

OTTER CREEK MINE

17.24.303 LEGAL, FINANCIAL, COMPLIANCE, AND RELATED INFORMATION

17.24.303(1)

The information required by this subsection is enumerated or referenced below:

17.24.303(1)(a)

The applicant is:

Otter Creek Coal, LLC
P. O. Box 7152
Billings, MT 59103-7152
Attn: William M. (Mike) Rowlands, Director of Operations
Phone: 406-245-0990
Employer Identification Number: 27-2484254

The Applicant's Registered Agent is:

C T Corporation System
1209 Orange Street
Wilmington, Delaware 19801

The entity who will pay the abandoned mine reclamation fee pursuant to 30 USC 1232 is:
Otter Creek Coal, LLC (OCC).

17.24.303(1)(b)

The land to be affected is in Powder River County, Montana, in Twp.4S, Rge.45E, in the Otter Creek drainage. The area is approximately five miles southeast of Ashland, Montana via U.S. Route 212 and Montana Highway 484, also known as the Otter Creek Road.

17.24.303(1)(c)

Names and addresses of legal and equitable owners of record, lessees, and purchasers under contract for deed of the surface of the area of land to be affected by the permit and the owners of record and purchasers under contract for deed of all surface area within one-half mile of any part of the affected area are listed in Exhibit 303A – Surface Ownership; property ownership is shown on Map 2 – Surface Ownership.

17.24.303(1)(d)

Names and addresses of the present owners of record and purchasers under contract for deed of all subsurface minerals in the land to be affected and land contiguous to the land to be affected are listed in Exhibit 303B – Mineral Ownership; mineral ownership is shown on Map 3 – Mineral Ownership.

17.24.303(1)(e)

No person is currently engaged in strip or underground mining on behalf of OCC and OCC will conduct such operations when the permit is granted.

17.24.303(1)(f)

OCC is a limited liability company registered in Montana.

17.24.303(1)(g)

OCC is a wholly owned subsidiary of Arch Coal Inc. (Arch). The information required by this subsection is presented in Exhibit 303C – Ownership and Control.

17.24.303(1)(h)

Exhibit 303C – Ownership and Control includes a current copy of the Office of Surface Mining Reclamation and Enforcement Applicant Violator System (AVS) OFT report for Arch. This report lists all of the entities comprising Arch’s corporate structure.

17.24.303(1)(i)

It is the understanding of OCC, based on consultation with the Montana Department of Environmental Quality (MDEQ), that the AVS OFT report included in Exhibit 303C – Ownership and Control, meets the requirements of this subsection regarding subsidiary mine operations of Arch.

17.24.303(1)(j)

The proposed mine will be named the “Otter Creek Mine”. The Mine Safety and Health Administration identification number for the mine has not yet been applied for, and will be submitted when received prior to permit issuance.

17.24.303(1)(k)

A list of all lands, interests in lands, options, or pending bids on interests held or made by OCC or any of its affiliate companies for lands which are contiguous to the area to be covered by the permit is shown on Map 2 – Surface Ownership.

17.24.303(1)(l)

OCC holds Montana Coal Prospecting Permit X2011334.

17.24.303(1)(m)

Exhibit 303E – Certification Statement is a certified statement addressing the requirements of this subsection.

17.24.303(1)(n)

Exhibit 303F – Three-Year List of Violations includes information on violations required by this sub section.

17.24.303(1)(o)

Exhibit 303G – Coal Leases includes copies of the documents upon which OCC bases its legal right to enter and begin mining operations in the permit area and whether that right is the subject of pending litigation.

17.24.303(1)(p)

Wherever the private mineral estate to be strip mined has been severed from the private surface estate, Exhibit 303-H – Surface Access for Strip Mining includes the information required by this subsection. Map 4 – Coal and Surface Mining Rights shows coal leases and surface access for mining.

17.24.303(1)(q)

The proposed permit area is not within an area designated unsuitable for coal mining operations or under study for designation in an administrative proceeding. OCC does not claim the exemption based on substantial legal and financial commitments made before January 4, 1977.

17.24.303(1)(r)

Mining within 300 feet of an occupied dwelling is not proposed.

17.24.303(1)(s)

The anticipated starting date for construction of facilities is July, 2016 with completion by December, 2018. Preparation work for mining, soil salvage and overburden stripping - is scheduled for July, 2018 with coal mining initiating in January, 2019. Reclamation of lands disturbed by mining will begin when sufficient spoil area is available, anticipated to be July, 2020. Mining is anticipated to continue for 20 years with exhaustion of mineable coal in 2039, with final pit closure and reclamation complete three years later in 2042. The anticipated number of acres of land to be affected over the total life of the permit is 4,723 acres.

17.24.303(1)(t)

A certificate of liability insurance, or evidence that the self-insurance requirements of 82-4-222(5), MCA, are satisfied (see also ARM 17.24.1125), will be submitted before permit issuance.

17.24.303(1)(u)

A list of all other licenses and permits needed by OCC to conduct the proposed mining is included as Exhibit 303J – Licenses and Permits.

17.24.303(1)(v)

OCC will file a copy of the application for public inspection with the office of the Powder River County Clerk and Recorder at the courthouse in Broadus, Montana.

17.24.303(1)(w)

The name, address, and telephone number of the resident agent who will accept service of process on behalf of OCC is:

C T Corporation System
1209 Orange Street
Wilmington, Delaware 19801

17.24.303(1)(x)

A copy of the proposed newspaper advertisement of the application is included as Exhibit 303K – Notice of Application. Proof of publication of the notice will be provided after it is published, as required in ARM 17.24.401(3).

17.24.303(1)(y)

Not applicable.

17.24.303(1)(z)

Not applicable.