

0014

Original letter to file #2



Copy of letter

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

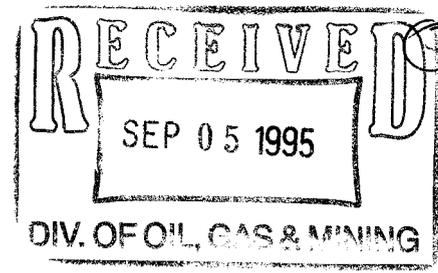
and original ins. bond

ACT/015/015

September 1, 1995

to fireproof file

Mr. James W. Carter, Director
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203



Copy of ins. bond to #4

Dear Mr. Carter:

Please accept this letter as an application for Permit Renewal of Permit Number ACT/015/015 at Consolidation Coal Company's Emery Mine. Consolidation Coal request that the permit be renewed for a five (5) year period from January 7, 1996 to January 7, 2001. This application is being filed under the guidelines of R645-303-230 of the Coal Mining Rules for the State of Utah. The following information is included as part of our application:

1. Certificate of Liability Insurance
2. Letter from St. Paul/Seaboard which states that Seaboard Surety Company, Bond No. 188617 will remain in effect for the duration of the permit term. Seaboard Bond No. 188617 replaced Federal Insurance Company, Bond No. 8093-71-80 during the past renewal term. This replacement bond was submitted as part of the Coal Reclamation Agreement executed on August 10, 1992. Based on this Reclamation Agreement and the aforementioned letter, Bond No. 188617 will remain in effect for the operation and will continue in full force and effect for any renewal requested, as well as any additional bond required by the Division pursuant to R645-301-800.

In addition, a copy of the public notice of application for the renewal is included for review by your department. Upon written notification from the Division of Oil, Gas and Mining that the application is complete, Consolidation Coal Company will proceed with the public notice in accordance with R645-303-232.240 and R645-303-232.300.

If you have any questions concerning the completeness of this request, please contact me at 314-275-2339.

Sincerely,

Timothy D. Kirschbaum
Senior Engineer

TDK/vls

EMRYPRMT.RNL

CERTIFICATE OF LIABILITY INSURANCE

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

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)

Emery Mine
(Mine Name)

ACT - 015015
(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:

Michael Brundage
(Agent's Name)

908-522-4000
(Phone)

The Kemper Group
(Company Name)

25 DeForest Avenue
(Mailing Address)

Summit, NJ 07901
(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.)

12-28-94 [Signature] UNDERWRITER/ACCOUNT EXECUTIVE
(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by _____

this 28th day of December, 19 94.

(Signature) [Signature]

My Commission Expires: _____
HARRY WOLF
NOTARY PUBLIC OF NEW JERSEY
(Date) MY COMMISSION EXPIRES JULY 30, 1997

The St Paul SEABOARD

St. Paul / Seaboard
215 Centerview Drive, Suite 300
Brentwood, Tennessee 37027-5246

615 377 4684
Fax 615 377 4692

August 31, 1995

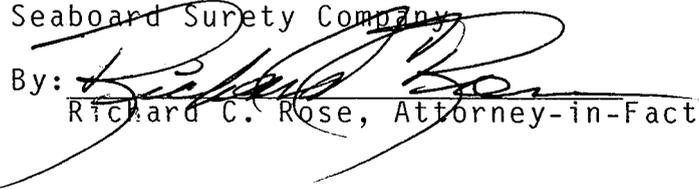
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Gentlemen:

The Surety Performance Bond Number 188617 written by Seaboard Surety Company in the amount of \$3,454,443.00 covering Emery Deep Mine, ACT/015/015 Folder #4, with Consolidation Coal Company, as principal, will remain in force for the duration of the permit term.

It is agreed and understood that the referenced bond is not cumulative in nature, regardless of the number of years it may remain in effect. It is further agreed and understood that the Surety does not waive any rights or remedies under law by the issuance of this letter.

Seaboard Surety Company

By: 

Richard C. Rose, Attorney-in-Fact

Seaboard Surety Company
St. Paul Fire and Marine Insurance Company
St. Paul Mercury Insurance Company
St. Paul Guardian Insurance Company

NOTICE

Notice is hereby given that Consolidation Coal Company, 1800 Washington Road, Pittsburgh, Pennsylvania 15241, has filed an application with the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining for a five-year permit renewal of Permit No. ACT/015/015 to operate the Emery Mine under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining Rules.

The permit area, as shown on the map below, is located on U. S. Geological Survey 7.5 minute quadrangle map as follows:

Sections 19, 20, 21, 28, 29, and 30, Township 22S, Range 6E, of the Emery West Quadrangle;

Sections 21, 22, 27, and 28, Township 22S, Range 6E, of the Emery East Quadrangle;

Sections 28, 29, 30, 31, 32, and 33, Township 22S, Range 6E, of the Walker Flat Quadrangle;

Sections 27, 28, and 33, Township 22S, Range 6E, of the Mesa Butte Quadrangle.

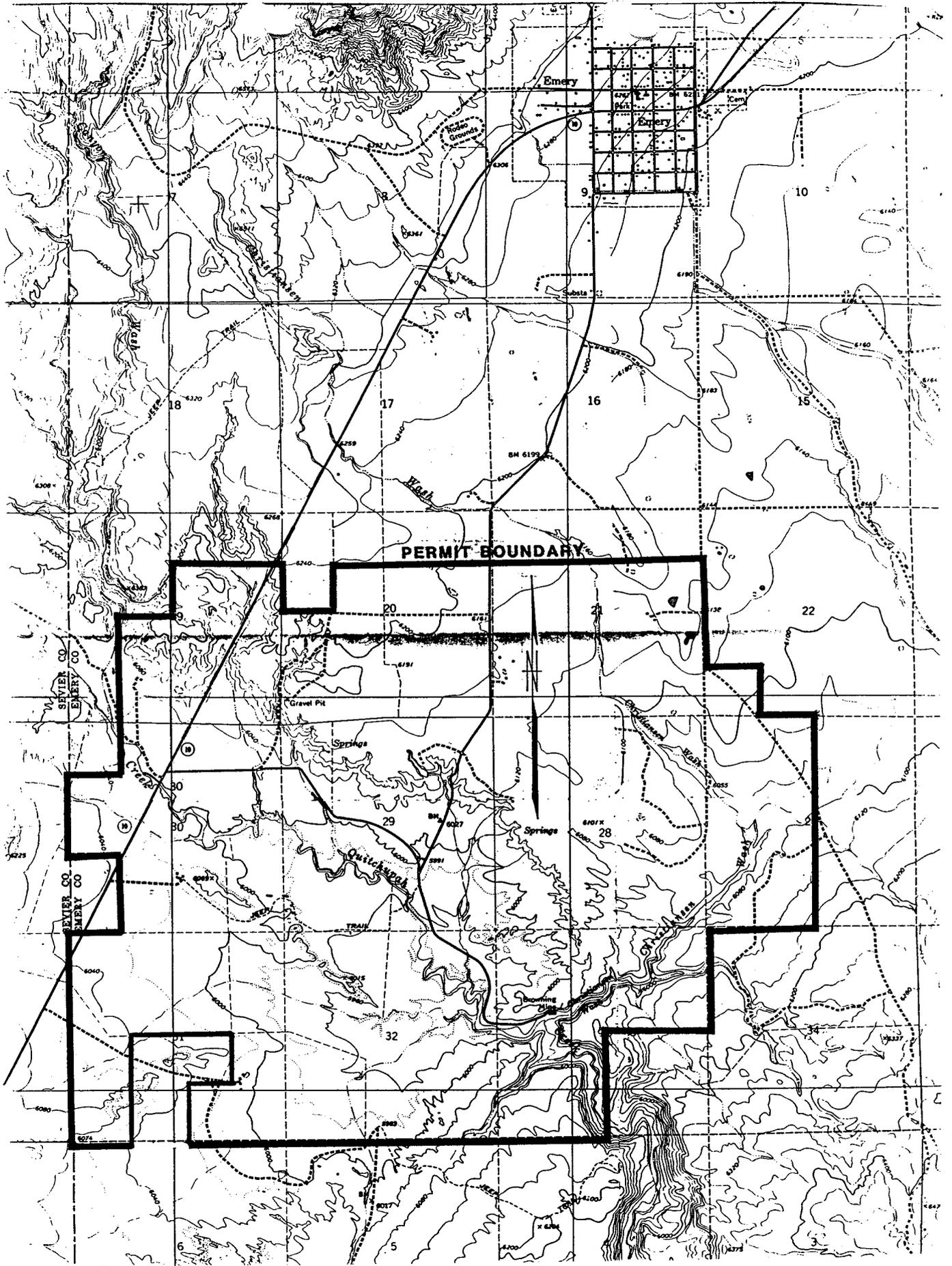
(INSERT MAP)

Copies of the application for this permit are available for inspection at:

Emery County Recorder's Office
Emery County Courthouse
Castle Dale, Utah 84513

Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Written comments on this application should be submitted to the State of Utah, Division of Oil, Gas & Mining at the above address. Such comments should be filed within thirty (30) days from the date of the last publication of this notice.



Certified Copy

SEABOARD SURETY COMPANY

No. 13250

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



Attest:

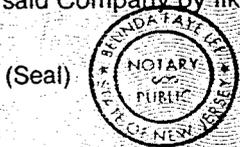
(Seal) *Adelyn M. Fuller*
Assistant Secretary

SEABOARD SURETY COMPANY,

By *Michael B. Keegan*
Vice-President

STATE OF NEW JERSEY ss.:
COUNTY OF SOMERSET

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.



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 31st day of August, 19 95



Diana M. Klement
Assistant Secretary