

II. Exploration License (Hard Rock & Placer)

A State **Exploration License** is required for activities that fit the definition of *exploration* as follows:

Exploration means all activities that are conducted on or beneath the surface of lands that result in material disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and economic viability of mineralization in those lands, if any, other than mining for production and economic exploitation; and all roads made for the purpose of facilitating exploration...@ (* 82-4-303(7) MCA)

An Exploration License is a statewide license, and only one is issued per individual or legal entity. However, an unlimited number of individual exploration projects can be permitted under a license. **Each** project proposed for coverage under an Exploration License must be individually approved and bonded by DEQ. To initially obtain an Exploration License, a specific project must be proposed. Any additional projects are considered amendments to the license. (For example, some of the larger companies may have several dozen projects statewide, all under one license. DEQ has permitted and bonded each individual project, keeps separate files on them, and keeps a general file that holds the license itself and tracks the bond for each project.) Hand sampling with a pick and shovel for geochemical purposes, geophysical surveys, or mapping does not require State licensing or approval. A good rule of thumb is, if the exploration is mechanized (drilling, dozing, backhoe, adit/shaft excavation, etc.), a license and bond are required.

DEQ does not have any standard **fill in the blanks** form for filing an exploration plan of operations as some federal agencies do, but basically requires (usually in letter form) the same level of information as is found in a U.S. Forest Service Plan of Operations. DEQ accepts photocopies of Forest Service operating plans, as long as adequate maps are provided.

DEQ distributes a free document entitled: **Montana Hard Rock & Placer Exploration License Program Manual**. This manual, among other things, discusses the level of detail required in a plan of operations and provides an "example" of a typical exploration plan. The exploration manual is available upon request from DEQ's Helena office. (Please see **Obtaining an Exploration License** below.)

The Process: When an exploration plan is submitted to DEQ, it is first checked to see if the level of information provided is adequate. If it is not, the applicant is notified of additional information required. If the proposed project is wholly or partially on federal land, the applicant is advised to also notify the appropriate U.S. Forest Service (USFS) Ranger District or U.S. Bureau of Land Management (BLM) office. If the project is wholly or partially on state-owned (school trust) land, the applicant is advised to also notify the appropriate Montana Department of Natural Resources & Conservation (DNRC) office. A site visit is then scheduled with the applicant, and a representative of the USFS, BLM or DNRC (if applicable public lands are involved). Bond is usually calculated during the site visit. Once the bond is submitted, DEQ approval can be granted. (For those portions of operations proposed for public lands, the operator cannot legally begin until the appropriate state or federal land-management agency also grants approval.)

Bonding & Bond Release: DEQ is required **by law** to hold bond on all exploration projects. The amount of bond required is determined by calculating the amount of money it would take for DEQ to implement the operator's reclamation plan, using standard reclamation and construction techniques and rates. Bond release is generally (but not always) done in two stages. Once the operator has recontoured and seeded all of the disturbances, a partial bond-release inspection can be scheduled with applicable agency personnel. If the **adit work** (recontouring) looks good and appears stable and well-seeded, a partial release would be granted (usually 50-65%). The remaining bond is then held to ensure adequate weed-free vegetative growth and erosion-control, and is usually released after 1 or

2 growing seasons.

The USFS and some BLM offices also have bonding authority. On National Forest lands, DEQ and the USFS calculate a bond that is acceptable to both agencies. The bond is made out to both agencies and can be submitted to either agency. The bond cannot be released until both DEQ and the USFS approve of the reclamation. Bond release inspections are generally made jointly by DEQ/USFS personnel for projects on National Forest lands.

For projects on public lands administered by the BLM, a bond that is acceptable to both DEQ and BLM is calculated and DEQ usually holds the bond for both agencies. (BLM has limited bonding authority.) The bond cannot be released until both DEQ and the BLM approve of the reclamation. Bond release inspections are generally made jointly by DEQ/BLM personnel for projects on public lands administered by the BLM.

For state-owned (school trust) lands, the bonding procedure and conditions listed for the BLM (above) apply to the Montana DNRC, as that agency also has limited bonding authority.

Obtaining an Exploration License: An Exploration License can be obtained by writing, stopping by, or calling the Hard Rock Program at DEQ's Main Office in Helena:

**Montana DEQ - Hard Rock Program
1520 East 6th Avenue
PO Box 200901
Helena, Montana 59620-0901**

**Telephone: (406) 444-4953
Fax: (406) 444-1374**