

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

**SMRD DOCKET NO. C16-0019-SC-47-E; TEXAS WESTMORELAND COAL COMPANY
APPLICATION FOR ACCEPTANCE OF REPLACEMENT SURETY BOND FOR PERMIT NO. 47A,
JEWETT E/F AREA MINE, FREESTONE AND LEON COUNTIES, TEXAS**

ORDER ACCEPTING REPLACEMENT SURETY BOND

STATEMENT OF THE CASE

Texas Westmoreland Coal Co. (TWCC) holds Railroad Commission of Texas (Commission) Permit No. 47A for the Jewett E/F Area Mine located in Freestone and Leon Freestone Counties, Texas. The permit area is currently bonded with two bonds, a self-bond with third-party guarantee by NRG Energy, Inc. in the amount of in the amount of \$18,500,000 and a surety bond in the amount of \$18,000,000 by Liberty Mutual Insurance Company, for a total of \$36,500,000 in total bonding for the permit.

TWCC now requests acceptance of a surety bond issued by Aspen American Insurance Company in the amount of \$15,500,000 to replace the existing self-bond in the amount of \$18,500,000. The surety bond of Liberty Mutual Insurance Company in the amount of \$18,000,000 will remain in place. This request is made pursuant to TEX. NAT. RES. CODE §§134.121-134.127 and §§12.308-12.309 of the "Coal Mining Regulations." By letter dated May 9, 2016, the Surface Mining and Reclamation Division indicated that the third-party guarantor on the current self-bond, NRG Energy, Inc. no longer met requirements for self-bonding contained in §12.309(j). The surety bond has been filed to address this issue. Staff has filed a reclamation cost estimate approved administratively by letter dated February 5, 2015 setting out updated reclamation costs totaling \$30,567,176. The total bond amount with the existing accepted surety bond by Liberty Mutual Insurance Company in the amount of \$18,000,000 and the surety bond in the amount of \$15,500,000 proposed to replace the self-bond with third-party guarantee will total \$33,500,000, decreasing the total bond amount by \$3,000,000. Evidence in the record indicates that \$33,500,000 is sufficient to cover the latest approved reclamation cost estimate (\$30,567,176).

The Commission finds that the proffered replacement surety bond issued by Aspen American Insurance Company, with the Liberty Mutual Insurance Company surety bond that remains in place, will be sufficient in form and substance and may be accepted to replace the self-bond with third-party guarantee in the amount of \$18,500,000.

FINDINGS OF FACT

Based upon the evidence in the record, the Commission makes the following Findings of Fact:

1. Texas Westmoreland Coal Company (TWCC) holds Permit No. 47A for the Jewett E/F Area Mine in Freestone and Leon Counties, Texas. The application is made pursuant to TEX. NAT. RES. CODE §§134.121-134.127 and §§12.308-12.309 of the “Coal Mining Regulations.” By letter dated May 9, 2016 the Commission’s Surface Mining and Reclamation Division (Staff) notified TWCC that its third-party guarantor on its existing self-bond, NRG Texas Power LLC, no longer met requirements for the guarantee. By letter dated July 11, 2016, SMRD filed TWCC’s submittal, as supplemented, to replace its current self-bond with third-party guarantee with the Hearings Division, along with its staff attorney’s review of the documents.
2. There are currently two accepted reclamation bonds for Permit No. 47A: a surety bond issued by Liberty Mutual Insurance Company, in the amount of \$18,000,000 accepted by the Commission by Order dated June 12, 2012, and a self-bond with third-party guarantee and indemnity agreement by NRG Energy, Inc. in the amount of \$18,500,000 accepted by the Commission by Order dated March 22, 2011 for total bonding in the amount of \$36,500,000. These two bonds were determined to remain sufficient by Commission Order dated June 12, 2012. TWCC has filed a surety bond by Aspen American Insurance Company, Surety Bond No. SU48308, in the amount of \$15,500,000 to replace the self-bond with third-party guarantee in the amount of \$18,500,000. Acceptance of the proffered surety bond in the amount of \$15,500,000 with the currently accepted Liberty Mutual Insurance Company surety bond in the amount of \$18,000,000 remaining in place will result in a reduction of \$3,000,000 in the total proposed bond amount. It will reduce the total bond amount from \$36,500,000 to \$33,500,000.
3. The most recent reclamation cost estimate was approved administratively by letter dated February 5, 2015 in Revision No. 29. This estimate is in the amount of \$30,567,176. TWCC currently has an application for renewal that was filed with the Hearings Division on August 26, 2014. As set out in Finding of Fact No. 2, acceptance of the surety bond in the amount of \$15,500,000 with the currently accepted Liberty Mutual Insurance Company surety bond in the amount of \$18,000,000 remaining in place will result in a reduction in the total proposed bond amount of \$3,000,000. It will reduce the total bond amount from \$36,500,000 to \$33,500,000. Based on the last estimate, the bond amount will exceed the reclamation cost estimate for Permit No. 47A (\$30,567,176) by \$2,932,824.
4. The proffered surety bond issued by Aspen American Insurance Company lists Texas Westmoreland Coal Company as Permittee/Principal with the notation that it is then referred to as “Principal” in the instrument. Although the Permittee/Principal is responsible for completion of reclamation requirements, if the permittee does not, the financial backing for the bond to ensure reclamation comes from the surety. The Regulations do not require a financial review of any kind for the principal on the

surety bond, unlike self-bonds or self-bonds with third-party guarantees. The Texas Department of Insurance requires financial filings by the surety. There is a contractual relationship that exists between the surety and the principal whereby if reclamation is not completed, the surety will either complete reclamation or pay the performance bond amount. There is an additional attachment to the surety bond whereby NRG Texas Power LLC (that is party to a lignite supply agreement with TWCC) signed as a guarantor for TWCC. This attachment was submitted for informational purposes and is accepted as such.

5. The bond and other documents submitted provide all required information for acceptance of the bonds. Documentation has been submitted to demonstrate that the requirements for surety bond set out in the Act and Regulations have been met.
 - (a). A surety bond is an acceptable form of bond under §12.308(a)(1). The surety bond is properly executed.
 - (i). Documentation has been provided to establish that Aspen American Insurance Company is a corporate surety licensed to do business in Texas. TWCC submitted a copy of a Certificate of Authority from the Texas Department of Insurance, Certificate No. 15019, dated September 23, 2010, certifying that Aspen American Insurance Company is authorized to transact business as a surety in Texas. Supplemental documentation was submitted in the form of a supplemental search from the Texas Department of Insurance's website, dated June 24, 2016, showing that the insurance company has an active Texas license and is currently licensed as a surety. The two items together are sufficient to show that the surety is licensed in Texas.
 - (ii). The bond is properly signed on behalf of TWCC by Michael G. Altavilla, Lands and Compliance Superintendent, on June 28, 2016. An original certification dated June 28, 2016 by an officer of Texas Westmoreland Coal Company, sworn before a notary, was submitted, stating that Mr. Altavilla was authorized to act on behalf of TWCC before the Commission for Permit No. 47A, the date Mr. Altavilla signed the bond. The bond is properly signed by Aspen American Insurance Company's attorney-in-fact, Mark W. Edwards II. A power of attorney with an imprinted corporate seal with authorization documentation that Mark W. Edwards II may act as

attorney-in-fact for the company were submitted by TWCC in its bond package. The power of attorney and accompanying resolutions exhibit the authorization of the person designated with power of attorney and of the instruments. The power of attorney for Aspen American Insurance Company was adopted on May 11, 2016 and certified on May 11, 2016. It was further authenticated by a certification dated June 28, 2016 that it has been in full force and effect since the date of execution. The bond was signed on June 28, 2016 by Mr. Edwards.

- (iii). The supplemental sheet to the surety bond is signed by Glen Mackey, Sr. Vice President and Chief Risk Officer, NRG Texas Power LLC, for NRG as between NRG and the surety as a guarantor. The two signatures are attested.
 - (iv). The surety bond contains all other provisions required by the Act and Regulations. The bond is conditioned upon faithful performance of all the requirements of the Act, permit, reclamation plan, and Regulations. The bond contains provisions that it shall remain in full force and effect for the duration of the reclamation obligation as required. The bond is non-cancellable during its term.
 - (v). The bond, with the accepted surety bond by Liberty Mutual Insurance Company, must be in an amount sufficient to cover the costs of reclamation of disturbed lands within the permit area should a third party complete reclamation at the direction of the Commission in the event of forfeiture. The amount of the proffered bond with the surety bond by Liberty Mutual Insurance Company that will remain in place, will total an amount in excess of reclamation costs (Finding of Fact No. 3).
 - (vi). Bond coverage has been continuous and with acceptance of the replacement bond will continue uninterrupted.
- (b). The Texas Department of Insurance (TDI) is responsible for review of a surety's financial status. The Commission has no financial criteria for sureties set out in the Regulations. Financial documents must be filed with the TDI. Although not required, the bond package

includes as a part of Exhibit 7 of the bond package for Permit No. 47A, a signed sworn statement by Peter Clifton Felix, Treasurer and Kenneth Gerald Cadematori, Chief Financial Officer, that the attached sworn unaudited statement is a true and correct statement of financial condition of Aspen American Insurance Company as of December 31, 2015. This statement indicates that the surplus of the company as regards policyholders as of December 31, 2015 was \$268,547,345. This sworn statement also states that the statement of financial condition is consistent with the December 31, 2015 for Aspen American Insurance Company's filings with the National Association of Insurance Companies and the State of Texas. Exhibit 8 also includes an unaudited quarterly statement for the quarter ended March 31, 2016 for Aspen Insurance Holdings Limited. Aspen Insurance Holdings Limited holds subsidiaries that provide insurance and reinsurance. Aspen American Insurance Company is one of its principal subsidiaries. The March 31, 2016 statement indicates that as of March 15, 2016, the total retained earnings of Aspen American Holdings Limited were \$2,375,900,000.

6. The Act and Regulations direct that the Commission shall determine the amount of bond required based on the costs of reclamation and shall periodically adjust the amount of bond required or terms of acceptance. In accordance with the Regulations §12.304(d), the required amount shall be based on, but not limited to, the estimate submitted by the applicant, and the reclamation cost estimate prepared by Staff. Together with the surety bond accepted from Liberty Mutual Insurance Company, the proffered surety bond requested for acceptance in this docket will provide reclamation performance bonding in an amount in excess of the estimate of reclamation costs.
 - (a). The currently accepted bond issued by Liberty Mutual Insurance Company in the amount of \$18,000,000 will remain in place. The proffered surety bond issued by Aspen American Insurance Company in the amount of \$15,500,000, that is proposed to replace the accepted self-bond with third-party guarantee, when added to the accepted bond in the amount of \$18,000,000 will total \$33,500,000 and will exceed the amount of the most recently approved reclamation cost estimate (Finding of Fact No. 3, *supra*).
 - (b). The reclamation cost estimates by TWCC and Staff are based on the worst-case bonding method. This method uses estimated costs for reclaiming the worst-case pits, estimated costs for reclaiming each individual temporary structure used to support the mining operation, and costs for revegetation and maintenance of all disturbed lands, taking into consideration ongoing reclamation activities during the term of the bond. The estimate includes a factor of 10% for administrative costs. TWCC's estimate, \$30,567,176, was accepted as the most

conservative bond estimate required for reclamation of the permit area and therefore, more appropriate for a reclamation cost estimate for work that may be performed by a third party at the direction of the Commission in the event of forfeiture.

- (c). Because the administratively approved reclamation cost estimate is based on the worst-case method and operations in the permit area are ongoing and change with time, it is critical that reclamation operations remain contemporaneous, and close monitoring by Staff inspection must be employed to ensure adequate bond coverage. Quarterly aerial photography of the permit area is conducted by TWCC to track current disturbances, and the photographs are available for review at the mine. Tracking in this manner and inspection by Staff will ensure that any increases required for the bond will be identified. In the event that the approved reclamation plan is modified, the Commission will review the bond for adequacy and, if necessary, will initiate a bond adjustment to conform to the modified plan [§12.307(c)].
7. The proffered surety bond will remain in effect according to its terms, unless released or replaced by Commission Order, as will the surety bond issued by Liberty Mutual that will remain in place. TWCC as permittee must complete the reclamation obligations for the mine as required by the Act and Regulations. If TWCC does not complete reclamation as required by the Act and Regulations, then the surety is liable on its bond.
 8. TWCC, organized in Montana, is currently in good standing in the payment of franchise taxes as required by TAX CODE §171.001 *et seq.* (TAX CODE) and allowed to conduct business in Texas.
 9. TWCC's request for acceptance of the surety bond is made pursuant to the Texas Surface Coal Mining and Reclamation Act, TEX. NAT. RES. CODE ANN. §134.127 (Vernon 2016) (Act) and §§12.308-12.309 of the "Coal Mining Regulations," Tex. R.R. Comm'n, 16 TEX. ADMIN. CODE CH. 12 (Thomson West 2016) (Regulations).
 10. Bond coverage has been continuous and with acceptance of the proffered surety bond will continue uninterrupted.
 11. Acceptance of the replacement bond is not a bond release or a release of any reclamation obligations; no public notice is required other than notice of the Commission meeting to consider the matter. The accepted bond, with the bond in place from Liberty Mutual Insurance Company, will bond the permit

area in the required amount until all reclamation within the permit area has been completed and the Principal/Permittee and sureties have been released from liability or until the bonds are replaced.

12. Open meeting notice of Commission consideration of this matter has been provided in accordance with the Administrative Procedure Act, GOV'T CODE §551.041.
13. TWCC and the Staff submitted written waivers of the preparation and distribution of a Proposal for Decision in this matter.

CONCLUSIONS OF LAW

Based upon the foregoing Findings of Fact, the following Conclusions of Law are made:

1. All required notice for consideration of this matter has been provided.
2. The surety bond submitted by TWCC and Aspen American Insurance Company are in proper form and, along with the surety bond issued by Liberty Mutual Insurance Company currently accepted, are in required amounts so that the total will be sufficient to ensure reclamation of the permit area. The proffered surety bond meets the requirements for an acceptable reclamation performance bond as set forth in TEX NAT. RES. CODE §§134.121-134.127 and §§12.308-12.309 of the Regulations.
3. All requirements of the Act and Regulations have been satisfied for acceptance of the surety bond.
4. The Commission is authorized by the Act and Regulations to accept the surety bond to replace the self-bond with third-party guarantee.

THEREFORE IT IS ORDERED that the above Findings of Fact and Conclusions of Law are adopted; and

IT IS FURTHER ORDERED that the surety bond in the amount of \$15,500,000 is hereby accepted and together with the Liberty Mutual Insurance Company's surety bond will replace the existing self-bond with third-party guarantee in the amount of \$18,500,000; and

IT IS FURTHER ORDERED that the surety bond along with the currently accepted Liberty Mutual Insurance Company surety bond will continue to provide performance bonding of required reclamation of operations under Permit No. 47A, Jewett E/F Area Mine; and

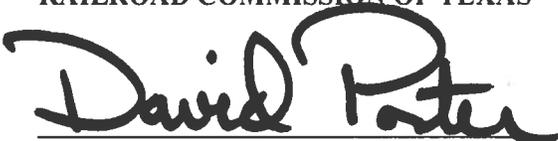
IT IS FURTHER ORDERED that the surety bonds issued by Aspen American Insurance Company and Liberty Mutual Insurance Company will remain in place until released or replaced by Commission Order; and

IT IS FURTHER ORDERED that the Commission may vary the total bond amount as affected land acreages are increased or decreased or where the cost of reclamation changes; and

IT IS FURTHER ORDERED by the Commission that this order shall not be final and effective until 25 days after a party is notified of the Commission's order. If a timely motion for rehearing is filed by any party of interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further Commission action. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

SIGNED IN AUSTIN, TEXAS, on the 9th day of August, 2016.

RAILROAD COMMISSION OF TEXAS



CHAIRMAN DAVID PORTER

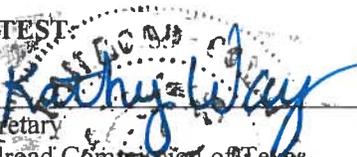


COMMISSIONER CHRISTI CRADDICK

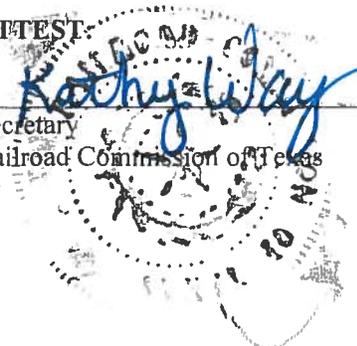


COMMISSIONER RYAN SITTON

ATTEST:



Secretary
Railroad Commission of Texas



RAILROAD COMMISSION OF TEXAS
Surface Mining and Reclamation Division
Surety Bond for Surface Mining and Reclamation Permit

Permit No.: 47A

Mine Name: Jewett E/F Area Mine

Permittee (hereinafter referred to as the "Principal"): Texas Westmoreland Coal Co.

Bond No.: SU48308

This bond does does not (check appropriate response) replace an existing bond, described as:
Self-bond in the amount of \$18,500,000.

KNOW ALL BY THESE PRESENTS [Note: Recitals may be modified as necessary to address permits revisions, renewals, consolidations]:

WHEREAS, the above bound Principal submitted to the Railroad Commission of Texas, Surface Mining and Reclamation Division, an application for a permit to engage in surface mining, which application included a proposed reclamation plan; and

WHEREAS, the Principal's permit application (including the proposed reclamation plan) was approved by the Railroad Commission of Texas on the 9th day of March, 2010; and

WHEREAS, issuance of a permit pursuant to such approved application (the "Permit") and retention of the Permit are conditioned on the Principal's posting bond to insure faithful performance of all requirements of the Principal under the Texas Surface Coal Mining and Reclamation Act, Texas Natural Resources Code, § 134.001 *et seq.*, (hereinafter referred to as the "Act"); regulations adopted under the Act, 16 TAC § 12.1 *et seq.*; (hereinafter referred to as the "Coal Mining Regulations"); and the Permit;

THAT WE, Texas Westmoreland Coal Co. as Principal, and Aspen American Insurance Company, as Surety, are held and firmly bound to the State of Texas in the full sum of Fifteen Million Five Hundred Thousand United States Dollars (\$ 15,500,000.00 U.S.), well and truly to be paid to the State of Texas in Austin, Travis County, Texas, and we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally, firmly by these presents.

NOW, THEREFORE, the conditions of this obligation are such that if the above bound Principal shall faithfully and fully perform the requirements set forth in the Act, the Coal Mining Regulations, and the Permit, as now or hereafter amended, revised, renewed or replaced, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Bond No.: SU48308

And the Surety to this bond, for value received, agrees that no amendment to existing law, rules or regulations, no adoption of new laws, rules, or regulations, and no amendment, revision, renewal, or replacement of the Permit (including the reclamation plan) shall in any way alleviate its obligation on this bond, and it does hereby waive notice of any such amendment, adoption, revision, renewal, or replacement.

The Surety further agrees to give prompt notice to the Principal and to the Railroad Commission: (1) of any notice received or action filed alleging the insolvency or bankruptcy of the Surety or which could result in suspension or revocation of the Surety's license to do business in the State of Texas; or (2) if it becomes unable, or, for any reason, unwilling, to fulfill its obligations under this bond.

If this is a replacement bond, Surety further agrees that any liability which has accrued against the Principal under the Act, the Coal Mining Regulations, or the Permit as originally issued, amended, revised, renewed, or replaced, is transferred to this bond.

The Surety further represents to the Railroad Commission that it is a corporate surety licensed to do business as a surety in Texas.

It is agreed that this bond shall be in full force and effect, and non-cancellable, for the duration of the reclamation obligation on the land affected by the Permit, as amended, renewed, revised, or replaced, or land substituted therefore, or until the Principal is otherwise relieved of its obligation hereunder by order of the Railroad Commission of Texas.

It is further agreed that upon the incapacity of the Surety by reason of bankruptcy, insolvency or suspension or revocation of its license, or for any other reason, the Principal shall be deemed to be without bond coverage in violation of the Act, the Coal Mining Regulations, and the Permit, and the Principal shall discontinue surface coal mining operations until new performance bond coverage is approved. Notwithstanding the foregoing, however, nothing in this instrument shall be construed as a waiver of the Commission's ability to enforce the Act, the Coal Mining Regulations, or the Permit, or to seek bond forfeiture in accordance with the provisions of the Act, the Coal Mining Regulations, or this instrument.

Bond No.: SU48308

IN WITNESS WHEREOF, the Principal and Surety have caused these presents to be duly signed and sealed this 28th Day of June, 2016.

Texas Westmoreland Coal Co.
Principal

P.O. Box 915, Jewett, TX 75846
Address

By: Michael G. Altavilla
Signature

Michael G. Altavilla
Typed Name

Lands and Compliance Superintendent
Title

Attest: Janet D. Brown

Accepted August 9, 2016.

Aspen American Insurance Company
Surety

175 Capital Boulevard, Suite 300, Rocky Hill, CT 06067
Address

By: Mark W. Edwards, II
Signature

Mark W. Edwards, II
Typed Name

Attorney-In-Fact
Title

Attest: Alexis B. Ferris

David Porter
CHAIRMAN, Railroad Commission of Texas

Christi Caddick
COMMISSIONER, Railroad Commission of Texas

Roy Hill
COMMISSIONER, Railroad Commission of Texas

ATTEST: Kathy Way

NOTE: The following documents should be provided to the Commission with the original bond instrument: Principal (1) Original power of attorney, or (2) Certified corporate resolution and certificate of incumbency for signatories; Surety - Original power of attorney for signatory and documentation that surety is licensed to do business in Texas.

Bond No.: SU48308

IN WITNESS WHEREOF, the Guarantor for Permittee and Surety have caused these presents to be duly signed and sealed this 28th day of June, 2016.

NRG Texas Power LLC
Guarantor For Permittee

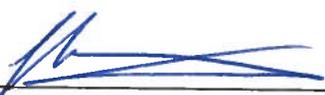
Aspen American Insurance Company
Surety

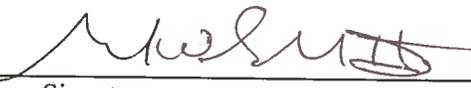
1201 Fannin, Houston, TX 77002

175 Capital Boulevard, Suite 300, Rocky Hill,
CT 06067

Address

Address

By: 
Signature

By: 
Signature

Glen Mackey
Typed Name

Mark W. Edwards, II
Typed Name

Vice President and Chief Risk Officer
Title

Attorney-in-Fact
Title

Attest: 

Attest: 



Aspen American Insurance Company
175 Capital Boulevard, Rocky Hill, CT 06067

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, THAT Aspen American Insurance Company, a corporation duly organized under the laws of the State of Texas, and having its principal offices in Rocky Hill, Connecticut, (hereinafter the "Company") does hereby make, constitute and appoint: **Ronald B. Gladrosich; Mark W. Edwards, II, Jeffrey M. Wilson, Evondia H. Woessner, William Milton Smith, Alisa B. Ferris, Robert R. Freel of McGriff Seibels & Williams, Inc.** its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge on behalf of the Company, at any place within the United States, the following instrument(s) by his/her sole signature and act: any and all bonds, recognizances, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto, and to bind the Company thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Company. All acts of said Attorney(s)-in-Fact done pursuant to the authority herein given are hereby ratified and confirmed.

This appointment is made under and by authority of the following Resolutions of the Board of Directors of said Company effective on April 7, 2011, which Resolutions are now in full force and effect;

VOTED: All Executive Officers of the Company (including the President, any Executive, Senior or Assistant Vice President, any Vice President, any Treasurer, Assistant Treasurer, or Secretary or Assistant Secretary) may appoint Attorneys-in-Fact to act for and on behalf of the Company to sign with the Company's name and seal with the Company's seal, bonds, recognizances, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said Executive Officers at any time may remove any such appointee and revoke the power given him or her.

VOTED: The foregoing authority for certain classes of officers of the Company to appoint Attorneys-in-Fact by virtue of a Power of Attorney to sign and seal bonds, recognizances, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, as well as to revoke any such Power of Attorney, is hereby granted specifically to the following individual officers of Aspen Specialty Insurance Management, Inc.:

Michael Toppi, Executive Vice President, Scott Sadowsky, Senior Vice President, Kevin W. Gillen, Senior Vice President, Mathew Raino, Vice President, and Ryan Field, Vice President.

This Power of Attorney may be signed and sealed by facsimile (mechanical or printed) under and by authority of the following Resolution voted by the Boards of Directors of Aspen American Insurance Company, which Resolution is now in full force and effect:

VOTED: That the signature of any of the Officers identified by title or specifically named above may be affixed by facsimile to any Power of Attorney for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any and all consents incident thereto, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company. Any such power so executed and certified by such facsimile signature and/or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking so executed.

IN WITNESS WHEREOF, Aspen American Insurance Company has caused this instrument to be signed and its corporate seal to be hereto affixed this 11th day of May, 2016.

STATE OF CONNECTICUT

SS. ROCKY HILL

COUNTY OF HARTFORD

Aspen American Insurance Company

Ryan Field, Vice President

On this 11th day of May, 2016 before me personally came Ryan Field to me known, who being by me duly sworn, did depose and say; that he/she is Vice President of Aspen American Insurance Company, the Company described in and which executed the above instrument; that he/she knows the seal of said corporation; that he/she affixed to the said instrument is such corporate seal; and that he/she executed the said instrument on behalf of the Company by authority of his/her office under Resolutions thereof.

Vanessa Arias

Notary Public

My commission expires: February 28, 2019

CERTIFICATE

I, the undersigned, Ryan Field of Aspen American Insurance Company, a stock corporation of the State of Texas, do hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the Boards of Directors, as set forth above, are now in full force and effect.

Given under my hand and seal of said Company, in Rocky Hill, Connecticut, this 28th day of June, 2016.



[Signature]

By:

Name: Ryan Field, Assistant Vice President

* For verification of the authenticity of the Power of Attorney you may call (860) 760-7728 or email: Vanessa.arias@aspen-insurance.com

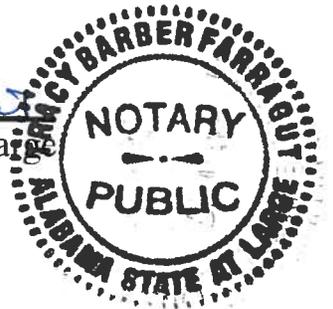
CERTIFICATE OF ACKNOWLEDGEMENT OF ALL PURPOSE SURETY

State of Alabama)
) ss
County of Jefferson)

On this 28th day of June, 2016, before me appeared **Mark W. Edwards, II**, to me personally known, who, being by me duly sworn, did say that he is the Attorney-In-Fact of **Aspen American Insurance Company**, the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said **Mark W. Edwards, II** acknowledged said instrument to be the free act and deed of said corporation.



Tracy Barber Farragut, Notary Public, State at Large
My commission expires- 4/12/2020



CERTIFICATION

This is to certify that Michael G. Altavilla was authorized on June 28, 2016 to act on behalf of Texas Westmoreland Coal Company.

On June 28, 2016 and continuing to present, Michael G. Altavilla was authorized to act on behalf of Texas Westmoreland Coal Company for Railroad Commission Permit No. 47A.



Janet Bowman

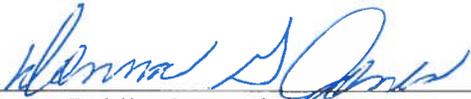


Date

STATE OF TEXAS §
 §
COUNTY OF LIMESTONE §

This instrument was acknowledged before me on June 28, 2016, by Janet Bowman, Sr. Permitting Engineer, on behalf of Texas Westmoreland Coal Company.





Notary Public, State of Texas

My commission expires:

10-13-2019

Donna G Jones

Printed Name of Notary