



KOCH NITROGEN COMPANY

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BUREAU OF WASTE MANAGEMENT

CERTIFIED MAIL; RETURN RECEIPT REQUESTED:

June 4, 2008

Mr. Brian Busby  
Kansas Department of Health and Environment  
Bureau of Waste Management  
1000 SW Jackson Street, Suite 320  
Topeka, Kansas 66612-1366

Ref: Updated Closure, Post-Closure, and Corrective Action Financial Assurance  
Koch Nitrogen Company, Dodge City  
Hazardous Waste Management Permit  
EPA ID# KSD044625010

Dear Mr. Busby:

Enclosed is the update for the increase in our financial assurance, based on the updated estimate we submitted on April 8, 2008, and which was accepted by letter by KDHE on April 15, 2008 (copy attached). If you have any questions or need additional information, please contact me at (620) 227-8631, Ext. 350.

Sincerely,

AnnieLaurie Burke  
Environmental Excellence Leader

Attachment

cc w/attachment:

- Mostafa Kamal, P.E., Chief of the Hazardous Waste Permits Section, KDHE  
Chief, RCRA Corrective Action and Permits Branch; Air, RCRA and Toxics Division, U.S.  
Environmental Protection Agency – Region VII, Kansas City, Kansas
- Mr. Everett Spellman, KDHE w/attachments
- Tom Siegrist, KMS Wichita (electronic copy)
- Gary J. LeRock, KNC. Dodge City



**POWER OF ATTORNEY**

The undersigned corporation for itself and for its divisions and subordinate profit centers and operations, does hereby, effective today, nominate constitute and appoint Pamela L. Beck, Rosemary Weaver, Jeff Fritts, Jay Chappell, Cesare Mitrani and Steve Foster, each with the authority to act individually and without counter signature, as its agents' and attorneys (hereinafter referred to as "Agents") with the power and authority, for the undersigned and its divisions and subordinate profit centers and operations, to execute, deliver and apply the corporate seal to all form and manner of performance bonds, bid bonds, contract bonds, tax bonds, license bonds and all other form and manner of surety bonds, whether similar or dissimilar each with a penalty in no event exceeding \$2,000,000 (two million dollars).

This Power of Attorney will be effective until it is revoked by Koch Business Solutions, Insurance Management or Koch Nitrogen Company. The expiry of this Power of Attorney shall not impair nor invalidate any undertaking executed or entered into during its term.

WITNESS the execution hereof by the duly constituted officer of the undersigned on the 16th Day of October, 2006.

KOCH NITROGEN COMPANY

  
By: Jeff Brenner, Secretary



## Increase PENALTY RIDER

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To be attached and form a part of Bond No. 104174514 dated the 15th day of June, 2006, executed by Travelers Casualty and Surety Company of America as surety, on behalf of Koch Nitrogen Company as current principal of record, and in favor of Kansas Department of Health and Environment, as obligee, and in the amount of Six Million Four Hundred Thirty Nine Thousand Six Hundred Twenty Eight Dollars and 00/100 (\$6,439,628.00).

In consideration of the agreed premium charged for this bond, it is understood and agreed that

Travelers Casualty and Surety Company of America hereby consents that effective from the 14th day of June, 2008, said bond shall be amended as follows:

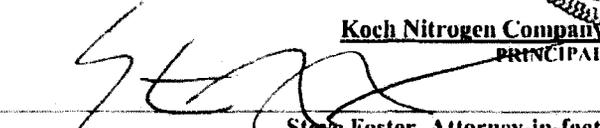
THE BOND PENALTY SHALL BE Increased:

FROM: Six Million Four Hundred Thirty Nine Thousand Six Hundred Twenty Eight Dollars and 00/100 (\$6,439,628.00)

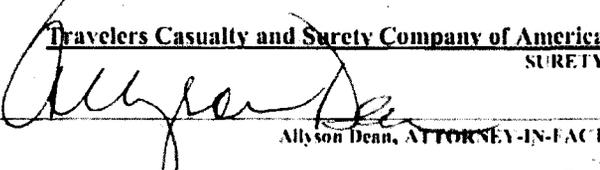
TO: Six Million Six Hundred Sixty Seven Thousand Six Hundred Thirty Two Dollars and 00/100 (\$6,667,632.00)

The increase of said bond penalty shall be effective as of the 14th day of June, 2008, and the parties hereby agree that the continuity of protection under said bond subject to changes in penalty shall not be impaired hereby, provided that the aggregate liability of the above mentioned bond shall not exceed the amount of liability assumed by it at the time the act and/or acts of default were committed and in no event shall such liability be cumulative.

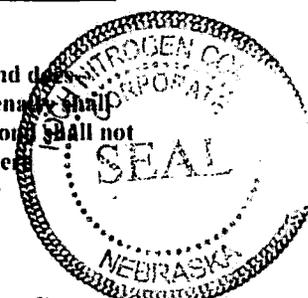
Signed, sealed and dated this 28th day of April, 2008.

BY:   
Steve Foster, Attorney-in-fact

Koch Nitrogen Company  
PRINCIPAL

BY:   
Allyson Dean, ATTORNEY-IN-FACT

Travelers Casualty and Surety Company of America  
SURETY





POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 219765

Certificate No. 002271126

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (therein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Steven R. Foster, Allyson Dean and Marie Perryman

of the City of Dallas, State of Texas, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 18th day of March, 2008.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss

By: [Signature]
George W. Thompson, Senior Vice President

On this the 18th day of March, 2008, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal
My Commission expires the 30th day of June, 2011



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 28th day of April, 2008

*Kori M. Johanson*  
Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersbond.com](http://www.travelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached