

CONSOL Energy's Fola Operations progresses on Reclamation Efforts

PITTSBURGH, Dec. 14, 2012 /PRNewswire/ -- CONSOL Energy Inc. (NYSE: [CNX](#)) has issued notice under the Worker Adjustment and Retraining Notification Act (WARN) of its intent to complete the idle of its Fola operations near Bickmore, W. Va., resulting in a layoff of 131 surface and office employees and 16 employees at the company's Little Eagle Deep Mine. The layoffs will occur during a 14-day period beginning at 12:01 a.m., on February 14, 2013. Employees were officially briefed on the situation today.

CONSOL Energy attributed this WARN notice to the expected February completion of coal processing and shipping from its preparation plant and recovery of equipment and infrastructure from the Little Eagle Deep Mine. CONSOL Energy anticipates that accelerated reclamation work will continue through mid-summer. Earlier this year, the company announced it would lay-off 318 employees and reassigned the remaining 147 employees from mining to reclamation work. The only coal produced through that transition occurred on the surface and was incidental to reclamation.

A combination of market conditions and increasing pressure from the Environmental Protection Agency (EPA), which resulted in both increased costs of surface mining and significant uncertainty for the company's power generation customers related to the continued use of Central Appalachian coal were cited as reasons for the idling.

"The decision to idle our Fola operations is a difficult one, but earlier this year we began the effort to manage our inventory and to balance coal production with expected utility demand and shipping schedules," said Nicholas J. Deluliis, president. "We transitioned to reclamation during that period."

"Unfortunately, the domestic market for coal remains soft due to weak economic growth and activity and the continued inability of our customers to accept committed coal shipments remains a concern," Deluliis continued. "We are hopeful that coal markets will normalize in the second half of 2013 and allow us to review the status of our Fola operations."

About CONSOL Energy

CONSOL Energy Inc. (NYSE: [CNX](#)) is a Pittsburgh-based producer of coal and natural gas. It has 12 bituminous coal mining complexes in four states and reports proven and probable coal reserves of 4.5 billion tons. The company's premium Appalachian coals are sold worldwide to electricity generators and steelmakers. In natural gas, CONSOL has transformed itself from a pure-play coal bed methane producer to a full-fledged exploration and production company. The company is a leading producer in the Marcellus Shale, has an active exploration program in the Utica Shale and has proved natural gas reserves of 3.5 trillion cubic feet. Operational safety is the company's top core value and CONSOL boasts a record of almost two times better than the industry average for underground bituminous coal mines. In 2011, the company recorded its best safety record since it was founded in 1860. CONSOL Energy is a member of the Standard & Poor's 500 Equity Index and the Fortune 500. Additional information about CONSOL Energy can be found at its Web site: www.consolenergy.com.

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