$3,118,400, decreasing the original bond from \$7,796,000 to \$3,118,400. Enclosed please find a copy for your records.

If you have any questions, please call me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

an
cc: Price Field Office
O:\007006.STP\FINAL\Tranbonddecrease.doc



Mary S. Wong
Risk Manager

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

November 10, 2004

Ms. Pamela Grubaugh-Littig
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Principal: Plateau Mining Corporation
Bond No: 104329368
Amount: \$7,796,000 to \$3,118,400
Permit No.: C/007/006

Liexproy
d/007/0006
Copy Pam

Dear Ms. Pamela:

Please find attached captioned original decrease riders in the total amount of \$3,118,400. This rider will decrease the original bond amount from \$7,796,000 to \$3,118,400.

Trust you will find all to be in good order. If you should have any questions or need additional information, please do not hesitate to contact me at (410) 689-7557.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary Wong' with a stylized flourish at the end.

Mary Wong

Enclosure

CC: Dennis Ware

RECEIVED
NOV 15 2004
DIV. OF OIL, GAS & MINING

RIDER

To be attached to Bond No. 104329368 7500 issued by
Travelers Casualty and Surety Company of America

(As Surety) in the amount of Seven Million Seven Hundred Ninety Six Thousand and 00/100
(\$ 7,796,000.00)

Dollars, effective the 30th day of July, 2004

ON BEHALF OF PLATEAU MINING CORPORATION

IN FAVOR OF STATE OF UTAH

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the Surety that: **THE BOND AMOUNT IS HEREBY DECREASED FROM THE ABOVE AMOUNT TO THREE MILLION ONE HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED AND NO/100-----(\$3,118,400.00)**

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 October, 2004

Signed, sealed and dated this the 2nd day of November, 2004

PLATEAU MINING CORPORATION

BY: Darrell H. Roland Principal
Darrell H. Roland
Vice President and Controller

Travelers Casualty and Surety Company of America
Surety

BY: Joy M. Williams Attorney-in-Fact
Joy M. Williams,

Accepted: [Signature]

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062**

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Debra Elaine Clark, Joseph R. Poplawski, Joy M. Williams, Elizabeth A. Hartzberg, of Knoxville, Tennessee, their 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, 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 incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, 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 Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her 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 at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

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 President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: 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.



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

EXHIBIT "D"

**Stipulation to Revise
Reclamation Agreement
(Federal)**

Permit Number: C/007/006

Effective Date: 08/07/87

Bond Number: 104329368

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)

The bond amount is hereby decreased from \$7,796,000 to \$3,118,400 effective October 12, 2004.

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 \$7,796,000 to \$3,118,400.

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 _____.

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

IN WITNESS WHEREOF, Plateau Mining Corporation the **PERMITTEE** has
hereunto set its signature and seal this 2nd day of November, 2004.

Plateau Mining Corporation
PERMITTEE

By: Darrell H. Roland
Darrell H. Roland

Title: Vice President and Controller

ACCEPTED BY THE STATE OF UTAH this 18th day of November, 2004.
[Signature]
Director,
Division of Oil, Gas and Mining

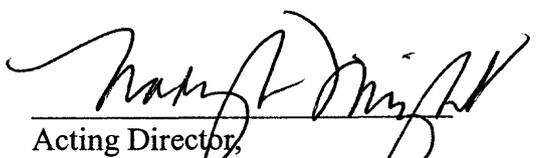
NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where on signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

**AFFIDAVITS
OF
QUALIFICATION**

Bond Number 104229368

**AFFIDAVIT OF QUALIFICATION
DIRECTOR
--ooOoo--**

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


Acting Director,
Division of Oil, Gas and Mining

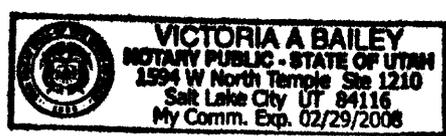
Subscribed and sworn to before me this 18th day of November 2004.


Notary Public

My Commission Expires:
February 29, 2008.

Attest:
STATE OF Utah)
COUNTY OF Salt Lake)

SS:



**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

--ooOOoo--

I, Darrell H. Roland being first duly sworn under oath, deposes and says that he/she is
the (officer or agent) Vice President & Controller of Plateau Mining Corporation
_____;

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



(Signed)

Name - Position

Darrell H. Roland

Vice President and Controller

Subscribed and sworn to before me this 5th day of November 2004.



Notary Public

My Commission Expires:

3/13, 2005.

Attest:

STATE OF Maryland)

**AFFIDAVIT OF QUALIFICATION
SURETY COMPANY**

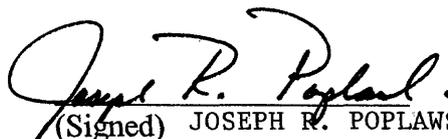
--ooOOoo--

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.

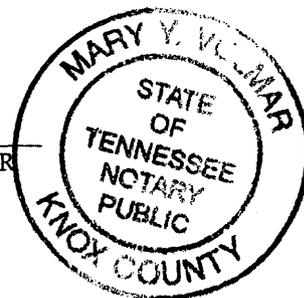
TRAVELERS CASUALTY AND SURETY COMPANY
OF AMERICA



(Signed) JOSEPH R. POPLAWSKI, ATTORNEY-IN-FACT
Surety Company Officer - Position

Subscribed and sworn to before me this 2nd day of November 2004.


Notary Public MARY Y. VOLMAR



My Commission Expires:

July 13, 2008.

Attest:

STATE OF Tennessee)

) ss:

COUNTY OF Knox)

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062**

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