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JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

**Division of Oil, Gas and Mining**

JOHN R. BAZA  
Division Director

OK

August 18, 2008

Dennis Ware, Controller  
Plateau Mining Corporation  
P.O. Box 30  
Helper, Utah 84526-0300

Subject: 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

Dear Mr. Ware:

On March 3, 2008, the Division received your request for a bond reduction in the amount of \$100,000 as a result of your removing the Barn Canyon Shaft area from the disturbed area. On March 25, 2008, the Division conditionally approved the bond adjustment and on April 29, 2008, final approval was granted.

You are hereby authorized to decrease the bond amount from \$2,275,114 to \$2,175,114. Enclosed are Exhibit A, Exhibit B and Exhibit D of the reclamation agreement. Please complete and have the appropriate parties sign and return to the Division by September 30, 2008.

If you have any questions, please feel free to call me at (801) 538-5320.

Sincerely,

A handwritten signature in black ink, appearing to read "Dana Dean".

Dana Dean, P.E.  
Associate Director, Mining

an  
Enclosure  
cc: Price Field Office  
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**EXHIBIT "A"**

**Bonded Area  
Legal Description**

(Federal Coal)

Exhibit "A"  
Legal Description  
Federal

Bond Number \_\_\_\_\_

**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 :

\_\_\_\_\_

Legal description of BONDED AREA:

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

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**SURETY**

\_\_\_\_\_  
By:

\_\_\_\_\_  
Title:

**EXHIBIT "B"**

**Bonding Agreement  
Surety Bond**

(Federal Coal)

Surety Bond Number \_\_\_\_\_

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

This **SURETY BOND** entered into and by and between the undersigned **PERMITTEE/PRINCIPAL** \_\_\_\_\_, and **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 (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 \_\_\_\_\_ (\$) (Surety Bond Amount) 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 \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ 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 or 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.

Surety Bond Number \_\_\_\_\_  
Mine Name/Number \_\_\_\_\_

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 \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**PERMITTEE/PRINCIPAL**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**IN WITNESS WHEREOF**, the **SURETY** has hereunto set its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**SURETY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**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.

**EXHIBIT "D"**

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

Permit Number: \_\_\_\_\_  
Effective Date: \_\_\_\_\_  
Bond Number: \_\_\_\_\_

**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)

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.

  X   Replace Exhibit "A"- bonded area.

  X   Replace Exhibit "B"- bonding agreement

\_\_\_\_\_ Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ \_\_\_\_\_ to \$ \_\_\_\_\_.

The bonding type is changed from \_\_\_\_\_ to \_\_\_\_\_.

The surface disturbance is revised from \_\_\_\_\_ acre 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, \_\_\_\_\_ the PERMITTEE has hereunto set  
its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**PERMITTEE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

ACCEPTED BY THE STATE OF UTAH this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**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 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.

Page 1 of 1 Exhibit "D" - Stipulation to Revise

**AFFIDAVITS  
OF  
QUALIFICATION**

Bond Number \_\_\_\_\_

**AFFIDAVIT OF QUALIFICATION  
PERMITTEE  
--ooOOoo--**

I, \_\_\_\_\_, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) \_\_\_\_\_ of \_\_\_\_\_; 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

Attest: \_\_\_\_\_  
Secretary of the Corporation

STATE OF \_\_\_\_\_ )

) ss:

COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_, 20 \_\_\_\_.

Bond Number \_\_\_\_\_

**AFFIDAVIT OF QUALIFICATION  
SURETY COMPANY  
--ooOOoo--**

I, \_\_\_\_\_, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) \_\_\_\_\_ of \_\_\_\_\_; 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.

\_\_\_\_\_  
(Signed)  
Surety Company Officer - Position

Attest:

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

) ss:

\_\_\_\_\_  
Notary Public and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_, 20\_\_\_\_.

Bond Number \_\_\_\_\_

**POWER OF ATTORNEY**

\_\_\_\_\_  
(Signature)

Bond Number \_\_\_\_\_

**POWER OF ATTORNEY**

**--ooOOoo--**

The \_\_\_\_\_ (Corporation), having its principal office in \_\_\_\_\_ (Location), does hereby make, constitute and appoint \_\_\_\_\_ [Attorney(s)], as its true and lawful Attorney(s)-in-fact in their separate capacity, if more than one is named above, to make, execute, sign, seal and deliver for and on its behalf as surety and as its act and deed (without power of re-delegation) any and all bonds and undertakings and other writings obligatory in the nature thereof provided in the amount of no one bond or undertaking exceeding (\$)\_\_\_\_\_.

The execution of such bonds and undertakings shall be as binding upon said \_\_\_\_\_ (Corporation) as fully and to all intents and purposes as if the same had been duly executed and acknowledged by its regularly elected officers.

IN WITNESS THEREOF, this \_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

Subscribed and sworn to before me this \_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_, 20 \_\_\_\_.

Attest:

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

) ss: