

0035

### Document Information Form

Mine Number: C/007/011

File Name: Incoming

To: DOGM

From:

Person N/A

Company ACORD

Date Sent: December 3, 1997

Explanation:

Certificate of Liability Insurance

\_\_\_\_\_  
\_\_\_\_\_

cc:

File in: C/007, 011, Incoming

Refer to:

- Confidential
- Shelf
- Expandable

Date \_\_\_\_\_ For additional information

Copy A-21007011 #4 Kingproy file

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
12-3-97

**PRODUCER**  
  
BENNION-TAYLOR KISER-LORD INS.  
461 W. MURRAY BLVD  
MURRAY, UT 84123  
(801) 268-8006 FAX: 263-9878

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 POLICIES BELOW.

**COMPANIES AFFORDING COVERAGE**

- COMPANY  
**A** AMERICAN STATES INSURANCE COMPANY
- COMPANY  
**B**
- COMPANY  
**C**
- COMPANY  
**D**

**INSURED**  
  
HIAWATHA COAL COMPANY  
3212 SOUTH STATE  
SALT LAKE CITY, UT 84115

**COVERAGES**  
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.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR OWNER'S & CONTRACTOR'S PROT	01CE30877310	11-24-97	11-24-98	GENERAL AGGREGATE \$2,000,000
					PRODUCTS - COMP/OP AGG \$2,000,000
					PERSONAL & ADV INJURY \$1,000,000
					EACH OCCURRENCE \$1,000,000
					FIRE DAMAGE (Any one fire) \$ 50,000
					MED EXP (Any one person) \$ 5,000
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
					EACH OCCURRENCE \$
					AGGREGATE \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>  THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS OTH-ER
					EL EACH ACCIDENT \$
					EL DISEASE - POLICY LIMIT \$
					EL DISEASE - EA EMPLOYEE \$
	OTHER				

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**  
HIAWATHA COMPLEX ACT 0007/011 KING MINES LISTED AS #4-42-0098, #5-42-01389, #6-42-01599 EXPLOSION DAMAGE COVERED

**CERTIFICATE HOLDER**  
  
STATE OF UTAH  
DIVISION OF OIL, GAS & MINING  
1594 WEST NORTH TEMPLE #1210  
SALT LAKE CITY, UT 84114

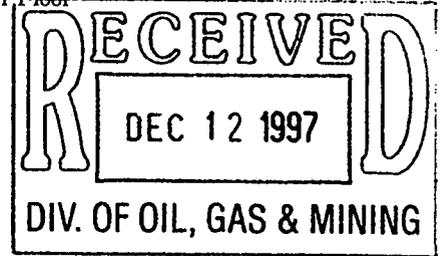
**CANCELLATION**  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~SEND~~ MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Bank One, Arizona, N  
International Trade Ser  
AZ1-1246  
PO Box 29529  
Phoenix AZ 85038 9529  
201 N Central Ave., 11th Floor  
Phoenix AZ 85004

SWIFT BOAZ US 55  
TELEX 673 4869

**BANK ONE**



AMENDMENT TO STANDBY LETTER OF CREDIT

L/C #: S005519  
LC ISSUED: 12/03/97  
AMENDMENT 1

AMENDMENT DATE: 10 DEC 1997

BENEFICIARY:

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY, UT 84114

APPLICANT:

HIAWATHA COAL COMPANY, INC.  
3212 SO. STATE ST.  
SALT LAKE CITY, UT

THE ABOVE MENTIONED LETTER OF CREDIT IS HEREBY AMENDED AS FOLLOWS:

AMENDED BENEFICIARY:

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY, UT 84114 AND  
(SEE BELOW FOR BENEFICIARY NAME)

SECOND BENEFICIARY NAME:

UNITED STATES DEPARTMENT OF THE INTERIOR  
OFFICE OF SURFACE MINING RECLAMATION & ENFORCEMENT  
WESTERN REGIONAL COORDINATING CENTER  
1999 BROADWAY, SUITE 3320  
DENVER, COLORADO 80202-5733

THIS LETTER OF CREDIT WILL BE HELD BY THE STATE OF UTAH, DEPARTMENT OF NATURAL RESOURCES, DIVISION OF OIL, GAS AND MINING, 1594 WEST NORTH TEMPLE, SUITE 1210, SALT LAKE CITY, UT 84114

UNDER BENEFICIARY'S SIGNED STATEMENT DELETE:

....., THE REGULATORY PROGRAM, .....

INSERT IN ITS PLACE;

....., THE UTAH COAL REGULATORY PROGRAM, .....

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 500.

*Handwritten signature*

Bank One, Arizona,  
International Trade Services  
AZI-1246  
PO Box 29529  
Phoenix AZ 85038 9529  
201 N Central Ave., 11th Floor  
Phoenix AZ 85004

SWIFT BOAZ US 55  
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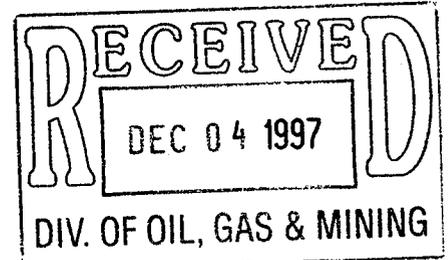
THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE MENTIONED CREDIT AND  
MUST BE ATTACHED THERETO. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*Janet L. Kelley*  
\_\_\_\_\_  
AUTHORIZED SIGNATURE(S)  
*M. J. ...*

Bank One, Arizona,  
International Trade Services  
AZ1-1246  
PO Box 29529  
Phoenix AZ 85038 9529  
201 N Central Ave., 11th Floor  
Phoenix AZ 85004

SWIFT BOAZ US 55  
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**BANK ONE**



IRREVOCABLE STANDBY LETTER OF CREDIT NO. S005519

ISSUED IN PHOENIX, ARIZONA on 03 DEC 1997

**BENEFICIARY:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY, UT 84114

**APPLICANT:**

HIAWATHA COAL COMPANY, INC.  
3212 SO. STATE ST.  
SALT LAKE CITY, UT

*Fireproof file  
Copy #4  
ACT 1007/011*

AMOUNT: USD \*\*\*2,838,000.00  
TWO MILLION EIGHT HUNDRED THIRTY  
EIGHT THOUSAND AND 00/100 UNITED  
STATES DOLLARS

DATE AND PLACE OF EXPIRY:  
04 DEC 1998  
OUR COUNTERS

**CREDIT AVAILABLE WITH:**

BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA

BY: PAYMENT

**AVAILABLE BY DRAFTS AT SIGHT DRAWN ON:**

BANK ONE, ARIZONA, NA  
PHOENIX, ARIZONA

PERMIT NO. ACT-007-011

DRAFTS SUBMITTED MUST BE ACCOMPANIED BY THE FOLLOWING:  
BENEFICIARY'S SIGNED STATEMENT STATING THAT:

"PURSUANT TO R645-301-880,900, HIAWATHA COAL COMPANY, INC. IS IN VIOLATION OF THE SURFACE MINING CONTROL AND RECLAMATION ACT, THE REGULATORY PROGRAM, THE PERMIT AND THE RECLAMATION PLAN."

**OTHER OR SPECIAL CONDITIONS:**

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY SUCH DATE WE NOTIFY YOU IN WRITING BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY DRAW ON US AT SIGHT

*W. [Signature]*

Bank One, Arizona, NA  
International Trade Services  
AZI-1246  
PO Box 29529  
Phoenix AZ 85038 9529  
201 N Central Ave., 11th Floor  
Phoenix AZ 85004

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L/C #: S005519  
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FOR THE THEN AMOUNT OF THIS LETTER OF CREDIT BY PRESENTATION OF YOUR DRAFT, THE ORIGINAL OF THIS LETTER OF CREDIT AND AMENDMENTS, IF ANY, AND YOUR STATEMENT SIGNED BY A BOND APPROVING OFFICER INDICATING NAME AND TITLE STATING THAT: "THE AMOUNT BEING DRAWN UNDER THIS LETTER OF CREDIT REPRESENTS FUNDS DUE US BECAUSE HIAWATHA COAL COMPANY, INC. HAS FAILED TO REPLACE THIS LETTER OF CREDIT BY OTHER SUITABLE BOND PURSUANT TO R645-301-860.222 AND R645-301-870."

DRAFTS DRAWN UNDER THIS CREDIT MUST BE ENDORSED AND CONTAIN THE CLAUSE: "DRAWN UNDER THE BANK ONE, ARIZONA, NA, LETTER OF CREDIT NO. S005519 DATED DECEMBER 3, 1997."

WE HEREBY AGREE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION TO US ON OR BEFORE DECEMBER 4, 1998, UNLESS AUTOMATICALLY EXTENDED AS ABOVE STATED AT BANK ONE, ARIZONA, NA, INTERNATIONAL TRADE SERVICES DIVISION, 241 N. CENTRAL AVENUE; PHOENIX, ARIZONA 85004, TOGETHER WITH THIS LETTER OF CREDIT.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 500.

  
AUTHORIZED SIGNATURE (S)  
