0008

Consolidation Coal Company
Western/Non Mining Operations
Post Office Box 566
Sesser, Illinois 62884

January 8, 1997

Mary Ann Wright, Associate Director of Mining
Utah Coal Regulatory Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Increase Bond Liability
5 Year Permit Renewal, ACT/015/007-961
Hidden Valley Mine

Copy letter to [illegible]
Original to
[illegible]
ACT/015/007
Copy to #4

Dear Ms. Wright:

Enclosed pursuant to your departments request of January 3, 1997, is an executed rider to Seaboard Bond No. 331474, increasing reclamation liability from $90,758 to $95,501. In addition, Exhibit "D", "Stipulation to Revise Reclamtion Agreement" and "Affidavitof Qualification" are included along with the rider.

If you have any further questions concerning this information, please contact me in this office.

Sincerely,

Timothy D. Kirschbaum

Timothy D. Kirschbaum
Environmental Engineer
(618)-625-6847

cc: T. Boutaugh
G. Raines

Exhibit "D" - **STIPULATION TO REVISE RECLAMATION AGREEMENT**

Permit Number: ACT 015/007
Effective Date: _____

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)

Increase in bond liability for permit renewal to Permit ACT 015/007, Hidden Valley Mine.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**: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 ($ 90,758) to ($ 95,501).

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 8th day of January, 1997.

Consolidation Coal Company
PERMITTEE

By: Ronnie Maxum

Title: Vice President - Western & Non-Mining Operations

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.

AFFIDAVIT OF QUALIFICATION
PERMITTEE
--ooOOoo--

I, Ronnie Marcum, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Vice President 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) Ronnie Marcum, Vice-President
Name - Position

Subscribed and sworn to before me this 8th day of January, 1997.

"OFFICIAL SEAL"
Constance J. Morgenthaler
Notary Public, State of Illinois
My Commission Expires 4/8/97

Constance J. Morgenthaler
Notary Public

My Commission Expires:
April 8, 1997.

Attest:

STATE OF _____)
COUNTY OF_____) ss:

RIDER PERMIT NO. ACT/015/007

To be attached to Bond No. 331474 issued by

SEABOARD SURETY COMPANY,

(As Surety) in the amount of NINETY THOUSAND SEVEN HUNDRED FIFTY EIGHT AND 00/100---------- ($ 90,758.00)

Dollars, effective the 12TH day of OCTOBER, 19 95.

ON BEHALF OF CONSOLIDATION COAL COMPANY

IN FAVOR OF STATE OF UTAH, DIVISION OF OIL, GAS AND MINING

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the Surety that:

BOND AMOUNT IS HEREBY INCREASED FROM THE ABOVE TO:

NINETY FIVE THOUSAND FIVE HUNDRED ONE AND 00/100-- --------($95,501.00)

All other items, limitations and conditions of said bond except as herein expressly modified shall remain unchanged.

This rider shall be effective as of the 3RD day of JANUARY, 19 97.

Signed, sealed and dated this the 3RD day of JANUARY, 19 97.

CONSOLIDATION COAL COMPANY
Principal

BY: Karen L. Mosiel
Vice President & Treasurer
of CONSOL Inc.,
Attorney-in-Fact

SEABOARD SURETY COMPANY
Surety

BY: Janice Fennell
Attorney-in-Fact
JANICE FENNELL

Accepted:

Bond 22a

SG-2013/EP 8/90

PRINTED IN U.S.A.

Certified Copy

No. 13250

2S-1660

SEABOARD SURETY COMPANY

ADMINISTRATIVE OFFICES, BEDMINSTER, NEW JERSEY

POWER OF ATTORNEY

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, 19 95

SEABOARD SURETY COMPANY 1927 STATE OF NEW YORK

Attest:

(Seal) Adelyn M. Fuller
Assistant Secretary

SEABOARD SURETY COMPANY,
By Michael B. Keegan
Vice-President

STATE OF NEW JERSEY
COUNTY OF SOMERSET ss.:

On this 5th day of April, 19 95, 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.

(Seal) BELINDA FAYE LEE NOTARY PUBLIC STATE OF NEW JERSEY

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

Belinda Faye Lee
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 3RD day of JANUARY, 19 97

SEABOARD SURETY COMPANY 1927 STATE OF NEW YORK

Diana M. Klement
Assistant Secretary

Form 957 (Rev. 7/84)

For verification of the authenticity of this Power of Attorney you may call, collect, 908-658-3500 and ask for the Power of Attorney clerk. Please refer to the Power of Attorney number, the above named individual(s) and details of the bond to which the power is attached. In New York, Dial 212-627-5444.