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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

November 2, 1995

Timothy D. Kirschbaum
Senior Engineer
Consolidation Coal Company
Mid-Continent Region
12755 Olive Boulevard
St. Louis, MO 63141

Re: Permit Transfer, Hidden Valley Mine, Consolidation Coal Company,
ACT/015/007, Folder #3, Emery County, Utah

Dear Mr. Kirschbaum:

The permit transfer of the Hidden Valley Mine from Hidden Valley Coal Company to Consolidation Coal Company is approved. Enclosed please find the decision document and two original permits. Please sign both permits and return one to the Division.

Additionally, pursuant to R645-303-352, please provide notice to the Division of the consummation of the transfer, assignment, or sale of permit rights as well as seven copies of the updated legal and financial for insertion into the Hidden Valley Mine mining and reclamation plan. Please provide the notice and copies for the plan by November 28, 1995.

If you have any questions, please call Pamela Grubaugh-Littig. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'James W. Carter', written over a large, stylized circular flourish.

James W. Carter
Director

Enclosure

cc: Lee Edmonson, Hidden Valley Coal Company
Robert Fulton, OSM, WRCC
Pamela Grubaugh-Littig
Daron Haddock
Joe Helfrich



**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
PERMIT TRANSFER**

Consolidation Coal Company
Hidden Valley Mine
ACT/015/007
Emery County, Utah

November 2, 1995

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ADMINISTRATIVE OVERVIEW

Consolidation Coal Company
Hidden Valley Mine
ACT/015/007
Emery County, Utah

November 2, 1995

PROPOSAL

Consolidation Coal Company submitted an application to transfer the permit rights for the Hidden Valley Mine on June 14, 1995 which is currently permitted as a reclamation only site. Subsequent information was submitted on August 30, 1995, September 15, 28, and October 2 and October 27, 1995.

RECOMMENDATION

All of the information for the permit transfer submitted by Consolidation Coal Company has been found complete and adequate. The permit transfer was published in the Emery County Progress on June 13, 1995. A 510(c) clearance was verified on November 1, 1995 with an "issue" recommendation. Adequate bond and liability insurance have been posted by Consolidation Coal Company. It is, therefore, recommended that approval be given for the transfer of the permit rights to Consolidation Coal Company.

PERMITTING CHRONOLOGY

Consolidation Coal Company
Hidden Valley Mine
ACT/015/007
Emery County, Utah

November 2, 1995

June 14, 1995	Consolidation Coal Company submits a permit transfer application.
June 13, 1995	The permit transfer notice is published in the <u>Emery County Progress</u> .
August 23, 1995	The Division sends a permit transfer deficiency document to Consolidation Coal Company.
August 30, 1995	Consolidation Coal Company submits a response to the permit transfer deficiency.
September 15 and 28, 1995	The transfer is found to be complete and accurate. The bond is faxed to the Division.
October 30, 1995	The original bond documents are received at the Division and signed by the Director.
November 2, 1995	An OSM "conditional issue" recommendation for the Hidden Valley Mine (Consolidation Coal Company).
November 2, 1995	Permit Transfer.

FINDINGS

Consolidation Coal Company
Hidden Valley Mine
ACT/015/007
Emery County, Utah

November 2, 1995

The applicant for transfer of permit rights, Consolidation Coal Company has committed to continue to conduct reclamation operations at the Hidden Valley Mine in full compliance with the terms and conditions of the permit.

Consolidation Coal Company has submitted a bond sufficient to cover remaining reclamation costs in the permit area. After this permit transfer has been effected, Consolidation Coal Company will be responsible for the entire area and will assume all liability for compliance with terms and condition of the Hidden Valley Mine permit and any orders, stipulations or conditions associated with the permit.

The following findings specifically apply to the application for transfer of permit rights:

1. Division records and the results of the 510 (c) clearance check, show that neither Consolidation Coal Company, nor any affiliates control or have controlled coal mining and reclamation operations with a demonstrated pattern of willful violation of the Act of such nature and duration and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the Act. (See AVS recommendation dated November 2, 1995 and memo to file dated November 2, 1995.)
2. The State of Utah, the Division has determined that the application for transfer of permit rights is accurate and complete, and complies with the requirements of R645-300-133.100.
3. Consolidation Coal Company has the legal right to enter the Hidden Valley Mine conditioned upon approval of the permit transfer. (R645-300-133.300)
4. Consolidation Coal Company has paid all reclamation fees from previous and existing coal mining and reclamation operations as required by 30 CFR Part 870. (See AVS recommendation)(R645-300-133.730)

Findings
Permit Transfer
Hidden Valley Mine
Page 2

5. Procedures for public participation have complied with the requirements of the Act and the Utah State Program. Notice was published in the Emery County Progress on June 13, 1995 as required by R645-303-322.
6. The applicant has obtained a performance bond equivalent to the bonding requirements of the existing permit, in the amount of \$90,758 as well as public liability insurance. (R645-303-342).

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

This permit, ACT/015/007, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Consolidation Coal Company
Mid-Continent Region
12755 Olive Boulevard
St. Louis, Missouri 63141
(314) 275-2300

for the Hidden Valley Mine. A Surety Bond is filed with the Division in the amount of \$90,758, payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM must receive a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The permittee is authorized to conduct reclamation activities on the following described lands within the permit area at the Hidden Valley Mine, situated in the state of Utah, Emery County, and located:

Township 23 South, Range 6 East, SLBM

Section 17: W1/2
Section 18: All

This legal description is for the permit area of the Hidden Valley Mine. The permittee is authorized to conduct reclamation activities on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

Sec. 3 COMPLIANCE - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the

State Program.

- Sec. 4 PERMIT TERM** - This permit becomes effective on October 31, 1995, and expires on January 29, 1997.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of the OSMRE, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) Have the rights of entry provided for in 30 CFR 840.12, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
 - (b) Be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-210 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct reclamation activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
 - (b) Immediate implementation of measures necessary to comply; and
 - (c) Warning, as soon as possible after learning of such noncompliance,

any person whose health and safety is in imminent danger due to the noncompliance.

- Sec. 9 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the court of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.
- Sec. 10 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:
- (a) In accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
 - (b) Utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 11 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 12 RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 13 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 14 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 15 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

- Sec. 16 CULTURAL RESOURCES** - If during the course of reclamation operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 17 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300.

The above conditions (Secs. 1-17) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any new regulations.

THE STATE OF UTAH

By: _____

Date: _____

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

Authorized Representative of the Permittee

Date: _____



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

November 2, 1995

TO: File

FROM: Pamela Grubaugh-Littig, Permit Supervisor *pgl*

RE: Compliance Review for Section 510 (c) Findings, Hidden Valley Mine, Consolidation Coal Company, ACT/015/007, Folder #5, Emery County, Utah

As of this date, there is a "conditional issue" for the Hidden Valley Mine, see attached OSM recommendation. The condition is "based on continual compliance with the OSM, KY and WV settlements agreements and the outcome of the federal hearings on the CMIS violations. The violations linked to Laurel Run on U043200 are incorrectly linked."

There is not a demonstrated pattern of wilful violations, nor has Consolidation Coal Company been subject to any bond forfeitures for any operation in the state of Utah.



AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Emery,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and that the first publication was on the 13th day of June, 1995 and that the last publication of such notice was in the issue of such newspaper dated the 13th day of June, 1995.



Kevin Ashby - Publisher

Subscribed and sworn to before me this 13th day of June, 1995.



Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$24.00

NOTICE

Notice is hereby given that Hidden Valley Coal Company, permittee of the Hidden Valley Coal Mine, has or will submit an application to the Division of Oil, Gas & Mining under the provisions of R645-303-300 for transfer of Permit No. ACT/015/007, to Consolidation Coal Company, whose address is P.O. Box 527, Emery, Utah 84522. The permit area is located in Emery County, Utah, and is described as follows:

Township 23 South, Range 6 East, SLBM

Section 17: W1/2

Section 18: All

Pertinent comments are solicited from anyone affected by this proposal. Such comments should be filed within the next thirty (30) days with:

State of Utah, Department of Natural Resources

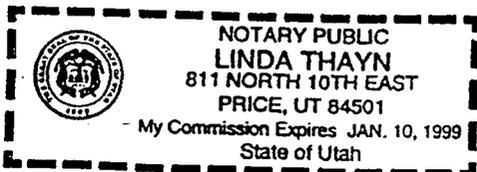
Division of Oil, Gas and Mining

355 West North Temple

III Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

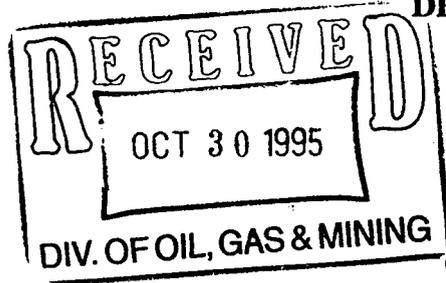
Published in the Emery County Progress June 13, 1995.



Orig. File 007 fill

RECLAMATION AGREEMENT Permit Number: Act/015/007
Date Original Permit Issued: 1/27/87
Effective Date of Agreement: _____

*Copy file #4
in par
Act 015/007*



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

COAL RECLAMATION AGREEMENT
-ooOOoo-

For the purposes of this RECLAMATION AGREEMENT the terms below are defined as follows:

"PERMIT": (Mine Permit No.) Act/015/007 (County) Emery

"MINE": (Name of Mine) Hidden Valley Mine

"PERMITTEE": (Company or Name) Consolidation Coal Company
(Address) 12755 Olive Boulevard, St. Louis, MO

"PERMITTEE'S REGISTERED AGENT": (Name) CT Corporation System
(Address) 175 South Main Street
(Phone) Salt Lake City, Utah 84111

"COMPANY OFFICERS": Refer to Attachment B - Application for Approval of Transfer, Assignment or Sale of Permit

"BOND TYPE": (Form of Bond) Surety Bond

"BOND": (Bond Amount-Dollars) 90,758
(Escalated Year-Dollars) 1997

"INSTITUTION": (Bank or Agency) _____
POLICY OR ACCOUNT NUMBER _____

"LIABILITY INSURANCE": (Exp.) 1/1/96
(Insurance Company) Lumbermen's Mutual Casualty Company

"STATE": Utah Department of Natural Resources
"DIVISION": Division of Oil, Gas and Mining
"DIVISION DIRECTOR": James Carter

EXHIBITS:	Revision Dates		
"SURFACE DISTURBANCE"	Exhibit "A"	_____	_____
"BONDING AGREEMENT"	Exhibit "B"	_____	_____
"LIABILITY INSURANCE"	Exhibit "C"	_____	_____
"STIPULATION TO CHANGE BOND"	Exhibit "D"	_____	_____

RECLAMATION AGREEMENT

This **RECLAMATION AGREEMENT** (hereinafter referred to as "Agreement") is entered into by the Permittee.

WHEREAS, on January 27, 1987, the Division approved the Permit Application Package, hereinafter "PAP", submitted by Consolidation Coal Company, hereinafter "Permittee"; and

WHEREAS, prior to issuance of a permit to conduct mining and reclamation operations on the property described in the PAP, hereinafter "Property", the Permittee is obligated by Title 40-10-1, et seq., Utah Code Annotated (1953, as amended), hereinafter "Act", to file with the Division a bond ensuring the performance of the reclamation obligations in the manner and by the standards set forth in the PAP, the Act, and the State of Utah Division of Oil, Gas and Mining Rules pertaining to Coal Mining and Reclamation Activities, hereinafter "Rules"; and

WHEREAS, the Permittee is ready and willing to file the bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws & regulations relating to the reclamation of the Property; and

WHEREAS, the Division is ready and willing to issue the permittee a mining and reclamation permit upon acceptance and approval of the bond.

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of the Act and the Rules are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Rules shall supersede conflicting provisions of this Agreement.
2. The Permittee agrees to comply with all terms and provisions of the PAP, the Act and the Rules, including the reclamation of all areas disturbed by surface coal mining and reclamation operations despite the eventuality that the cost of actual reclamation exceeds the bond amount.
3. The Permittee has provided a legal description of the property including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the permit period. The description is attached as Exhibit "A", and is incorporated by reference and shall be referred to as the "Surface Disturbance".
4. The Permittee agrees to provide a bond to the Division in the form and amount acceptable to the Division ensuring the performance of the reclamation obligations in the manner and by the standards set forth in the PAP, the Act and the Rules. Said bond is attached as Exhibit "B" and is incorporated by reference.

RECLAMATION AGREEMENT

5. The Permittee agrees to maintain in full force and effect the public liability insurance policy submitted as part of the permit application. The Division shall be listed as an additional insured on said policy.
6. In the event that the Surface Disturbance is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the bond as appropriate.
7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or Permittee's agent or employees failure to abide by the terms and conditions of the approved PAP and this Agreement.
8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Surface Disturbance in accordance with the approved PAP, the Act, and the Rules. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve, a written modification to this Agreement.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the bond meets the requirements of the Act and the Rules, but no bond shall be released until the Division has approved and accepted the replacement bond.
10. Any revision in the Surface Disturbance, the bond amount, the bond type, the liability insurance amount coverage, and/or the liability insurance company, or other revisions affecting the terms and conditions of this Agreement shall be submitted on the form entitled "Stipulation to Revise Reclamation Agreement" and shall be attached hereto as Exhibit "D" (other exhibits as appropriate).
11. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this agreement.
12. Any breach of the provisions of this Agreement, the Act, the Rules, or the PAP may, at the discretion of the Division, result in enforcement actions by the division which include but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's permit to conduct coal mining and reclamation operations and forfeiture of the bond.

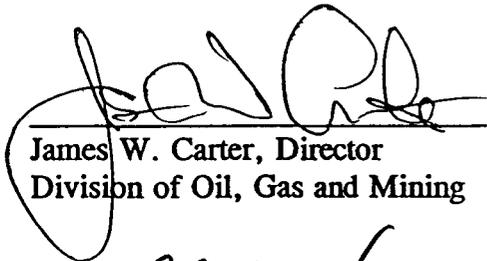
RECLAMATION AGREEMENT

- 13. In the event of forfeiture, the Permittee agrees to be liable for additional costs in excess of the bond amount which may be incurred by the Division in order to comply with the PAP, the Act, and the Rules. Any excess monies resulting from the forfeiture of the bond amount upon compliance with this contract shall be refunded as directed by the permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.

- 14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached hereto.

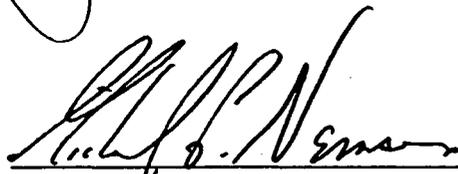
SO AGREED this 30th day of October, 19 95

STATE OF UTAH:



James W. Carter, Director
Division of Oil, Gas and Mining

PERMITTEE:



Company Officer - Position Michael F. Nemser
Vice President & Treasurer
of CONSOL Inc.,
Attorney-In-Fact

Company Officer - Position

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 this Agreement. If the Principal is a corporation, the Agreement shall be executed by its duly authorized officer.

EXHIBIT "A"
PERMIT AREA
LEGAL DESCRIPTION

Permit Number _____

EXHIBIT "A"

PERMIT AREA

In accordance with the RECLAMATION AGREEMENT, the PERMITTEE intends to conduct coal mining and reclamation activities on or within the PERMIT AREA as described hereunder:

Total acres within the approved PERMIT AREA: 960.0 Acres

Total acres of DISTURBED AREAS within the Permit Area: 6.7 Acres

Map(s) showing the approved PERMIT AREA are attached and provided as:

Map(s) showing the DISTURBED AREAS within the approved Permit Area are attached and provided as:

Legal Description of Bonded Area:

Permit Area: Township 23 South, Range 6 East, SLBM
Section 17:W 1/2
Section 18:All

NOTE:

In the event that more than one bond is provided for the Permit Area, the Permittee must provide a map and legal description for each sub area of the Permit Area for which each bond is provided.

Page 4 of ____

RECLAMATION AGREEMENT

EXHIBIT "A"
SURFACE DISTURBANCE
LEGAL DESCRIPTION

Page ___ of ___

EXHIBIT "B"
BONDING AGREEMENT

Surety Bond

Collateral Bond

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

Page 1 of 3Exhibit "B" - BONDING AGREEMENT
SURETY BONDPermit Number: ACT/015/007

SURETY BOND
(NON-FEDERAL COAL)
-ooOOoo-

THIS SURETY BOND entered into by and between the undersigned PERMITTEE, 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 (DIVISION) in the penal sum of (\$ 90,758.00) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of this Reclamation Agreement.

This SURETY BOND will remain in effect until all of the PERMITTEE's reclamation obligation have been met and released by the DIVISION and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, the approved permit and the Division.

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

The SURETY will give prompt notice to the PERMITTEE and to the DIVISION 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.

Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the PERMITTEE in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

Exhibit "B" - BONDING AGREEMENT
SURETY BOND

IN WITNESS WHEREOF, the PERMITTEE has hereunto set its signature and seal
this 13th day of October, 19 95.

CONSOLIDATION COAL COMPANY
PERMITTEE
By: [Signature]
Title: Michael F. Nemser
Vice President & Treasurer
of CONSOL Inc.,
Attorney-in-Fact

IN WITNESS WHEREOF, the SURETY has hereto set its signature and seal this
12th day of OCTOBER, 19 95.

SEABOARD SURETY COMPANY
SURETY
By: [Signature]
Title: JANICE FENNELL
ATTORNEY-IN-FACT

ACCEPTED BY THE STATE OF UTAH:

[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 one signs by virtue of Power of Attorney for 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.

AFFIDAVIT OF QUALIFICATION
SURETY COMPANY
--ooOOoo--

I, JANICE FENNELL, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) ATTORNEY-IN-FACT of SEABOARD SURETY COMPANY; 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) Janice Fennell
Surety Company Officer - Position
JANICE FENNELL, ATTORNEY-IN-FACT

Subscribed and sworn to before me this 12th day of OCTOBER, 1995.

William A. Karnes
Notary Public
WILLIAM A. KARNES

My Commission Expires:

JULY 1, 1998.

Attest:

STATE OF TENNESSEE)
COUNTY OF KNOX) ss:

EXHIBIT "A"
PERMIT AREA
LEGAL DESCRIPTION

Certified Copy

2J- 5809

SEABOARD SURETY COMPANY

ADMINISTRATIVE OFFICES, BEDMINSTER, NEW JERSEY

POWER OF ATTORNEY

No. 13250

KNOW ALL MEN BY THESE PRESENTS: That SEABOARD SURETY COMPANY, a corporation of the State of New York, has made, constituted and appointed and by these presents does make, constitute and appoint **Richard G. Anderson or Richard C. Rose or Janice Fennell or Frank A. Word, Jr. or Tracy Tucker**

of Knoxville, Tennessee

its true and lawful Attorney-in-Fact, to make, execute and deliver on its behalf insurance policies, surety bonds, undertakings and other instruments of similar nature as follows:

Without Limitations

Such insurance policies, surety bonds, undertakings and instruments for said purposes, when duly executed by the aforesaid Attorney-in-Fact, shall be binding upon the said Company as fully and to the same extent as if signed by the duly authorized officers of the Company and sealed with its corporate seal; and all the acts of said Attorney-in-Fact, pursuant to the authority hereby given, are hereby ratified and confirmed.

This appointment is made pursuant to the following By-Laws which were duly adopted by the Board of Directors of the said Company on December 8th, 1927, with Amendments to and including January 15, 1982 and are still in full force and effect:

ARTICLE VII, SECTION 1:

"Policies, bonds, recognizances, stipulations, consents of surety, underwriting undertakings and instruments relating thereto.

Insurance policies, bonds, recognizances, stipulations, consents of surety and underwriting undertakings of the Company, and releases, agreements and other writings relating in any way thereto or to any claim or loss thereunder, shall be signed in the name and on behalf of the Company

(a) by the Chairman of the Board, the President, a Vice-President or a Resident Vice-President and by the Secretary, an Assistant Secretary, a Resident Secretary or a Resident Assistant Secretary; or (b) by an Attorney-in-Fact for the Company appointed and authorized by the Chairman of the Board, the President or a Vice-President to make such signature; or (c) by such other officers or representatives as the Board may from time to time determine.

The seal of the Company shall if appropriate be affixed thereto by any such officer, Attorney-in-Fact or representative."

IN WITNESS WHEREOF, SEABOARD SURETY COMPANY has caused these presents to be signed by one of its Vice-Presidents, and its corporate seal to be hereunto affixed and duly attested by one of its Assistant Secretaries, this 5th day of April, 1995



Attest:

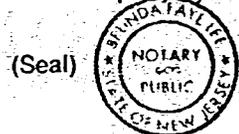
(Seal) Adelyn M. Fuller
Assistant Secretary

SEABOARD SURETY COMPANY,

By [Signature]
Vice-President

STATE OF NEW JERSEY ss:
COUNTY OF SOMERSET

On this 5th day of April, 1995, before me personally appeared Michael B. Keegan a Vice-President of SEABOARD SURETY COMPANY, with whom I am personally acquainted, who, being by me duly sworn, said that he resides in the State of New Jersey; that he is a Vice-President of SEABOARD SURETY COMPANY, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of the said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto as Vice-President of said Company by like authority.



BELINDA FAYE LEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Sept. 9, 1998

[Signature]
Notary Public

CERTIFICATE

I, the undersigned Assistant Secretary of SEABOARD SURETY COMPANY do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this Certificate and I do further certify that the Vice-President who executed the said Power of Attorney was one of the Officers authorized by the Board of Directors to appoint an attorney-in-fact as provided in Article VII, Section 1, of the By-Laws of SEABOARD SURETY COMPANY.

This Certificate may be signed and sealed by facsimile under and by authority of the following resolution of the Executive Committee of the Board of Directors of SEABOARD SURETY COMPANY at a meeting duly called and held on the 25th day of March 1970.

"RESOLVED: (2) That the use of a printed facsimile of the corporate seal of the Company and of the signature of an Assistant Secretary on any certification of the correctness of a copy of an instrument executed by the President or a Vice-President pursuant to Article VII, Section 1, of the By-Laws appointing and authorizing an attorney-in-fact to sign in the name and on behalf of the Company surety bonds, underwriting undertakings or other instruments described in said Article VII, Section 1, with like effect as if such seal and such signature had been manually affixed and made, hereby is authorized and approved."

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Company to these presents this 12th day of OCTOBER, 1995



[Signature]
Assistant Secretary

Form 957 (Rev. 7/84)

EXHIBIT "C"
LIABILITY INSURANCE

CERTIFICATE OF LIABILITY INSURANCE

Issued To:
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
-ooOOo-

THIS IS TO CERTIFY THAT:

Lumbermens Mutual Casualty Company
(Name of Insurance Company)

Long Grove, IL 60049

(Home Office Address of Insurance Company)

HAS ISSUED TO:

Consolidation Coal Company
(Name of Permittee)

Hidden Valley Mine
(Mine Name)

ACT - 015/007
(Permit Number)

CERTIFICATE OF INSURANCE:

5YL 945 444
(Policy Number)

1/01/95 - 1/01/96
(Effective Date)

UNDER THE FOLLOWING TERMS AND CONDITIONS:

Per R645-301-890 Terms and Conditions for Liability Insurance:

- A. The DIVISION shall require the PERMITTEE to submit as part of its permit application a certificate issued by an insurance company authorized to do business in the state of Utah certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operations for which the permit is sought. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any persons injured or property damaged as a result of the surface coal mining and reclamation operations, including the use of explosives and who are entitled to compensation under the applicable provisions of state law. Minimum insurance coverage for bodily injury and property damage shall be \$300,000 for each occurrence and \$500,000 aggregate.
- B. The policy shall be maintained in full force during the life of the permit or any renewal thereof, including the liability period necessary to complete all reclamation operations under this chapter.

CERTIFICATE OF LIABILITY INSURANCE

- C. The policy shall include a rider requiring that the insurer notify the Division whenever substantive changes are made in the policy including any termination or failure to renew.

IN ACCORDANCE WITH THE ABOVE TERMS AND CONDITIONS, and the Utah Code Annotated 40-10-1 et seq., the Insurance Company hereby attests to the fact that coverage for said Permit Application is in accordance with the requirements of the State of Utah and agrees to notify the Division of Oil, Gas and Mining in writing of any substantive change, including cancellation, failure to renew, or other material change. No change shall be effective until at least thirty (30) days after such notice is received by the Division. Any change unauthorized by the Division is considered breach of the RECLAMATION AGREEMENT and the Division may pursue remedies thereunder.

UNDERWRITING AGENT:

<u>Mike Brundage</u> (Agent's Name)	<u>908-522-4461</u> (Phone)
<u>The Kemper Group</u> (Company Name)	
<u>25 DeForest Avenue</u> (Mailing Address)	<u>Summit, NJ 07901</u> (City, State, Zip Code)

The undersigned affirms that the above information is true and complete to the best of his/her knowledge and belief, and that he/she is an authorized representative of the above-named insurance company. (An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer.)

Michael Brundage 7/18/95 Underwriter/ACCOUNT EXECUTIVE
(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by Mike Brundage

this 18th day of July, 19 95.

Georgina DiCataldo
(Signature)

My Commission Expires: _____
NOTARY PUBLIC - NEW JERSEY
My Commission Expires: 05.05.1999
(Date)

EXHIBIT "D"
STIPULATION TO REVISE
RECLAMATION AGREEMENT

Exhibit "D" - STIPULATION TO REVISE RECLAMATION AGREEMENT

Permit Number: _____
Effective Date: _____

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT
--ooOoo--

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.

_____ Replace Exhibit "A" - SURFACE DISTURBANCE.

_____ Replace Exhibit "B" - BONDING AGREEMENT.

_____ Replace Exhibit "C" - LIABILITY INSURANCE.

The BONDING amount is revised 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

IN WITNESS WHEREOF the PERMITTEE has hereunto set its signature and seal

this 25th day of October, 1995.



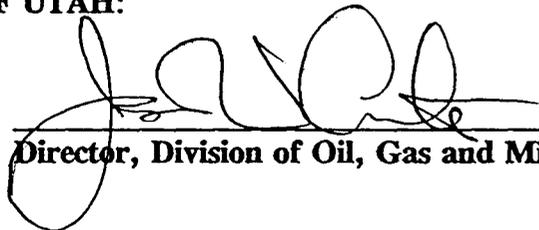
PERMITTEE

By: _____

Michael F. Nemser
Vice President & Treasurer
of CONSOL Inc.,
Attorney-In-Fact

Title: _____

ACCEPTED BY THE STATE OF UTAH:



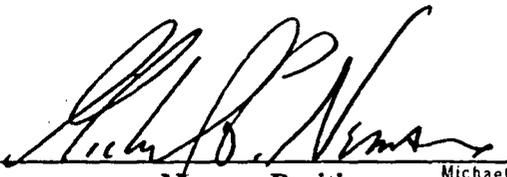
Director, Division of Oil, Gas and Mining

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 this Agreement. If the PERMITTEE is a corporation, the Agreement shall be executed by its duly authorized officer.

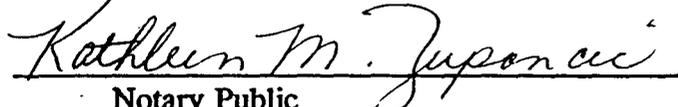
AFFIDAVITS OF QUALIFICATION

**AFFIDAVIT OF QUALIFICATION
PERMITTEE
-ooOOoo-**

I, Michael F. Nemser, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Attorney in Fact of Consolidation Coal Company; 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 Michael F. Nemser
Vice President & Treasurer
of CONSOL Inc.,
Attorney-In-Fact

Subscribed and sworn to before me this 26th day of October, 19 95.


Notary Public

Notarial Seal
Kathleen M. Zupancic, Notary Public
Upper St. Clair Twp., Allegheny County
My Commission Expires July 4, 1998
Member, Pennsylvania Association of Notaries

My Commission Expires:

July 4, 19 98.

Attest:

STATE OF PENNSYLVANIA)
COUNTY OF ALLEGHENY) ss:

POWER OF ATTORNEY

