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391 Inverness Parkway, Suite 333
Englewood, CO 80112

RECEIVED
SEP 22 2008
DIV. OF OIL, GAS & MINING

Mary S. Wong
Director
Risk Management

gk C/007/038 Incoming
Attachment - Bond file

September 18, 2008

Dana Dean, P.E.
Associate Director, Mining
State of Utah
Department of Natural Resources
1584 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Authorization to Reduce the Bond Amount as a Result of Removal of Barn Canyon Shaft Facility, Task ID #2940, Plateau Mining Corporation, Willow Creek Mine, C/007/0038
Bond No. 10439367

Dear Ms. Dean:

Enclosed please find the Stipulation to Revise Reclamation Agreement, Exhibit A (Legal Description), and the Affidavit of Qualification to reduce Bond No. 10439367 from \$2,275,114 to \$2,175,114.

If you should have any questions, please do not hesitate to contact me at (303) 749.8419 or via e-mail at mwong@foundationcoal.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary S. Wong', with a long horizontal line extending to the right.

Mary S. Wong
Director, Risk Management

MSW/sg

Enclosures

cc: Dennis Ware

Permit Number: C/007/038

Effective Date: 8/18/08

Bond Number: 104329367

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 Two Million Two Hundred Seventy Five Thousand One Hundred Fourteen and 00/100 Dollars (\$2,275,114.00) to Two Million One Hundred Seventy Five Thousand One Hundred Fourteen and 00/100 Dollars (\$2,175,114.00).

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.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 \$2,275,114.00 to \$2,175,114.00.

The bonding type is changed from _____ to _____.

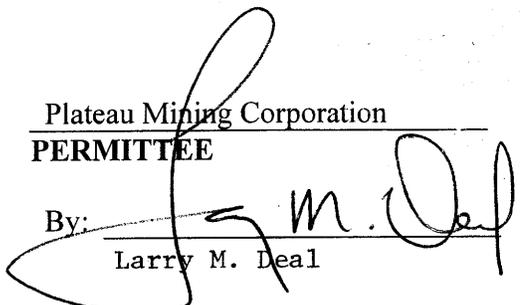
The surface disturbance is revised from _____ acres to _____ acres.

The expiration date is revised from _____ to _____.

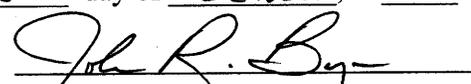
The liability insurance carrier is changed from _____ to _____.

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 18th day of September, 2008.

Plateau Mining Corporation
PERMITTEE
By: 
Larry M. Deal
Title: Vice President, Sales and
Marketing

ACCEPTED BY THE STATE OF UTAH this 2ND day of October, 20 08.


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 104329367

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 :

Map 18C, Exhibits 3.4-17AB, Exhibit 23 Map 21G-AB Exhibit 3.7-7B, Exhibit 3.7-7C

Legal description of BONDED AREA:

Mine Surface Facilities Area:

Township 13 South, Range 9 East, SLB&M
Section 1: Portions of E/2 NE/4; NW/4 NE/4; E/2 SW/4 NE/4

Crandall Canyon Area:

Township 12 South, Range 9 East, SLB&M
Section 27: Portions of NE/4 NW/4
Section 28: Portions of NE/2 SE/4; SW/4 SE/4; E/2 SW/4

Preparation Plant, Loadout and Gravel Canyon:

Township 13 South, Range 9 East, SLB&M
Section 1: Portions of N/2 NW/4
Township 12 South, Range 9 East, SLB&M
Section 35: Portions of E/2 SE/4
Section 36: Portions of S/2 SW/4; NE/4 SW/4; SE/4 NW/4

Containing a total of 91.51 acres, more or less.

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

17th day of September, 2008.

Travelers Casualty and Surety
Company of America

SURETY

TARA W. MEALER

By:

Tara W. Mealer, Attorney-in-Fact

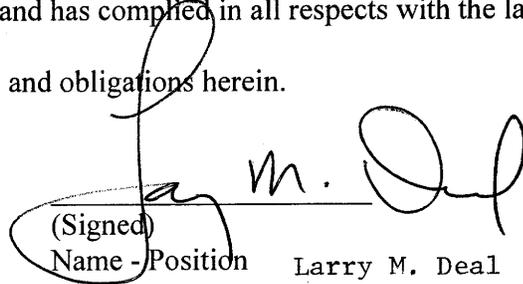
Title:

**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

--ooOoo--

I, Larry M. Deal, being first duly sworn under oath, deposes and says that he/she is
and Marketing
the (officer or agent) Vice President, Sales 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 18th day of September 2008.


Notary Public

My Commission Expires:

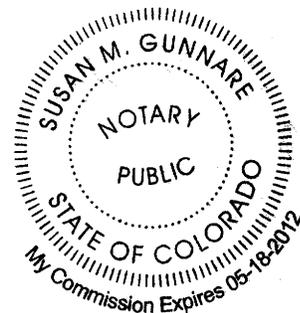
May 18, 20¹².

Attest:

STATE OF Colorado)

COUNTY OF Arapahoe)

) ss:





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. 002556720

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.

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: [Signature]
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.



[Signature]
Marie C. Tetreault, Notary Public

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.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 17th day of September, 2008.

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


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.

Bond Number _____

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

STATE OF Utah)
COUNTY OF Salt Lake) ss:

Subscribed and sworn to before me this 2 day of October 2008.


Notary Public

My Commission Expires:

1/11/, ~~2008~~ 2011

