0010

Outgoing
C/007/0006

From: Angela Nance
To: dware@foundationcoal.com; mwong@foundationcoal.com
Date: 3/17/2009 4:41 PM
Subject: Star Point Mine, Signed Bonding Agreement
Attachments: 20090317144243.pdf

Attached please find the signed Star Point Mine Bonding Agreement (which reflects the approved surety decrease from $2,384,000 to $734,000). This copy of the Agreement contains John Baza's signature - for your file.

Thank you,
Angela Nance
Bond Coordinator
angelanance@utah.gov

FOUNDATION COAL
CORPORATION

391 Inverness Parkway, Suite 333
Englewood, CO 80112

Mary S. Wong
Director
Risk Management

March 5, 2009

Ms. Angela Nance
State of Utah
Department of Natural Resources
1594 West North Temple, #1210
Salt Lake City, UT 84114

Re: Plateau Mining Corporation
Bond Number 104329368
Permit Number: C/007/006
Bond Amount: $2,384,000 to $734,000

Dear Ms. Nance:

Please find attached the original decrease rider in the amount of $2,384,000. This rider will decrease the original bond from $2,384,000 to $734,000.

If you should have any questions or require additional information, please feel free to contact me at 303.749.8419.

Sincerely

Mary S. Wong/sg

Mary S. Wong

MSW/sg

Enclosure

RECEIVED
MAR 09 2009
DIV. OF OIL, GAS & MINING

Phone: *303.749.8419* ***Fax:*** *303.749.8449* ***Mobile:*** *443.742.8377* ***Email:*** *mwong@foundationcoal.com*

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

Permit Number: C/007/006

Effective Date: 06/12/2008

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)

Phase II bond release granted in the amount of $2,384,000 - $734,000 remains for reclamation liability at the site. The effective date of the release is June 12, 2008; the date that the application was conditionally approved.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.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 $2,384,000 to $734,000 .

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 $_____.

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHEREOF, Plateau Mining Corporation the **PERMITTEE** has hereunto set its signature and seal this 4th day of March, 2009.

Plateau Mining Corporation
PERMITTEE

By: _____

Title: Vice President, Sales and Marketing

ACCEPTED BY THE STATE OF UTAH this 12th day of March, 20 09.

_____
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.

Exhibit "A"
Legal Description
Federal
Bond Number 104329368

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA :
Wattis U.S. Geological Survey 7.5-minute map

Legal description of BONDED AREA:

Township 14 South, Range 7 East, SLB & M

Section 34: Lots 3, 4, N1/2 SE1/4

Township 15 South, Range 8 East

Section 1: S1/2;
Section 2: Lots 2 through 7,10 through 12, SW1/4, W1/2SE1/4, SE1/4SE1/4
Section 3: Lots 1,2,7 through 10, E1/2SE1/4, E1/2W1/2SE1/4
Section 10: E1/2E1/2, E1/2NW1/4NE1/4;
Section 11: All;
Section 12: All;
Section 13: N1/2
Section 14: All;
Section 15: E1/2E1/2NE1/4, E1/2E1/2SE1/4
Section 22: E1/2E1/2NE1/4NE1/4,E1/2SE1/4NE1/4,E1/2NE1/4SE1/4,E1/2SE1/4SE1/4;
Section 23: All;
Section 25: W1/2NW1/4;
Section 26: N1/2; and
Section 27: Parts of E1/2E1/2NE1/4NE1/4.

Township 15 South, Range 8 East

Section 5: Lots 4, 5, 12, NW1/4 SW1/4;
Section 6: Lots 2, 3, 6, 7, 8, 9, 10, 11, 14, E1/2 SW1/4, SE1/4;
Section 7: All;
Section 8: W1/2 NW1/4, SW1/4, SE1/4SE1/4, S1/2SW1/4SE1/4;
Section 9: SW1/4 SW1/4, E1/2 SW1/4, SE1/4;
Section 10: SW1/4, W1/2 SE1/4, SE1/4 SE1/4;
Section 15: N1/2 N1/2;
Section 16: All;
Section 17: E1/2, NW1/4, NW1/4 SW1/4 North of the Right Fork of Miller Creek;
Section 18: N1/2,N1/2 SE1/4,NE1/4 SW1/4, N1/2 NW1/4 SW1/4;
Section 20: NE1/4; and
Section 21: E1/2 NW1/4.

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

4th day of March, 20 09.

Travelers Casualty and Surety
Company of America
SURETY

Joseph R. Poplawski

By: Joseph R. Poplawski

Attorney-in-Fact
Title:

Exhibit "B"
Federal Surety Bond
Federal

Surety Bond Number 104329368

EXHIBIT "B"
SURETY BOND
(FEDERAL COAL)
--ooOOoo--

This **SURETY BOND** entered into and by and between the undersigned **PERMITTEE/PRINCIPAL** Plateau Mining Corporation, and **SURETY** Travelers Casualty and Surety Company of America, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (hereafter referred to as the **"DIVISION"**), and the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (hereafter referred to as **"OSM"**) in the penal sum of Seven Hundred Thirty Four Thousand and 00/100 ($734,000.00) for the timely performance of reclamation responsibilities of the Permittee in the Bonded Area described in Exhibit "A" of that certain **RECLAMATION AGREEMENT**, dated the 12th day of June _____, 2008 by and between the **DIVISION** and the **PERMITTEE/PRINCIPAL**.

This **SURETY BOND** shall remain in effect until all of the **PERMITTEE'S/ PRINCIPAL'S** reclamation obligations have been met and released by the **DIVISION** with the concurrence of **OSM** and is conditioned upon faithful performance of all of the requirements of the Utah Coal Mining Reclamation Act, Utah Code Ad. §40-12-2 et. seq. (the **ACT**), the Surface Mine Control and Reclamation Act (**"SMCRA"**), and all lawful regulation adopted under the authority of those statutes, and the approved Permit (which is based upon the approved Permit Application Package).

The **SURETY** will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the **PERMITTEE/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** may sustain as a result of the **PERMITTEE'S/PRINCIPAL'S** failure to comply with the condition(s) of the reclamation obligation.

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

Upon incapacity of the **SURETY** by reason of bankruptcy, or suspension or revocation of license, the **PERMITTEE/PRINCIPAL** shall be deemed to be without Bond coverage in violation of state and federal law and subject to enforcement in accordance with SMCRA, the ACT, and the applicable regulations.

Exhibit "B"
Federal Surety Bond
Federal

Surety Bond Number 104329368
Mine Name/Number Star Point Mines / C/007/006

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

In the event the Utah Cooperative Agreement is terminated, this **SURETY BOND** shall be payable only to the OSM to the extent that lands covered by the Federal Lands Program are involved and otherwise to the **DIVISION**.

IN WITNESS WHEREOF, the **PERMITTEE/PRINCIPAL** has hereunto set its signature and seal this 5th day of March, 2009.

Plateau Mining Corporation
PERMITTEE/PRINCIPAL

By: _____

Title: Vice President, Sales and Marketing

IN WITNESS WHEREOF, the **SURETY** has hereunto set its signature and seal this 4th day of March, 2009.

Travelers Casualty and Surety
Company of America
SURETY

By: _____
Joseph R. Poplawski

Title: Attorney-in-Fact

SURETY BONDING AGREEMENT 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 the Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

Bond Number 104329368

AFFIDAVIT OF QUALIFICATION
DIRECTOR
--ooOOoo--

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

STATE OF Utah)
) ss:
COUNTY OF Salt Lake)

Subscribed and sworn to before me this 12 day of March 2009.

Penny Berry
Notary Public

My Commission Expires:

1/11/, 2011.

PENNY BERRY
NOTARY PUBLIC - STATE OF UTAH
1594 W. NORTH TEMPLE, STE 1210
SALT LAKE CITY, UT 84116
My Comm. Exp. 01/11/2011

AFFIDAVIT OF QUALIFICATION
PERMITTEE
--ooOOoo--

I, Larry M. Deal, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Officer 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 Larry M. Deal
Vice President, Sales and Marketing

Subscribed and sworn to before me this 5th day of March 2009.

Notary Public

My Commission Expires:

May 18, 2012.

SUSAN M. GUNNARE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 05-18-2012

Attest:

STATE OF Colorado)
) ss:
COUNTY OF Arapahoe

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 4th day of March 2009.

Notary Public - Mary Y. Volmar

MARY Y. VOLMAR
STATE OF TENNESSEE NOTARY PUBLIC
KNOX COUNTY

My Commission Expires:

August 12, 2012.

~~Attest:~~ Witness:

STATE OF Tennessee)
) ss:
COUNTY OF Knox)

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

TRAVELERS

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. 218196 **Certificate No.** 002768888

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-Kinkead, Joseph R. Poplawski, Tara W. Mealer, and Mary Y. Volmar

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.

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 18th day of January, 2007.

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: George W. Thompson, Senior Vice President

On this the 18th day of January, 2007, 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, 2011.

Marie C. Tetreault, Notary Public

58440-5-07 Printed in U.S.A.

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors 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, which resolutions are now in full force and effect, reading as follows:

RESOLVED, 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; and it is

FURTHER RESOLVED, 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; and it is

FURTHER RESOLVED, 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; and it is

FURTHER RESOLVED, 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 on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, 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 do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 4th day of March, 20 09.

Kori M. Johanson, Assistant Secretary

To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.