CLOUD PEAK ENERGY®

Navajo Transitional Energy Company

Via MDEQ FTP DEQCoal@mt.gov ***July 27, 2020***

Mr. Matt Dorrington
Coal and Uranium Program
Industrial and Energy Minerals Bureau
Montana Department of Environmental Quality
PO Box 200901
Helena, MT 59620-0901

Permit ID: C1979012
Revision Type: Bond Release
Permitting Action: SL13, Revision 1
Subject: Spring Creek Coal, LLC, Bond Release Application #SL13 **Rev 1**, Phase I, II, III, Pre-89 Final *(IV)*

Dear Matt:

Spring Creek Coal LLC (SCC) is submitting **Revision 1** to bond release application SL13 to address deficiency comments received December 4, 2019. The areas proposed for Phase I and II have also been revised with this submittal. Fields PAR 9A (north) and 9B have been removed due to concerns raised with the pilot channel construction. Additionally during topsoil application, islands of native vegetation were not disturbed in PAR 8G and 8E and PAR 10A has been reduced due to drainage changes with MR232 (TR1). The acres and field boundaries for these fields have been updated with these changes. These changes resulted in a reduction in Phase I acres from 69 to 54 acres. All other acres remain the same as shown in Table 1 below. The Phase III and Final Bond release portion of this application have not changed.

Table 1. Bond Release Acre Summary

Phase	Acres (*Rounded*)	Notes
I	28.1 + 25.4 = *54*	Pipeline of 25.4 acres is both Phase I & II
II	*43*	
III	169.3 + 19.0 = *188*	Facility areas of 19.0 acres are both Phase III and Final
Final (Pre '89)	*19*	

The following are the deficiencies received and *responses*.

#1: ARM 17.24.1111(2) requires that "applications must be filed at times or seasons that allow the department to evaluate properly the reclamation operations alleged to have been completed." This application includes phases that must be viewed during the growing season. Completeness will not be determined until May 2020 at the earliest and an inspection will be scheduled at that time to properly investigate vegetated communities.

The reclaimed areas are available for inspection.

#2: According to ARM17.24.1111(3), adjoining landowners must also be included in the landowner notification letters. According to the Montana Cadastral System, the Northern Cheyenne are adjacent landowners in Section 27, T8S, R40E and Jimmie Pierce is an adjoining landowner in Section 18, T8S, R40E who have not been included in the landowner letters. Please send them copies of the notification as described in ARM17.24.1111(3).

Landowner letters were sent to Jimmie Pierce and the Northern Cheyenne as requested. Copies of the letters were emailed to the MDEQ on December 10, 2019.

#3: DEQ does not deal in portions of acres in bond release applications. Please round to the nearest whole number in any application materials. As some landowner letters have already been sent out, these do not need to be re-sent, but new letters should be rounded as described. Please correct the Public Notice prior to publishing.

The draft public notice has been rounded to the nearest acre as requested.

#4: Lockton Companies, LLC is listed for all of Spring Creek Coal's bonds. This does not match the companies on file with DEQ. Please consult with DEQ to ensure the correct companies are listed as bond holders.

The bond release application has been updated with the current bond companies as requested.

Enclosed materials include:

- A **revised** bond release application form;
- A **revised** copy of the DRAFT public notice;
- A copy of notification letters already sent to adjacent surface owners affected by the proposed request (along with the Big Horn County Commissioners);
- **Revised** narrative on the Phase I and II bond releases being sought;
- A copy of the Phase III and Final bond release materials and associated data; and

- A **revised** map (Exhibit 1) depicting the reclamation units for which bond release is being sought.

A total of 54 acres of Phase I, 43 acres of Phase II, 188 acres of Phase III, and 19 acres of pre-'89 Final Bond Release (*after which is called Phase IV with different requirements*) are being requested at this time. On these lands, applicable reclamation requirements have been completed in accordance with the Montana Strip and Underground Mine Reclamation Act, the rules and regulations adopted thereunder and, the approved mining and reclamation plan and permit for the Spring Creek Mine.

The current bond for the Spring Creek Mine is $110,000,000 through MR248; SCC is requesting no reduction in bond at this time. However, successful bond release efforts are effective in documenting reclamation progress.

SCC believes the enclosed bond release application materials have been completed in accordance with all applicable requirements and we look forward to working with the Department on this request. Please feel free to call (406) 757-4234 if you have any questions.

Thank you,

Laura Ackermann

LAURA ACKERMANN
Manager, Environmental
Spring Creek Coal LLC

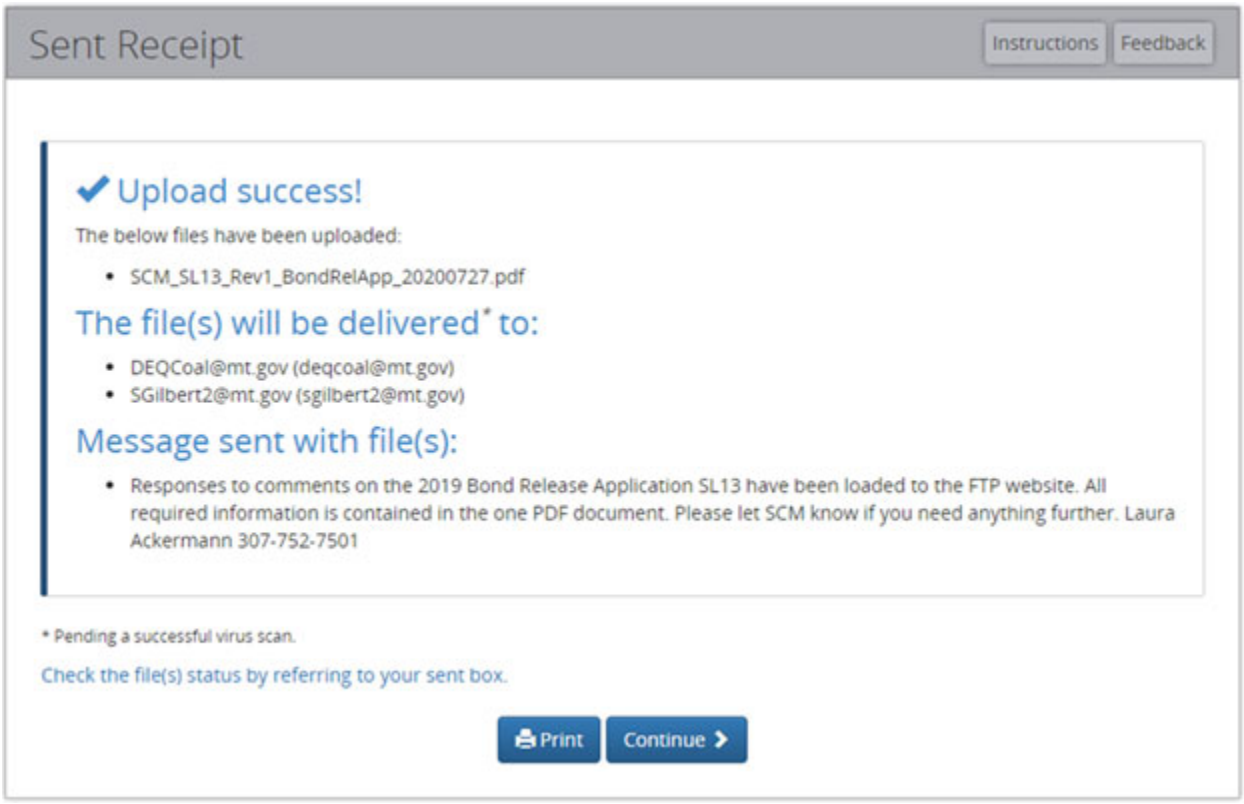
Attachments

cc: OSM –Attn: Jeff Fleischman (Casper Field Office and Denver Office)

CF 10.6.7 (SCM-19 Rev. 1)

Gilbert, Sharona

From: Ackermann, Laura M. <Laura.Ackermann@NavEnergy.com>
Sent: Monday, July 27, 2020 12:03 PM
To: DEQ AEMD Coal
Cc: Dorrington, Matthew; Smith, Robert; Gilbert, Sharona; Glenn, Michael; Johnson, Gabriel L.; Walters, Keith
Subject: [EXTERNAL] SCM 2019 SL13 Bond Release Application - Responses



Gilbert, Sharona

From: Transfer Service
Sent: Monday, July 27, 2020 11:56 AM
To: DEQ AEMD Coal
Subject: State of Montana File Transfer Service

FILE TRANSFER SERVICE

STATE OF MONTANA

The following file has been sent to you through the State of Montana File Transfer Service:

FILE NAME:	SCM_SL13_Rev1_BondRelApp_20200727.pdf
SENT TO:	deqcoal@mt.gov
SENT FROM:	Laura Ackermann (Laura.Ackermann@NavEnergy.com)
MESSAGE:	Responses to comments on the 2019 Bond Release Application SL13 have been loaded to the FTP website. All required information is contained in the one PDF document. Please let SCM know if you need anything further. Laura Ackermann 307-752-7501

To download this file, click on the link below:

http://transfer.mt.gov/transfer/ReceivedFileReport?TransferID=d178af43-1a61-43c7-b194-701e1b2211d3

Replies to this email are not monitored.

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