

Appendix 2-9

BLM Mining Bond

Revised 9/16/92

Appendix 2-9

BLM Mining Bond

Revised 5/13/92

May 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND #4689175
Annual Premium: \$3,350.00

Permit Number : ACT/015/032
Expiration Date: May 13, 1993

(FEDERAL COAL)
SURETY BOND

THIS SURETY BOND entered into and by and between the undersigned OPERATOR, 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 and Mining, and, the U. S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE) in the penal sum of Two Hundred Sixty-Eight Thousand and no/100 dollars (\$268,000.00) 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 effect until all applicable rules and the OPERATOR'S reclamation obligation have been met and released by the Division of Oil, Gas and Mining.

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

May 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

So agreed this 10th day of May, 1990.

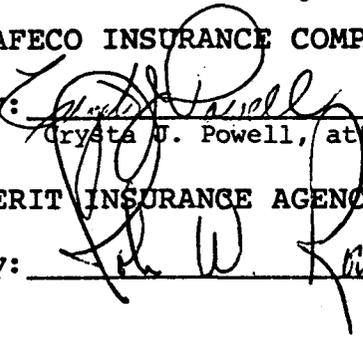
FOR THE OPERATOR:

GENWAL COAL COMPANY

by:  TREAS

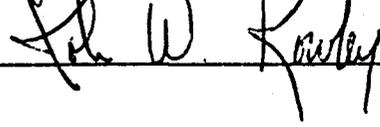
FOR THE SURETY:

SAFECO INSURANCE COMPANY OF AMERICA

by:  Crysta J. Powell, attorney-in-fact

COUNTERSIGNED FOR UTAH:

MERIT INSURANCE AGENCY, INC.

by: 

ACCEPTED BY THE STATE
OF UTAH:

by: _____

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.



POWER
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. 5182

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA, a Washington corporation, does hereby appoint

-----CRYSTA J. POWELL, Las Vegas, Nevada-----

its true and lawful attorney(s)-in-fact, with full authority to execute on behalf of the company fidelity and surety bonds or undertakings and other documents of a similar character issued by the company in the course of its business, and to bind SAFECO INSURANCE COMPANY OF AMERICA thereby as fully as if such instruments had been duly executed by its regularly elected officers at its home office.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA has executed and attested these presents

this 22nd day of August, 19 88.

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of
SAFECO INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of SAFECO INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of this corporation, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 10th day of May, 19 90.