

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

In the Matter of:	:	Addition of
	:	
Robindale Energy Services, Inc.	:	SMP No. 05090101 (Dudley Mine)
P. O. Box 228	:	
Armagh, PA 15920-0228	:	Alternative Financial Assurance
	:	Mechanism

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

This First Amendment to the Post-Mining Treatment Trust Consent Order and Agreement entered into this 15th day of August, 2016 ("First Amendment"), amends the Post-Mining Treatment Trust Consent Order and Agreement dated November 19, 2014 ("2014 COA") between the Department of Environmental Protection (hereinafter "Department"), and Robindale Energy Services, Inc. (hereinafter "Robindale").

The Department has found and determined the following:

A. Robindale is the permittee of the Dudley Mine site, SMP No. 05090101, ("Dudley Mine") located in Broad Top Township, Bedford County, which is associated with a post-mining discharge liability.

B. The 2014 COA is being amended to add the Dudley Mine Site and the discharges associated with that site as well as amend certain provisions of the prior agreement. A copy of the 2014 COA is attached hereto as Exhibit K.

Dudley Mine (SMP No. 05090101)

C. The original permit for the Dudley Mine was issued to Robindale on February 9, 2010.

D. The Dudley Mine is currently active with a pit open for coal removal.

E. The reclamation bonds currently posted for the Dudley Mine are:

PERMIT NO.	BOND TYPE	FINANCIAL GUARANTOR	BOND INSTRUMENT NO.	BOND STATUS	BOND AMOUNT
05090101	Surety	Rockwood CIC	ISM-2755	Active	\$27,467.00
05090101	Surety	Rockwood CIC	ISM-2794	Active	\$337,939.00
05090101	Financial Guar.	Commonwealth	4840-173-FG	Active	\$100,000.00

F. The Dudley Mine has two Sub-F discharges (SP3, SP15), and one new seep SP59 which are on property tracts owned by James K. Steele and by Robert S. and Ruth E. Figard. SP3 is treated by the addition of caustic soda in the ditchline. The discharge is then diverted to Passive Treatment System D8 operated by Broad Top Township. Plans are under consideration to divert SP3 to a new treatment system below Pond 3 as shown on Exhibit L. SP15 is diverted to a new treatment pond TP immediately below Pond 3 and treated with caustic soda. The new seep SP59 is diverted into Pond 3 and treated with hand mixed lime. As part of the 2015 Cumulative Hydrologic Impact Assessment ("CHIA") review, degradation was also noted at Sub-F monitoring points SP9 and SP44 on property tracts also owned by James K. Steele and by Robert S. and Ruth E. Figard as shown on the Exhibit L. These two Sub-F discharges are currently diverted to Passive Treatment System D5 which is operated by Broad Top Township. SP9 and SP44 are being monitored due to changes in the water quality. These two additional mine drainage seeps fall under this Trust amendment. Additional treatment for SP9 and SP44 may be required in the future in order to meet effluent limits.

G. A map with the location of the SP3, SP15, SP59, SP9, and SP44 is attached in Exhibit L.

The latitude and longitude coordinates for SP3 are: latitude 40° 08' 26" and longitude -78° 11' 46".

The latitude and longitude coordinates for SP15 are: latitude 40° 08' 22" and longitude -78° 11' 42".

The latitude and longitude coordinates for SP59 are: latitude 40° 08' 21.81" and longitude -78° 11' 45.77"

The latitude and longitude coordinates for SP9 are: latitude 40° 08' 30" and longitude -78° 11' 39".

The latitude and longitude coordinates for SP44 are: latitude 40° 08' 30" and longitude -78° 11' 41".

H. The raw water quality of the SP3, SP15, Pond 3, SP9, and SP44 discharges is set forth in Exhibit M.

I. The current effluent limits, as set forth in NPDES Permit PA 0226781, applicable to Pond 3, (and discharges SP9 and SP44 if treatment by Robindale is required) are:

Effluent Limits for Pond 3 Discharges:

Parameter	30-Day Average	Daily Maximum	Instantaneous Maximum
Iron (total)	1.5 mg/l	3.0 mg/l	3.5 mg/l
Manganese (total)	1.0 mg/l	2.0 mg/l	2.5 mg/l
Aluminum (total)	0.75 mg/l	1.5 mg/l	1.9 mg/l
Suspended solids	35 mg/l	70 mg/l	90 mg/l
pH ¹		greater than 6.0; less than 9.0	
Alkalinity greater than acidity ¹			

Effluent Limits for SP3 and SP15 Discharges:

Monitoring Point or Hydrologic Unit	SP3			
	Monthly Average lbs/day	Instan. Max lbs/day	Sampling Frequency	Reporting Frequency
Net Acidity	0.5	1.1	2/Month	Monthly
Iron	*	*	2/Month	Monthly
Manganese	*	*	2/Month	Monthly
Aluminum	0.05	0.09	2/Month	Monthly

past operations of the treatment systems used for SP3, SP15, and SP59, and/or AMDTreat cost estimates. In addition, the operations cost covers the monitoring of SP9 and SP44 by Robindale. A summary of current annual operation and maintenance costs for these treatment systems is as follows:

Table of Current Annual Operation and Maintenance Costs

CATEGORY	SAMPLING	LABOR	MAINTENANCE	INSURANCE	CHEMICAL	SLUDGE REMOVAL
Rate	(\$35./sample)	(\$35./hr.)	(3.5% of total)			
Annual Cost	\$1120	\$7280	\$846	\$400	\$14,225	\$1150

Based on actual operation and maintenance costs from the year 2014-2015 and AMDTreat cost estimates, the current annual cost of operating and maintaining the treatment systems is \$25,021.00. But, treatment costs for SP9 and SP44 may increase if on-going site monitoring determines that additional treatment facilities are required to meet effluent limits.

P. In order to calculate the amount necessary to fully fund the portion of the Global Trust that address the Dudley Mine, the Department and Robindale have agreed to use recapitalization and demolition cost data generated by the Department's AMDTreat software tool. According to the AMDTreat software tool, the present value of recapitalization costs for Dudley Mine is \$8,411.00. Attached as Exhibit O, is the AMDTreat Recapitalization Cost schedule for Dudley Mine treatment system.

S. The parties agree that the present value of a fully-funded trust for the discharges at the Dudley Mine covered by this Amended COA is **\$595,323.59**. This sum constitutes the current present value of the estimated future operation and maintenance costs, of the estimated future recapitalization costs, and of the liability insurance costs for the treatment systems at the Dudley Site. The parties have agreed to the amended Global Trust payment schedule found in Exhibit P.

ORDER

After full and complete negotiation of all matters set forth in this Consent Order and Agreement and upon mutual exchange of covenants contained herein, the parties intending to

be legally bound, it is hereby ORDERED by the Department and AGREED to by Robindale as follows:

1. This Consent Order and Agreement is an Order of the Department authorized and issued pursuant to Sections 5 and 610 of the Clean Streams Law, 35 P.S. §§ 691.5 and 691.610; Section 4.3 of the Surface Mining Act, 52 P.S. § 1396.4c; Sections 3.1 and 9 of the Coal Refuse Disposal Act, 52 P.S. §§ 30.53a and 30.59; Section 9 of the Subsidence Act, 52 P.S. § 1409.9, and Section 1917-A of the Administrative Code, 71 P.S. § 510-17. The failure of Robindale to comply with any term or condition of this Consent Order and Agreement shall subject Robindale to all penalties and remedies provided by those statutes for failing to comply with an order of the Department.

2. Paragraph 2 of the 2014 COA is revised as follows:

2. Findings

a. Robindale agrees that the findings in Paragraphs A through CG of the 2014 COA and Paragraphs A-S of this Amended Postmining Treatment Trust are true and correct, and in any matter or proceeding involving Robindale and the Department, Robindale shall not challenge the accuracy or validity of these findings.

b. The parties do not authorize any other persons to use the findings in this Amended Postmining Treatment Trust in any matter or proceeding.

c. These findings are hereby incorporated into the 2014 COA and into Exhibit F of the 2014 COA by reference as if fully set forth therein.

3. Paragraph 5(a) of the 2014 COA is revised as follows:

5. Treatment Trust

a. Simultaneously with the execution of this COA, Robindale shall execute the First Amendment to the Post-Mining Treatment Trust Agreement (“Trust Agreement”) for the Robindale Global Treatment Trust with the Department. The First Amendment to the Trust Agreement shall secure Robindale’s obligation to treat the discharges known as: UD2, MD-1, SW4, LW-1, RP15, PU, SP3, SP9, SP15, SP44 and SP59, including its legal obligation to operate and maintain the treatment systems in perpetuity or until water treatment is no longer necessary. The Robindale Global Treatment Trust shall also secure Robindale’s obligation to provide financial resources to the Department and the citizens of the Commonwealth sufficient to operate and maintain the treatment systems and to treat the mine drainage in perpetuity in the event Robindale becomes unable or unwilling to meet these obligations. The Robindale Global Treatment Trust shall provide for the demolition of treatment facilities and reclamation of the treatment site should treatment no longer be needed. The First Amendment to the Trust Agreement is hereby incorporated into the 2014 COA and into Exhibit F of the 2014 COA by reference as if fully set forth therein.

4. Paragraph 6(b) of the 2014 COA is revised as follows:

6. Funding of the Primary Trust Account

b. Ongoing Payments to the Primary Trust Account:

Robindale will deposit subsequent payments as per Exhibit P into the Primary Trust Account as follows:

i. On January 1, 2015, Robindale shall deposit \$492,000.00 into the Primary Trust Account

ii. On January 1, 2016, Robindale shall deposit \$492,000.00 into the

Primary Trust Account

ii. On January 1, 2017, Robindale shall deposit \$492,000.00 into the

Primary Trust Account.

iii. On January 1, 2018, Robindale shall deposit \$225,000.00 into the

Primary Trust Account.

iv. On January 1, 2019, Robindale shall deposit \$225,000.00 into the

Primary Trust Account.

v. On January 1, 2020, Robindale shall deposit \$219,465.07 into the

Primary Trust Account.

This final payment amount may need adjusted to correspond with the performance of the Trust Fund. Payments will be required without notice.


5. Exhibit H of the 2014 COA is being replaced with Exhibit P to this amended COA.


6. Counterparts. This document may be executed through counterparts of the signature page(s) transmitted by facsimile or electronically by portable document format ("pdf").

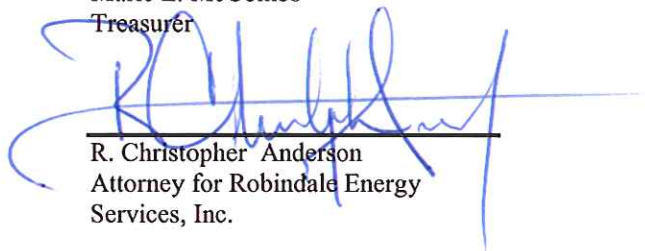
7. Except as modified or amended in this First Amendment, provisions of the 2014 CO&A remain in full force and effect.

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 Robindale certify under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this First Amendment Consent Order and Agreement on behalf of Robindale; that Robindale consents to the entry of this Consent Order and Agreement as a final ORDER of the Department; and that Robindale 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 Robindale's attorney certifies only that the agreement has been signed after consulting with counsel.


FOR ROBINDALE ENERGY SERVICES, INC.:



James F. Panaro
Executive Vice President


Marie L. McCombs
Treasurer


R. Christopher Anderson
Attorney for Robindale Energy Services, Inc.

FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:


Daniel Sammarco
District Mining Manager


Nels J. Taber
Regional Counsel
Southcentral Region OCC

List of Exhibits

K. 2014 CO&A

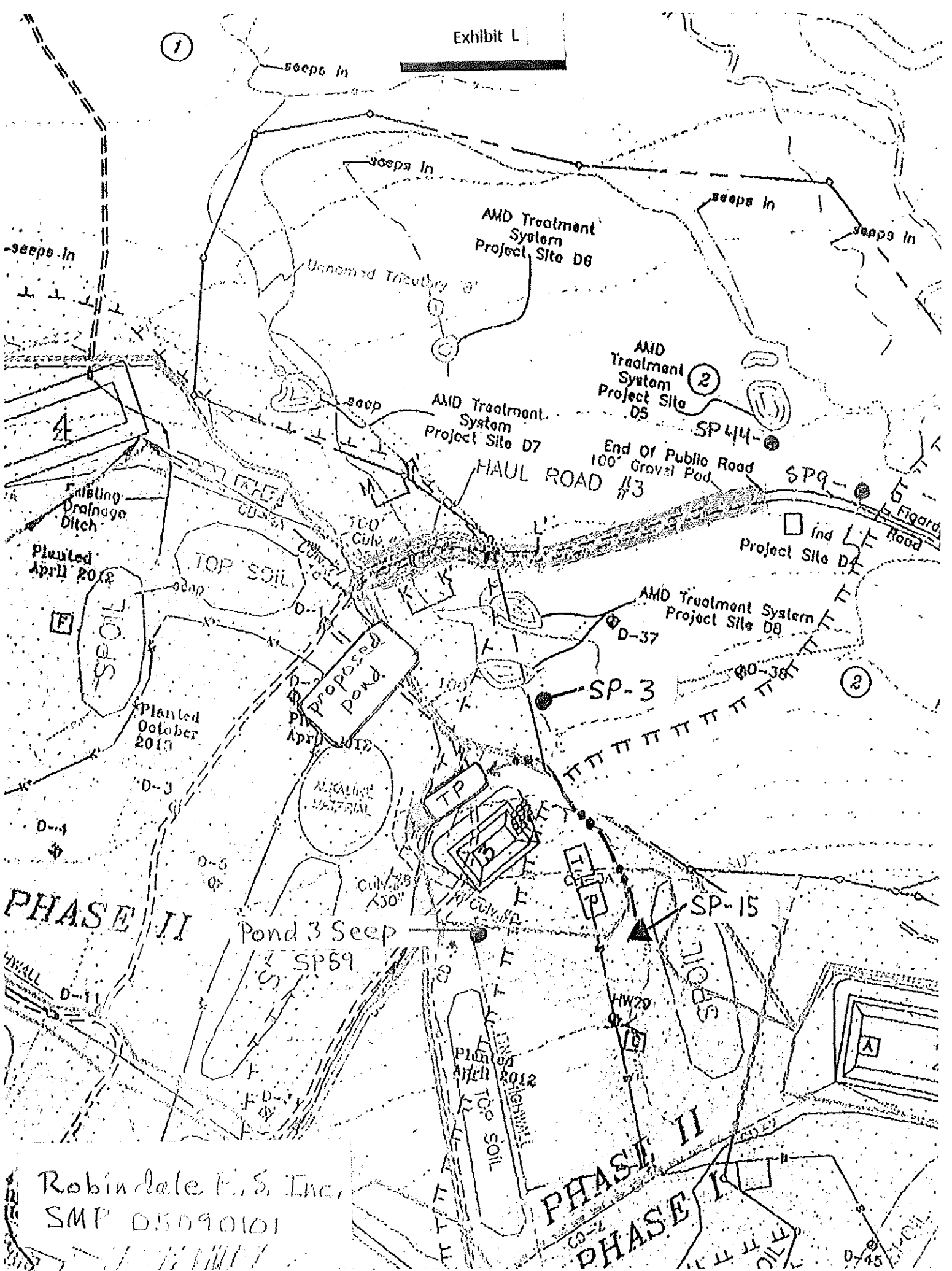
L. Mine Site Map

M. Raw Water Quality

N. Right of Entry for Additional Property Owners

O. AMD Treatment Recapitalization Cost

P. Payment Plan



Robindale E.S. Inc.
 SMP 03090101

Exhibit M

SP59
Pond 3 Seep

Date	Sample ID	Flow	pH	Alkalinity	Acidity	Iron	Manganese	Aluminum	Sulfate	TSS
6/11/2013	4336-363	5-7	6	20.8	13.8	9.6	7.1	3.6	477.3	20
3/17/2014	4336-198		3.7	0	185.0	38.5	18.5	16.9	752.0	22
5/27/2014	4336-355		3.2	0	181.4	24.6	9.1	12.8	508.8	<5
9/3/2014		10								
9/10/2014	4336-457		3.2	0	286.4	55.3	18.4	23.1	811.4	8
12/9/2014		25								
3/31/2015	4336-178	20-25	3.3	0	248.0	50.1	15.4	16.4	718.7	<5
5/20/2015		10								
Average			3.35		182.9	35.6	13.7	14.6	653.6	

Results in mg/l

Flow in gpm

Exhibit M

SP-3

Date	Flow	Acidity	Iron	Manganese	Aluminum	sulfates
4/14/2014	8.89	73.5	0.29	11.3	10.1	556
4/22/2014	8.98	66.9	0.09	9.6	8.09	537
4/30/2014	9.94	84.3	0.05	8.6	7.19	505
5/3/2014	11.67	67.8	0.04	9.7	8.47	528
5/13/2014	9.94	72.9	0.12	8.9	7.89	527
5/23/2015	14.79	68	0.19	9.3	8.61	482
5/29/2015	13.77	66.9	0.09	9.3	8.07	493
6/4/2014	8.98	65.8	0.19	10.4	7.99	522
6/11/2014	13.77	67.1	0.25	10.1	8.67	472
6/18/2014	13.77	70.4	0.25	9.9	8.24	490
6/25/2015	13.77	75.3	0.23	10.5	10.6	503
7/1/2014	10.79	67.1	0.12	10.7	9.53	528
7/7/2014	9.94	74.1	0.1	12.1	7.62	588
7/17/2014	11.67	89.6	0.12	11.6	9.25	582
7/25/2014	6.84	76	0.12	12.1	9.84	535
7/31/2014	5.84	67.2	0.2	11.4	7.23	552
8/6/2014	4.92	62.3	7.3	26	31.8	524
8/13/2014	4.92	77	0.25	12.2	7.99	596
8/21/2014	3.91	80	0.04	12.34	10.83	534.4
8/26/2014	8.23	72	0.03	11.35	9.78	550
9/22/2014	4.4	104	0.02	12.85	10.61	628.06
10/21/2014	9.94	96	0.1	14.89	12.05	826.03
11/20/2014	6.2	112	0.22	16.65	14.17	889.03
12/18/2014	13.77	112	0.39	17.41	15.32	715.8
1/27/2015	2.23	148	0.06	17.58	17.99	744.44
2/21/2015	2.58	122	0.27	15.31	15.52	784.92
3/21/2015	9.94	110	0.03	14.13	13.25	696.57
4/23/2015	5.48	74	0.02	11.25	9.91	538.23
5/14/2015	7.51	84	0.07	10.5	9.68	657.79
ave	8.9	83.0	0.4	12.3	10.9	589.1

Results in mg/l
Flow in gpm

Conductivity in mg/l

Exhibit M

Flow in gpm

SP-15

Date	Flow	Acidity	Iron	Manganese	Aluminum	SO4
10/21/2011			0.19	1.18	1.18	113
11/15/2011			0.25	1.95	1.85	170
12/14/2011			0.23	1.37	2.05	142
1/19/2012			0.14	1.04	1.45	159
2/7/2012			0.24	1.33	2.01	190
3/5/2012			0.2	1.33	1.57	153
4/17/2012			0.13	1.54	2.04	178
5/11/2012			0.34	1.58	1.89	185
6/14/2012			0.22	1.86	2.89	196
7/10/2012			0.41	2.6	3.23	258
8/13/2012			0.47	3.2	4.87	365
9/7/2012			0.44	3.6	4.86	401
10/3/2012			0.64	4.6	7.94	516
11/2/2012			0.93	7.2	8.85	499
12/7/2012			0.95	5.3	6.77	538
1/13/2013			2.66	9.1	11.6	754
2/12/2013			4.45	11.8	16.8	852
3/14/2013			1.83	14	17.9	900
4/17/2013			3.66	10.7	15.8	698
5/19/2013			1.35	15.1	16.6	886
6/17/2013			3.01	15.8	26.9	1210
7/23/2013			2.66	17.3	28.9	1510
8/19/2013			2.94	17.3	30.8	1350
9/16/2013			2.61	17.5	28	1370
10/17/2013			4.93	22.1	36.5	1120
11/21/2013			5.2	16.5	21	1040
1/5/2014		323.4	15.2	21.2	32.1	1864
2/12/2014	12.79	266.3	10.8	18.5	27.3	1074
3/17/2014	8.98	289.3	9.4	20.8	30.6	1480
4/17/2014	4.92	322.5	10.7	23.7	33.6	1560
5/14/2014	14.79	298.3	11.7	20.1	29.1	1420
6/17/2014	8.98	322.9	9.6	21.5	29.8	1750
7/17/2014	8.23	306.5	8.3	24.9	34.2	1750
8/12/2014	5.48	323.4	8.6	25	36.9	1860
9/17/2014	3.37	352	8.6	28	33.3	2140
10/17/2014	12.79	325.3	10.1	23.3	28.8	1750
11/17/2014	4.92	352.5	10.7	28	40.9	1700
12/11/2014	4.4	351.3	7.9	26.5	32.4	1890
1/9/2015	3.37	314.8	0.18	13.6	8.23	1850
2/17/2015	3.37	333.6	6.5	23.6	29.1	1510
3/17/2015	3.91	450	9.31	30.05	41.68	1161
4/17/2015	9.94	500	9.06	30.88	41.03	2166.3
5/17/2015	2.23	386	10.27	32.13	41.95	2013.7
6/17/2015	1.07	392	9.2	27.55	36.7	1940.24
7/17/2015	0.7	386	11.6	28.7	36.55	1678.08
8/17/2015	1.07	454	9.58	26.83	37.4	1845.89
9/17/2015	1.35	364	11.18	25.18	32.98	1678.08
10/17/2015	6.2	540	11.76	32.38	43.2	1736.11
11/17/2015	10.79	550	11.9	29.65	41.2	1736.11
12/17/2015	4.92	500	14.65	28.9	39.5	1261
1/17/2016	2.96	562	13.33	29.83	42.93	1273.44
2/17/2016	22.41	410	8.77	23.3	29.43	1225.49
3/17/2016	6.86	282	5.48	19.4	24.2	1256.13
4/17/2016	7.51	350	6.96	22.45	29.25	1181.11
5/17/2016	6.6	380.9	9.5	25.4	33.8	1625.4

Exhibit M

SP-9

Date	Flow	pH	Alk	Acidity	Iron	Mn	Al	SO4	Notes
2/1/2001	3	8.9	0	44	9.84	3.23	0.677	266.8	Pre-treatment
3/29/2001	1	8.9	0	44	12	3.18	<.5	248	Pre-treatment
5/14/2001	1	8.8	0	48	11.2	3.23	<.5	264.2	Pre-treatment
7/10/2001	1.2	8.5	0	59.2	8.28	2.89	<.5	264.6	Pre-treatment
7/31/2001	1	8.5	0	57	9.52	3.22	0.597	300.3	Pre-treatment
9/26/2001	1.4	8.4	0	62.6	10.2	3.28	<.5	216.8	Pre-treatment
Ave	1.43	8.62	0.00	52.47	10.17	3.17	0.64	260.12	
Median	1.10	8.55	0.00	52.50	10.02	3.23	0.64	264.40	

7/14/2008	1.5	6.3	37.3	-18.8	19	2.55	0.1	267	Post-treatment Background
8/11/2008	2	6.28	37.5	-13.3	27	3.1	0.16	266	Post-treatment Background
9/12/2008	0.4	6.32	47.8	4	26	3	0.11	261	Post-treatment Background
10/14/2008	0.4	6.4	46.3	0	23.6	3	0.13	271	Post-treatment Background
11/19/2008	2.2	6.5	46	-4.3	3.71	0.23	0.08	16.5	Post-treatment Background
12/15/2008	0.39	6.5	57.3	-7.5	25.3	3	0.07	201	Post-treatment Background
1/12/2009	3.6	6.6	57.5	-30.7	12.1	2.4	0.05	140	Post-treatment system
2/9/2009	3	6.9	47.8	-27.8	17.7	2.24	0.14	133	Post-treatment system
6/11/2009	4	6.7	67.8	-20.4	9.41	1.99	<.5	207.5	DEP Background
Ave	1.94	6.34	43.73	-13.20	18.20	2.39	0.11	195.89	
Median	2.00	6.32	48.80	-13.30	19.00	2.55	0.11	207.50	

5/10/2013	4.77	6.02	37.5	0	19.7	4.5	0.28	439	
9/9/2013	1.5	6.07	27.3	56.5	33.8	11.2	1.08	768	
11/6/2013	3.5	6.5	27.2	74.3	39.5	11.9	1.84	926	
2/7/2014	5	6.6	17.5	101	44.1	12.6	3.94	1304	
5/23/2014	4	6.7	17.8	67.4	36.6	9.9	2.99	579	
8/22/2014	3	6.7	17.2	113.5	47.3	12.1	5.61	932	
11/11/2014	3	6.6	17.9	128.1	57	17.3	9.38	1018	
12/9/2014	2	6	37.5	90.8	48.04	13.28	7.14		DEP
3/3/2015	2.5	6.26	17.2	158.6	49.6	13.4	3.91	1030	
Ave	3.25	6.30	19.77	87.80	41.74	11.80	4.02	852.29	
Median	3.00	6.07	16.00	90.80	44.10	12.10	3.91	929.00	

Increase in acidity, iron, manganese, aluminum and sulfates noted since 9/9/13

Results in mg/l

Flow in gpm

Exhibit M

SP-44

Date	Flow	pH	Alk	Acidity	Iron	Mn	Al	SO4	Notes
1/10/2001	15	3.8	0	46	<.3	4.81	5.55	265.1	Pre-treatment
2/1/2001	11	4	4	46	<.3	3.88	4.92	225	Pre-treatment
3/29/2001	30	4	4	28	<.3	1.91	2.59	121	Pre-treatment
5/14/2001	12	4	4	42	<.3	2.54	4.72	170.4	Pre-treatment
7/10/2001	6.6	3.6	0	87.2	<.3	3.29	5.47	245.6	Pre-treatment
7/31/2001	6	3.7	0	85	<.3	4.13	6.06	222	Pre-treatment
9/26/2001	4	3.7	0	78.6	<.3	4.92	5.25	194	Pre-treatment

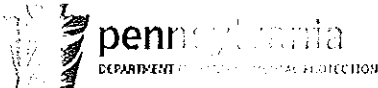
9/10/2008	5	3.66	0	56.3	0.1	4.4	6.4	240	Post-treatment Background
10/14/2008	0.36	3.76	0	43.3	0.08	4.9	6.28	249	Post-treatment Background
11/19/2008	3	3.83	0	50.3	0.11	5.3	5.98	251	Post-treatment Background
12/15/2008	12.88	3.73	0	40	0.1	3.7	4.8	162	Post-treatment Background
1/12/2009	21.0	3.95	0	28	0.04	2.8	4.33	98.5	Post-treatment Background
2/9/2009	2	3.98	0	25.5	0.13	2.6	4.35	122	Post-treatment Background
6/11/2009	30	3.8	0	36.6	<.3	1.96	4.39	152.4	DEP Background
Ave	13.41	3.73	0.00	40.00	0.09	3.67	5.22	182.13	
Median	12.88	3.73	0.00	40.00	0.10	3.70	4.80	162.00	

11/6/2013	4.7	4.04	0	109.8	0.41	12.3	17.5	802	
2/7/2014	15	4.5	0	165.4	0.21	12.9	20.6	984	
5/2/2014	30	4.3	0	197.4	0.19	14.2	27.9	743	
8/2/2014	4.5	4.5	0	162.5	1.25	16.2	21.6	926	
11/11/2014	20	4.52	0	239.7	0.52	21.1	30.1	1104	
12/1/2014	1	4.3	0	207.6	0.733	17.181	26.667	902.9	DEP Sample
3/3/2015	1	4.75	0	162.4	0.35	15.2	12.4	1002	
Ave	12.87	4.09	0.00	177.97	0.52	15.58	22.40	923.41	
Median	9.85	4.04	0.00	165.40	0.41	15.20	21.60	926.00	

Increase in acidity, manganese, aluminum and sulfates noted since 2/7/13

Results in mg/l

Flow in gpd



CONSENT TO RIGHT OF ENTRY FOR OPERATION AND MAINTENANCE OF A MINE DRAINAGE TREATMENT FACILITY COVERED BY A BOND OR A POST-MINING DISCHARGE TREATMENT TRUST AGREEMENT

Property Owner(s): List everyone with an ownership interest in the property which is the subject of this agreement.

Name: _____ Name: _____

Address: _____ Address: _____

WHEREAS, the Property Owner(s) own surface property containing _____ acres located in _____ Township, _____ County, Pennsylvania, and described in Document No. _____, Volume _____, Page _____, in the _____ County Recorder's Office (the Property);

WHEREAS, the Commonwealth of Pennsylvania, Department of Environmental Protection (DEP) is authorized to administer and enforce the Surface Mining Conservation and Reclamation Act, 52 P.S. §§ 1396.1-1396.19a, the Clean Streams Law, 35 P.S. §§ 691.1-691.1001, and their implementing regulations, including requiring the construction, operation and maintenance of facilities designed to remediate the effects of mine drainage;

WHEREAS, _____ ("Operator") conducted surface mining activities on or adjacent to the Property pursuant to Surface Mining Permit No. _____;

WHEREAS, DEP has determined that mine drainage caused by Operator's mining activities is discharging from or passing over the Property, and the mine drainage on the Property is causing pollution, or a danger of pollution, to waters of the Commonwealth;

WHEREAS, Operator is required, under the mining law and its surface mining permit, to construct, operate and maintain mine drainage treatment facilities on a portion of the Property (the Treatment Facility Property), for purposes of treating the pollutional discharge(s);

WHEREAS, a map showing the boundaries of the Treatment Facility Property is attached as Exhibit A;

WHEREAS, Operator has posted a bond with the Department, or has established a trust with a financial institution as an alternative financial assurance mechanism, in order to provide sufficient funds to guarantee Operator's legal obligation to operate and maintain the mine drainage treatment facilities on the Property and the Operator's obligation for long-term treatment, or abatement, of the post-mining pollutional discharge(s) on the Property;

WHEREAS, to ensure compliance with its legal obligations, Operator and DEP [and the Trustee] must have access to the Treatment Facility Property to conduct and/or oversee the mine drainage treatment activities required by law and the mining permit;

WHEREAS, Operator and DEP have requested and the Property Owner(s) is willing to grant Operator and DEP [and Trustee] right of entry into, under, over and upon the Treatment Facility Property to construct, operate and maintain mine drainage treatment facilities;

WHEREAS, the Property Owner(s) acknowledge that treatment of the mine drainage on the Property will provide benefit to the Property Owner and to the Commonwealth through abatement of a nuisance, restoration of land affected by mining operations, and prevention of pollution to waters of the Commonwealth;

NOW KNOWINGLY and VOLUNTARILY, in consideration of the benefits which the Property Owner(s) and the general public will receive, and with the intention of being legally bound, it is agreed as follows:

1. Right of Entry. The Property Owner(s) hereby grants and conveys to Operator and DEP (and Trustee), its employees, agents, servants, contractors and subcontractors, a right of entry into, under, over and upon the Treatment Facility Property. This right of entry includes all necessary rights of ingress, egress and regress with all personnel, materials, and equipment needed to perform the discharge treatment activities.

2. Duration of Right of Entry. The term of this Right of Entry shall extend for the length of time necessary to complete the discharge treatment activities in accordance with applicable law. It is specifically understood and agreed that the term of this Right of Entry extends for the length of time necessary to operate and maintain all discharge treatment facilities on the Treatment Facility Property, and shall only terminate when such treatment facilities are no longer necessary to remediate or prevent pollution to waters of the Commonwealth.

3. Insurance. DEP will require Operator to obtain and keep in force insurance coverage in accordance with the requirements of 25 Pa. Code § 80.168.

4. Property Use. During the term of this Right of Entry, the Property Owner(s) will not, without the written consent of DEP, make any use of the Property which will interfere with the construction, operation or maintenance of the discharge treatment facilities installed on the Treatment Facility Property.

5. Notification. This Consent to Right of Entry shall be recorded by Operator in the _____ County Recorder's Office within thirty days of its execution. In the event that the Property Owner(s) intends to sell, lease, or otherwise transfer any interest in the Property prior to the termination of this Right of Entry, the Property Owner(s) shall advise the prospective owner or lessee of the terms and conditions of this Right of Entry. The Property Owner(s) shall advise DEP, by notifying the Department representative whose name appears on this Consent to Right of Entry, of the intent to sell the Property prior to any sale.

6. Authorization of Access. The Property Owners represent that they are the only persons authorized to grant access to the Treatment Facility Property.

7. Benefit to Successors. All the covenants, representations, consents, waivers and agreements contained herein shall be binding upon and inure to the benefit of the parties and their heirs, successors and assigns.

For [Operator],	
_____	_____
Name:	Witness
_____	_____

For the Department of Environmental Protection:	
_____	_____
Name:	Witness
_____	_____

IN WITNESS WHEREOF, each of the parties set its respective hand and seal, for itself, its heirs, executors, administrators, successors and assigns, intending to be legally bound, this _____ day of _____, 20__.

Property Owner(s)
(Each owner sign and print
their name and sign line.)

Name: print _____

ACKNOWLEDGEMENT

STATE OF :
COUNTY OF : ss

On this, the _____ day of _____, 20_____, before me, the undersigned Notary, personally appeared

(Name (s))

known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to this instrument, and who acknowledged that she or they have executed the same and desire it to be recorded.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal.

(SEAL) _____ My Commission Expires: _____
Notary Public



AMD TREAT RECAPITIALIZATION COST

AMDTREAT

Calculation Period yrs Inflation Rate % Net Return Rate %

Recapitalization Name

A.	B.	C.	D.	E.	F.	G.
Description of Item	Unit Cost Per Item	Quantity	Total Item Cost	Life Cycle	Number of Periods	Total PV
1. Ponds	5,000	2	10,000	25	3	3,869
2. Caustic tank	6,000	1	6,000	25	3	2,321
3. Dyeing	500	1	500	10	7	740
4. Access Road	1,000	1	1,000	10	7	1,481
5.	0	0	0	0	0	0
6.	0	0	0	0	0	0
7.	0	0	0	0	0	0
8.	0	0	0	0	0	0
9.	0	0	0	0	0	0
10.	0	0	0	0	0	0
11.	0	0	0	0	0	0
12.	0	0	0	0	0	0
13.	0	0	0	0	0	0
14.	0	0	0	0	0	0
15.	0	0	0	0	0	0
16.	0	0	0	0	0	0
17.	0	0	0	0	0	0
18.	0	0	0	0	0	0
19.	0	0	0	0	0	0
20.	0	0	0	0	0	0

Total Capital Cost \$ PV Grand Total \$

Project Dudley

File Name Dudley

Life of Fund	75	Yrs
Inflation Rate	3.10	%
Rate	8.43	%

AMD TREAT
RECAPITIALIZATION COST



AMDTREAT

Year	Trust Fund Growth Fund Before Payout	Trust Fund Growth Fund After Payout	Payout Schedule	Year	Trust Fund Growth Fund Before Payout	Trust Fund Growth Fund After Payout	Payout Schedule
		8,431	Initial Fund Amount				
1	9,120	9,120	0	51	29,895	29,895	0
2		9,889	0	52	32,415	32,415	0
3		10,722	0	53	35,148	35,148	0
4		11,626	0	54	38,111	38,111	0
5		12,606	0	55	41,324	41,324	0
6		13,669	0	56	44,807	44,807	0
7		14,822	0	57	48,585	48,585	0
8		16,071	0	58	52,680	52,680	0
9		17,416	0	59	57,121	57,121	0
10		18,869	2,035	60	61,937	52,569	9,367
11		18,281	0	61	67,001	57,001	0
12		19,932	0	62	61,806	61,806	0
13		21,443	0	63	67,017	67,017	0
14		23,335	0	64	72,666	72,666	0
15		25,738	0	65	78,792	78,792	0
16		27,909	0	66	85,434	85,434	0
17		29,739	0	67	92,636	92,636	0
18		32,234	0	68	100,445	100,445	0
19		34,533	0	69	108,913	108,913	0
20		36,747	2,762	70	118,095	105,383	12,711
21		38,882	0	71	114,267	114,267	0
22		41,042	0	72	123,900	123,900	0
23		43,322	0	73	134,344	134,344	0
24		45,825	0	74	145,670	145,670	0
25		48,554	34,323	75	157,950	-0	157,950
26		49,607	0	76	0	0	0
27		21,500	0	77	0	0	0
28		25,334	0	78	0	0	0
29		25,334	0	79	0	0	0
30		25,334	3,748	80	0	0	0
31		25,332	0	81	0	0	0
32		27,137	0	82	0	0	0
33		30,137	0	83	0	0	0
34		32,337	0	84	0	0	0
35		35,037	0	85	0	0	0
36		38,037	0	86	0	0	0
37		41,237	0	87	0	0	0
38		44,737	0	88	0	0	0
39		48,537	0	89	0	0	0
40		47,037	5,085	90	0	0	0
41		50,337	0	91	0	0	0
42		53,737	0	92	0	0	0
43		57,337	0	93	0	0	0
44		60,937	0	94	0	0	0
45		72,337	0	95	0	0	0
46		74,337	0	96	0	0	0
47		81,337	0	97	0	0	0
48		87,337	0	98	0	0	0
49		93,337	0	99	0	0	0
50		99,337	0	100	0	0	0
51		105,337	80,532	101	0	0	0

**Exhibit P
(Revised 7-19-16 for Amendment)**

Trust Valuation as of June 30, 2016

Begin Year	Initial Contribution	Annual Contribution	Calculated Trust Value	Necessary Trust Value
2014	\$402,000.00	0.00	\$402,000.00	\$2,001,740.66
2015		\$400,000.00	\$800,215.40	\$2,400,764.87
2016		\$400,000.00	\$1,200,430.80	\$2,800,789.05
2017		\$400,000.00	\$1,600,646.20	\$3,200,813.23
2018		\$225,000.00	\$2,098,186.80	\$3,604,876.18
2019		\$225,000.00	\$2,500,666.12	\$3,991,224.25
2020		\$218,165.07	\$2,955,821.69	\$3,380,482.21
			\$3,402,776.53	\$3,402,776.53

Added Dueley (= \$455,168.53)

Primary Target Valuation as per May 5, 2016 annual trust fund meeting was \$3,011,610.23

Inflation = 3.10%
Earnings = 6.43%

Note: the final amount deposited by January 1, 2020 may need to be adjusted to correspond with the performance of the Trust Fund.