Logo, company name

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Coal Section

Prospecting Test Pit Form

*This application form is for prospecting that is not conducted in an area designated unsuitable for coal mining pursuant to 82-4-227 or 82-4-228, Montana Code Annotated (MCA), that is conducted for the purpose of determining location, quality, or quantity of a mineral deposit, and that does remove more than 250 tons of coal and does substantially disturb the natural land surface.*

**The applicant agrees to:**

1. Submit monthly progress reports as required for each successive 30-day period no later than the 15th of the following month. *(Note: monthly reports do not need to be submitted for 30-day periods of inactivity)*
2. Submit annual progress reports as required in accordance with 82-4-226 and 82-4-237 MCA for all activities conducted during the report year.
3. Promptly reclaim the disturbed acreage as outlined in the prospecting reclamation plan.
4. Submit the Affidavit of Publication following the publication of the Public Notice.

**Attach any support documents that are referenced in this application and check the appropriate boxes below to indicate those attached.**

1. Designation of Permit Coordinator Form (*only required if new applicant or information has changed)*
2. Copies of documents upon which the applicant bases its legal right to prospect
3. Documentation that the owners of the land affected have been notified and understand that the Department of Environmental Quality (DEQ) must make investigation and inspections necessary to ensure compliance with the Act as well as the current mailing address and phone number of each affected landowner
4. Demonstration that the test pit extraction method is necessary
5. Name of testing firm and locations at which the coal will be tested
6. If the coal will be sold directly to, or commercially used directly by, the intended end user, provide a statement from the intended end user, or, if the coal is sold through a broker or agent, a statement from the broker or agent, that contains:
   1. The specific reason for the test, including why the mineral may be so different from the end user’s other mineral supplies as to require testing
   2. A statement of the amount of mineral necessary for the test and why a lesser amount is not sufficient; and
   3. A description of the specific tests that will be conducted
7. Evidence that sufficient reserves of a mineral are available to the person conducting the prospecting or its principals for future commercial use or sale to the intended end user, or agent or broker of such user identified above, to demonstrate that the amount of mineral to be removed is not the total reserve, but is a sampling of a larger reserve
8. Explanation as to why other means of prospecting such as core drilling, are not adequate to determine the quality of the mineral and feasibility of developing a mining operation:
9. Timetable of the sampling and reclamation activities
10. Proposed Public Notice per Administrative Rules of Montana (ARM) 17.24.401(3)
11. Maps *See ARM 17.24.1001(2)(h)*
12. Bond *(see rules and regulations)*
13. Other *(Please describe)*:

**SECTION A – APPLICANT INFORMATION**

## A1.

1. Indicate which of the following is being requested *(check one)*:  **Permit  Amendment**If for an **Amendment**, please provide current Permit ID Number:  and Amendment Number:Mineral to be prospected: **Coal**Site Name:
2. Name of Applicant:   
   Address:   
   City:  State:  Zip Code:   
   Office Phone: Fax:
3. Name of Resident Agent:   
   Address:   
   City: State: Zip Code:   
   Office Phone: Cell: Fax:  Email:
4. Legal Description of Prospecting Area:   
   County(s):

|  |  |  |
| --- | --- | --- |
| **Ownership Breakdown** | **Permit Acreage Mineral** | **Permit Acreage Surface** |
| **Federal:** | **0** | **0** |
| **Tribal:** | **0** | **0** |
| **State:** | **0** | **0** |
| **Private:** | **0** | **0** |
| **County:** | **0** | **0** |
| **Total:** | **0** | **0** |

|  |  |
| --- | --- |
|  |  |
| **Twinned Holes:** | **0** |
| **Individual Holes:** | **0** |
| **Sites:** | **0** |
| **Mud Pits:** | **0** |
| **Disposal Pits:** | **0** |
| **Road Improvement:** | **0** |
| **Road Construction:** | **0** |

1. Expected date of commencement:
2. Expected date of completion:

**SECTION B – METHOD OF PROSPECTING**

## B1.

Description of the method of prospecting to be used and the practices that will be followed to protect the environment and reclaim disturbed areas, including plugging of prospecting holes in accordance with rules adopted by the board.

1. Method of prospecting:
2. Method of drilling:
3. Type of equipment to be used:
4. Method of reclamation:
5. Method of plugging holes:
6. Surface acres to be disturbed (one acre per drill site):

## B2. Narrative

1. Narrative describing the proposed prospecting area.
   1. The general location of drill holes and trenches:
   2. Existing and proposed road(s):
   3. Occupied dwellings:
   4. Topographic features:
   5. Bodies of water:
   6. Pipelines:
2. A map of the area at the scale of 1:24,000 or greater illustrating the items in #1.

**SECTION C – PROSPECTING BONDING**

C1. Bond Requirements

Bond requirements are based upon the cost to DEQ of reclaiming disturbances, should the operator fail to meet the obligations of the permit. The bond requirements for coal and uranium drilling in Montana are determined by the number of drill holes, plus the acres of related disturbance. Bonding for coal projects is generally figured using the following guidelines:

1st hole............................................................................ $4,000.00

Next 4 holes .................................................................... $2,000.00/hole

Next 10 holes .................................................................. $ 1,000.00/hole

Additional holes............................................................... $ 1,000.00/hole

Excavated Mud Pits ........................................................ $ 600.00/pit

Artesian Conditions......................................................... $8,000.00/hole

Disposal Pits ................................................................... $2,000.00/pit

DEQ requires the standard bond amount for the drill hole plus an additional $105.00 per linear foot in excess of 400 feet. Drilling disturbance is estimated to be equivalent to 1.0 acre disturbance at the surface, and is based upon the cost of reclaiming a single hole located within a 100' radius site. **Additional holes within one site are not allowed unless they are permitted and bonded in advance.**

**The minimum amount of bond which must be submitted with a prospecting application and which must be retained by DEQ on an active permit is $200/Acres or $10,000, whichever is greater.**

**SECTION D – CERTIFICATION \*MUST BE CONSISTENT WITH DESIGNATION OF PERMIT COORDINATOR**

I, the undersigned, hereby certify that the materials and information contained in this application are complete and correct to the best of my knowledge and belief.

**Signature:**

**Title:**

**Date:**

Subscribed and sworn to before me, the under­signed, a Notary Public for the State of this day of , \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public for the State of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Residing at: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

My Commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(SEAL)