

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

In the Matter of:

Forcey Coal, Inc.	:	SMP No. 17010109 (Buterbaugh 2 Mine)
P. O. Box 225	:	SMP No. 17990112 (Buterbaugh 1 Mine)
Madera, PA 1661	:	SMP No. 17050109 (Delarme Mine)
	:	Bigler and Bloom Townships, Clearfield County
	:	Alternative Financial Assurance Mechanism

**FIRST AMENDMENT TO
POSTMINING TREATMENT TRUST CONSENT ORDER AND AGREEMENT**

This First Amendment Consent Order and Agreement is entered into this 4th day of December, 2014, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (“Department”), and Forcey Coal Inc. (“Forcey Coal”)

1. On August 18, 2009, the Department and Forcey Coal entered into a Post Mining Treatment Consent Order and Agreement (“2009 COA”).
2. The Department and Forcey Coal are entering with this First Amendment to the 2009 COA to add a new site, the Delarme Mine, to sites covered by the trust established by the 2009 COA.
3. On September 22, 2006, the Department issued Surface Mining Permit 17050109 to Forcey Coal for the Delarme Mine which is located in Bloom Township, Clearfield County. The SMP included, as Part A, NPDES Permit No. PA0256293. The SMP and NPDES permits were renewed on September 22, 2011.
4. On November 19, 2013, the Permit was revised to identify and include monitoring point D-14 and the Delarme Mine Treatment System.
5. In June 2011, Forcey Coal completed coal removal operations at the Delarme Mine and backfilled and reclaimed the site.
6. On August 14, 2013, the Department determined that D-14, a water monitoring point, was degraded as a result of coal removal operations at the Delarme Mine. D-14 is located in the West side of the permitted area near the Unnamed Tributary to Little Anderson Creek as shown on Exhibit 9.0 that is part of SMP

No.17050109. The topographic map attached hereto as **Exhibit A** depicts the location of D-14. The coordinates are: Latitude: 41 degrees, 0 minutes, 52 seconds; Longitude: 78 degrees, 40 minutes, 46 seconds.

7. In December 2013, Forcey Coal constructed a passive treatment system which consists of a limestone bed. Discharge from D-14 flows to a spring box. From the spring box, the discharge flow through the seven foot limestone bed. After collection at and neutralization by the limestone bed, the treated D-14 discharge flows from a four inch diameter pipe into Unnamed Tributary No. 1 to Little Anderson Creek.

8. The treatment system is located on land owned by Wilfred T. Cable III. Forcey Coal has obtained from Cable a properly executed Consent to Right of Entry form which grants the parties and the trustee access to the treatment system. A copy of the executed Consent to Right of Entry is attached hereto as **Exhibit B**.

9. Forcey Coal agrees it has the legal responsibility, pursuant inter alia to the Surface Mining Act and the Clean Streams Law, to properly treat or abate the D-14 discharge.

10. Forcey Coal posted surety bonds ("bonds") for the Delarme Mine totaling \$413,542.00. The numbers and amounts of the Delarme Mine Bonds which were written by Rli Insurance Company ("Rli Insurance") are as follows:

RLB0012044	\$154,661.00
RLB0011307	\$258,861.00

Forcey Coal also has a bond on account with Rockwood Casualty Insurance Company ("Rockwood Casualty"). The number and amount of the Delarme Mine Bond which were written by Rockwood Casualty are as follows:

ISM2276	\$20.00
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11. The parties have agreed that based on actual operating costs in 2014, the estimated annual cost to operate and maintain the Delarme Mine Treatment System is approximately \$1,999.00. The present value recapitalization cost of the Treatment System is approximately \$314.00.

12. With the addition of the Delarme treatment system, the parties have agreed that the combined current annual costs of operating and maintaining the combined Treatment Systems are approximately \$13,238.00 and the combined current recapitalization costs are approximately \$36,468.00.

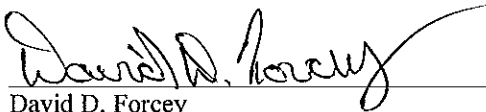
13. Based on costs set forth in Paragraph 12, above, and the formulas set forth in the Post Mining Treatment Trust COA, the parties have agreed that the present value of the fully funded Forcey Coal Treatment Trust for the discharges covered by this First Amendment Consent Order and Agreement is \$340,275.00. This sum constitutes the current present value of the estimated future operation and maintenance costs for the Buterbaugh 2 Mine, Buterbaugh 1 Mine and the Delarme Mine Treatment Systems, and the current present value of the estimated future capitalization cost for the Treatment Systems. A new Exhibit F, as referenced in paragraph 5.a.(ii) of the 2009 COA, revised to include the Delarme discharge and attached hereto.

14. As of October 31, 2014, the Forcey Coal Treatment Trust was funded in the amount of \$343,370.14. At this time, the Forcey Coal Treatment Trust is deemed sufficiently funded. No additional contributions from Forcey Coal are necessary to fund operation and maintenance of the treatment system for D-14.

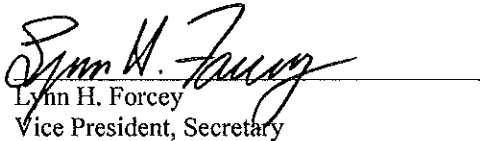
15. The parties further agree that upon the execution of this agreement, Forcey Coal may request bond release on the Delarme operation and that the Department would not withhold bond release due to the existence of the Delarme discharge. All other requirements for bond release under 25 PA Code §§ 86.171 through 86.175 continue to apply.

IN WITNESS WHEREOF, the parties hereto have caused this Consent Order and Agreement to be executed by their duly authorized representatives. The undersigned representatives of Forcey Coal certify under penalty of law, as provided by 18 Pa.C.S. § 4904, that they are authorized to execute this Consent Order and Agreement on behalf of Forcey Coal; that Forcey Coal consents to the entry of this Consent Order and Agreement as a final ORDER of the Department; and that Forcey Coal hereby knowingly waives its rights to appeal this Consent Order and Agreement and to challenge its content or validity, which rights may be available under Section 4 of the Environmental Hearing Board Act, the Act of July 13, 1988, P.L. 530, No 1988-94, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa.C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law. Signature by Forcey Coal's attorney certifies only that the agreement has been signed after consulting with counsel.

FOR FORCEY COAL, INC.



David D. Forcey
President



Lynn H. Forcey
Vice President, Secretary

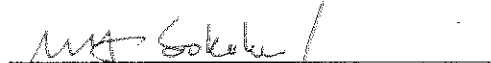


Attorney for Forcey Coal, Inc.

**FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:**



Michael W. Smith
District Mining Manager
Moshannon District Mining Office



Martin H. Sokolow
Senior Counsel For Special Projects
Southcentral Region