

0024

FAX COVER SHEET

TO: Pam GRUBAUGH-LITTIG FROM: CLW MINING

FIRM: FIRM:

FAX #: (801) 357-3940 FAX: (801) 487-3971

NO. OF PAGES 7 (not including cover) DATE:

COMMENTS

[Empty lines for comments]

If you do not receive all pages, please call:

Jacobs
4/15/02

EXHIBIT "A"
PERMIT AREA
LEGAL DESCRIPTION

Permit Number C/015/025

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: (The bonded area equals the permit area.)

Total acres of **PERMIT AREA**: 3336.18

Legal Description of **PERMIT AREA**:

- A T16S.R7E SLBM Sec. 14 SW 1/4, SE 1/4 ?
 Sec. 23 E1/2, E1/2 W1/2
 Sec. 24 W1/2, W1/2 E1/2
 Sec. 25 NW1/4NW1/4, E1/2NW1/4SW1/4, E1/2SW1/4
- B. T16S.R7E SLBM Sec. 13 W1/4 = w 1/2 w 1/2 SW
 Sec. 14 NE 1/4
 Sec. 24 E1/2 SE1/4, SE1/4 NE1/4
- T16S, R8E SLBM Sec. 19 S1/2 NW1/4, SW1/4, SW1/4 SE1/4
- C. T16S, R7E SLBM *AL* Sec. 25 SW1/4NW1/4, NW1/4 SW1/4
- D. T16S, R7E SLBM Sec. 25 E1/2
 T16S, R8E SLBM Sec. 30 W1/2, W1/2 NE1/4, NW1/4 SE1/4
 Sec. 31 NE1/4 NW1/4, NW1/4 NE1/4

sect 25 problem

overlap

This is the **PERMIT AREA** that is covered by the reclamation surety provided in Exhibit "B".
IN WITNESS WHEREOF the **SURETY** has hereunto set it's signature and seal this

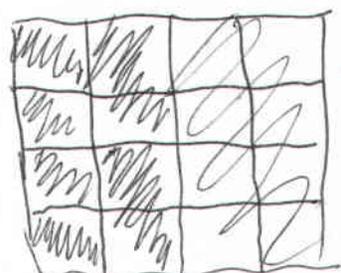
25th day of June, 2001

LYNDON PROPERTY INSURANCE COMPANY
SURETY

By: *Deborah A. Murphy*
Title: Attorney-in-Fact



→ This is the description of sect 25, but it should be all



← This is from the plan.

EXHIBIT "B"

**SURETY BOND
(FEDERAL COAL)**

Exhibit "B" - **BONDING AGREEMENT**
SURETY BOND

Permit Number: C/015/025
Surety Number: L-0601-C-015-025

SURETY BOND
(FEDERAL COAL)

--ooOOoo--

THIS SURETY BOND entered into and by and between the undersigned **PERMITTEE**, and **SURETY COMPANY**, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns unto the State of Utah, Division of Oil, Gas & Mining (**DIVISION**), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (**OSM**) in the penal sum of \$1,825,000.00 (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** shall remain in the 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 requirement of the Act, the applicable rules and regulations, SMCRA, the approved permit and the **DIVISION**.

The **SURETY** will not cancel this bond at any times 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** and **OSM** from any and all expenses which the **DIVISION** and **OSM** 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** and **OSM** of any notice received or action alleging to insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirement 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

Permit Number: C/015/025

IN WITNESS WHEREOF, the **PERMITTEE** has hereunto set it's signature and seal this
28th day of June, 2001

CW MINING COMPANY
PERMITTEE

By: [Signature]
Title: President

IN WITNESS WHEREOF, the **SURETY** has hereto set it's signature and seal this 28th
day of June, 2001.

LYNDON PROPERTY INSURANCE COMPANY
SURETY

By: [Signature]
Title: Attorney-in-Fact

ACCEPTED BY THE STATE OF UTAH:

[Signature]
Lowell P. Braxton, Director
Division of Oil, Gas & 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 it's duly authorized officer.



LYNDON PROPERTY INSURANCE COMPANY
520 MARYVILLE CENTRE DRIVE, SUITE 500
ST. LOUIS, MISSOURI 63111-5814

POWER OF ATTORNEY

16-004

KNOWS ALL MEN BY THESE PRESENTS, THAT LYNDON PROPERTY INSURANCE COMPANY, a Missouri Corporation, having its principal office in St. Louis, Missouri pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 27th day of January, 1983:

RESOLVED, Pursuant to Section 3.1 and 4.12 of the By-laws, the following Rules shall govern the execution of the Corporation of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, the Treasurer or Assistant Treasurer or any Attorney-in-Fact may execute for and in behalf of the Corporation any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary or Assistant Secretary, and the seal of the Corporation affixed thereto; and that the President, any Vice President or the Secretary or Assistant Secretary may appoint and authorize Attorneys-in-Fact to execute or to the execution of all such writings on behalf of the Corporation and to affix the seal of the Corporation thereto. The Secretary or Assistant Secretary may not both execute and attest the same bonds, undertakings, recognizances, contracts and other writings of the Corporation.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Corporation in any case as though signed by the President and attested by the Secretary.
- (3) The signature of the President, or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, or the Treasurer or Assistant Treasurer and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the certificate bearing such facsimile signature and seal shall be valid and binding on the Corporation.
- (4) Such Attorney-in-Fact shall have authority to certify or verify copies of this Resolution, the By-laws of the Corporation, and any affidavit of record of the Corporation necessary to the discharge of their duties.

This Power of Attorney is signed and sealed in facsimile under and by the authority of the above Resolution

DOES HEREBY MAKE, CONSTITUTE AND APPOINT Lucy L. Parks, Stephen L. Helmbrecht, William H.M. Patterson, Deborah A. Murphy, Sue H. McMillen, Ernestine Stapleton

to be and lawful Attorney-in-Fact with full power and authority hereby conferred in his name, place and stead to sign, execute, acknowledge and deliver in its behalf, and as its act and deed, without power of redelegation as follows:

Bonds guaranteeing the fidelity of persons holding places of public or private trust, guaranteeing the performance of contracts other than insurance policies; and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed, provided the amount of no one bond exceeds Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00) and to bind LYNDON PROPERTY INSURANCE COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of LYNDON PROPERTY INSURANCE COMPANY, and all the acts of said Attorney-in-Fact pursuant to the authority herein given are hereby ratified and confirmed.

In Witness Whereof LYNDON PROPERTY INSURANCE COMPANY of St. Louis, Missouri, has caused this Power of Attorney to be signed by its President and its Corporate seal to be affixed this 12th day of March, 1999.

State of Missouri
County of St. Louis ss



LYNDON PROPERTY INSURANCE COMPANY

BY: Roland G. Anderson
ROLAND G. ANDERSON, President

On this the 12th day of March, 1999, before me, a Notary Public of the State of Missouri in and for the County of St. Louis, duly commissioned and qualified, came ROLAND G. ANDERSON of Lyndon Property Insurance Company to me personally known to be the individual and officer described herein, and who executed the preceding instrument, and acknowledged the execution of the same, and being by me duly sworn, deposed and said, that he is the officer of the Company aforesaid, and that the seal fixed to the preceding instrument is the Corporate Seal of the Company, and the Corporate Seal and signature as an officer were duly affixed and subscribed to the said instrument in the authority and direction of the Corporation, and that the resolution of the Company, referred to in the preceding instrument.

In Testimony Whereof, I have hereunto set my hand and fixed my official seal at St. Louis, Missouri, the day and year above written.

MARIE E. DUFF
Notary Public - State of Missouri
County of Jefferson
My Commission Expires 01/08/2002

Marie E. Duff

I, Richard C. Hockett, Assistant Secretary of the Lyndon Property Insurance Company, do hereby certify that the foregoing is a true and accurate copy of a Power of Attorney, executed by said Lyndon Property Insurance Company which is still in full force and effect.

In Witness Whereof, I have hereunder set my hand and affixed the seal of said Corporation at St. Louis, Missouri, this 12th day of March, 2001.

State of Missouri
County of St. Louis ss



LYNDON PROPERTY INSURANCE COMPANY

Richard C. Hockett
ASSISTANT SECRETARY

**AFFIDAVITS
OF
QUALIFICATION**

CW Mining Company
53 W Angelo Ave
Salt Lake City, Utah 84115

June 29, 2001

State of Utah Division of Oil, Gas, & Mining
Attn: Pam Grubaugh-Littig

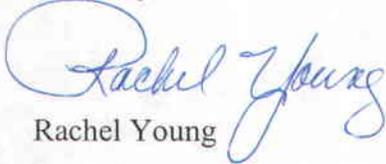
Dear Pam:

Enclosed is the Surety Bond from Cumberland for CW Mining.

Please execute and return to Cumberland Surety, Inc. Thank you for your help.

If you have any questions, please contact Debbie Murphy with Cumberland Surety, Inc. at (800)767-8622 or Rachel Young with CW Mining at (801) 262-5493.

Sincerely,


Rachel Young

RECEIVED

JUL 02 2001

DIVISION OF
OIL, GAS AND MINING

MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY.
INCORPORATED IN: Massachusetts.

Liberty Mutual Insurance Company

BUSINESS ADDRESS: 175 Berkeley Street, Boston, MA 02117. PHONE: (617) 357-9500. UNDERWRITING LIMITATION b/: \$300,609,000. SURETY LICENSES c/f: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VT, VA, VI, WA, WV, WI, WY.
INCORPORATED IN: Massachusetts.

Lincoln General Insurance Company

BUSINESS ADDRESS: 3350 Whiteford Road, P.O. Box 3709, York, PA 17402-0136. PHONE: (717) 757-0000. UNDERWRITING LIMITATION b/: \$1,709,000. SURETY LICENSES c/f: AL, AR, CO, DE, GA, ID, IL, IN, IA, KS, KY, LA, ME, MD, MI, MN, MS, MO, MT, NE, NV, NJ, NM, NC, ND, OH, OK, OR, PA, SC, SD, TN, UT, VA, WA, WV, WI, WY. INCORPORATED IN: Pennsylvania.

LM Insurance Corporation

BUSINESS ADDRESS: 175 Berkeley Street, Boston, MA 02117. PHONE: (617) 357-9500. UNDERWRITING LIMITATION b/: \$1,489,000. SURETY LICENSES c/f: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, VI, WA, WV, WI, WY.
INCORPORATED IN: Iowa.

Lumbermens Mutual Casualty Company

BUSINESS ADDRESS: 1 Kemper Drive, Long Grove, IL 60049-0001. PHONE: (847) 320-2000. UNDERWRITING LIMITATION b/: \$93,628,000. SURETY LICENSES c/f: AL, AK, AS, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, VI, WA, WV, WI, WY.
INCORPORATED IN: Illinois.

Lyndon Property Insurance Company

BUSINESS ADDRESS: 520 Maryville Centre Drive, Ste 500, St. Louis, MO 63141. PHONE: (314) 275-5200. UNDERWRITING LIMITATION b/: \$2,878,000. SURETY LICENSES c/f: AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, MD, MA, MI, MN, MS, MO, MT, NE, NV, NJ, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY.
INCORPORATED IN: Missouri.

MARKEL INSURANCE COMPANY