



Via MDEQ FTP DEQCoal@mt.gov

March 10th, 2026

Mrs. Emily Lodman, Coal Section Supervisor
Mining Bureau
Montana Department of Environmental Quality
PO Box 200901
Helena, MT 59620-0901

Permit ID: C1979012
Revision Type: Bond Release
Permitting Action: SL20
Subject: Spring Creek Mine, Bond Release Application **#SL20 Phase I, II**

Dear Mrs. Lodman:

Navajo Transitional Energy Company, LLC (NTEC) is submitting bond release application SL20 for 83 acres of Phase I and 33.6(34) acres of Phase II at the Spring Creek Mine. Details of topsoil laydown approval for the release areas is included in the attached narrative.

Enclosed materials include:

- A bond release application form;
- A copy of the DRAFT public notice;
- A copy of the DRAFT adjacent surface landowner notification letters (along with the Big Horn County Commissioners);
- Narrative on the bond releases being sought; and
- A map (Exhibit 1) depicting the reclamation units for which bond release is being sought.

All 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 NTEC's Spring Creek Mine.

The current bond for the Spring Creek Mine is **\$180,950,000.00** as set in the MR299 mine permit revision. NTEC is requesting no reduction in bond at this time. However, successful bond release efforts are effective in documenting reclamation progress.

NTEC 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) 757-4242 if you have any questions.

With kind regards,



Allen Wellborn
Env. Engineer Sr.

Attachments

cc: OSM –Attn: Jeff Fleischman (Casper Field Office and Denver Office)
CF 10.6.7 (SCM-26)

Gilbert, Sharona

From: Allen E. Wellborn <Allen.Wellborn@NavEnergy.com>
Sent: Tuesday, March 10, 2026 2:57 PM
To: DEQ AEMD Coal; Mackey, Alex
Cc: Keith P Walters; Gabriel L. Johnson
Subject: [EXTERNAL] SL20 Spring Creek Bond release Package Submitted
Attachments: File Transfer Service-Submitted.pdf

The SL20 bond release package has been submitted via the FTP site.



Allen Wellborn

Environmental

Engineer, Sr.

allen.wellborn@navenergy.com

O 406-757-4242 M 307-223-6863

Big Horn County, MT

navenergy.com [navenergy.com]

Gilbert, Sharona

From: Transfer Service
Sent: Tuesday, March 10, 2026 2:58 PM
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:	SL20 Submittal Package 03102026.zip
SENT TO:	DEQCoal@mt.gov
SENT FROM:	Allen Wellborn (Allen.Wellborn@navenergy.com)
MESSAGE:	Please find the attached SL20 bond release package for Spring Creek Mine.

**To download this file,
click on the link below:**

<http://transfer.mt.gov/transfer/ReceivedFileReport?TransferID=4dd644d4-5175-4215-851f-c31d4a2aaeea>

Replies to this email are not monitored.

<https://transfer.mt.gov/>

Coal Section, Montana Department of Environmental Quality

Bond Release Form

(Updated July 2025)

This application form is for bond release pertaining to Phases I, II, III, IV and/or Undisturbed acres.

Per Administrative Rules of Montana (ARM) 17.24.1111(2), applications must be filed at times or seasons that allow the department to evaluate properly the reclamation operations alleged to have been completed.

SECTION A – APPLICANT INFORMATION

1. Site Name: Spring Creek Mine
Permit Number: C1979012
Date Permit Approved: April 11, 1979

2. Name of Applicant: Navajo Transitional Energy Company, LLC
Address: 2518 Windmill Rd.
City: Decker State: Montana Zip Code: 59025
Office Phone: 406-757-2581 Fax: 406-757-2405

SECTION B – BOND RELEASE INFORMATION

1.

Name of Bonding Agent	Address	City	State	Zip Code	Bond No(s)
Zurich American Insurance Company	600 Red Brook Coporate Center, 4 th Floor	Owings Mills	Md	21117	9344828
Siruis Point American Ins.	1 World Trade Center, 285 Fulton St. 47 th Floor, Suite 47J	New York	NY	10007	SPA 150999_03 & SPA 150999_00

2. Current bond amount held by DEQ: \$180,950,000.00

3. Total amount of bond requested for release: \$0.00

4. The type and appropriate dates of reclamation work performed; See Narrative

5. A description of the results achieved as they relate to the permittee's approved reclamation plan; [See Narrative](#)

6. Legal Description of Bond Release Area: [See Narrative](#)

7. Bond Release Phases

Phase	Acres *no decimals	Dollar Amount Requested
Phase I: (Defined in ARM 17.24.1116(6)(a))	83	\$0.00
Phase II: (Defined in ARM 17.24.1116(6)(b))	34	\$0.00
Phase III: (Defined in ARM 17.24.1116(6)(c))	0	\$0.00
Phase IV: (Defined in ARM 17.24.1116(6)(d))	0	\$0.00
Undisturbed Acres	0	\$0.00

8. Breakdown of Final Bond Release Acres

(Only applies to Phase IV, Undisturbed, or Pre-1989 Phase III)

	Permit Acreage Mineral	Permit Acreage Surface
Federal:	0	0
Tribal:	0	0
State:	0	0
Private:	0	0
County:	0	0
Total:	0	0

9. In addition, as part of any bond application, the permittee shall submit copies of letters that the permittee has sent to adjoining property owners, local governmental bodies, planning agencies, and sewage and water treatment authorities or water companies in the locality of the operation, notifying them of the permittee's intention to seek release from the bond. Please indicate the letters included in the application:

- a. ☒ Adjoining landowners (this should include all landowners for the entire permitted area as well as any landowner adjacent to the permit boundary per 82-4-232(6)(a), MCA)
- b. ☒ Local governmental bodies
- c. ☐ Planning agencies
 - i. ☐ Check here if N/A
 - ii. ☒ Check here if covered under local governmental bodies
- d. ☒ Sewage and water treatment authorities or water companies in locality of operation
 - i. ☐ Check here if N/A
 - ii. ☒ Check here if covered under local governmental bodies
- e. Include addresses in letters or a table/list of addresses as applicable. Use the example spreadsheet or incorporate a similar format within the application.

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

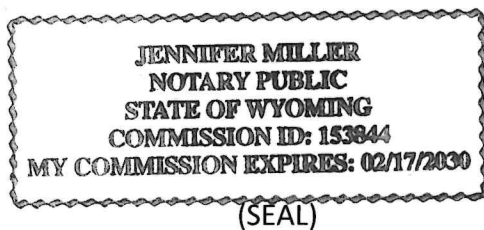
Pursuant to ARM 17.24.1111(4), I, the undersigned, hereby certify that the materials and information contained in this application are complete and correct to the best of my knowledge and belief.

Signature: *Keith Statters*

Title: TECHNICAL SERVICES MANAGER

Date: 3/10/2026

Subscribed and sworn to before me, the undersigned, a Notary Public for the State of Wyoming this day of March 10, 2026.



Jennifer Miller
Notary Public for the State of: Wyoming
Residing at: Sheridan County, Wyoming
My Commission expires: February 17, 2030

INTRODUCTION (Phase I and II)

This document is a request by the Navajo Transitional Energy Company, LLC (NTEC) for Phase I and II bond release at the Spring Creek Mine called SL20. Because no monetary amount in bond release is requested, the bond amount will remain at the current value of **\$180,950,000.**

This specific narrative describes the types of reclamation work completed to meet the requirements of Phase I and Phase II bond release. Exhibit I depicts the requested areas. The reclamation work described was completed in accordance with the approved reclamation plan described in Surface Mine Permit (SMP) C1979012.

According to Administrative Rules of Montana (ARM) 17.24.1116(6)(a), Phase I reclamation shall be deemed complete when backfilling, regrading, and drainage control have been completed in accordance with the approved reclamation plan and when all drill holes that are not approved to be retained as monitoring wells or that were not completely mined through have been plugged.

ARM 17.24.1116(6)(b) specifies that Phase II reclamation is complete when:

- (i) soil replacement and spoil and soil tillage have been completed in accordance with the approved reclamation plan;
- (ii) at least two growing seasons (spring and summer for two consecutive years) have elapsed since seeding or planting of the affected area;
- (iii) vegetation is establishing that is consistent with the species composition, cover, production, density, diversity, and effectiveness requirements and the approved postmining land use;
- (iv) soils are protected from accelerated erosion by the established vegetation; and
- (v) noxious weeds are controlled.

It is NTEC's belief that these requirements have been accomplished.

REQUEST FOR PARTIAL BOND RELEASE

This request for partial bond release of reclamation was prepared in accordance with the Montana Strip and Underground Mine Reclamation Act and the Permanent Regulatory Program pursuant to the Act. This submittal specifically addresses the portions of ARM 17.24.1111 through 17.24.1116 that apply to bond release applications.

ARM 17.24.1111 BONDING: BOND RELEASE APPLICATION CONTENTS

- (1) NTEC is filing this application with the Department for Phase I and II reclamation work as defined in ARM 17.24.1116. Completed Phase I work includes drill hole plugging, backfilling, regrading and drainage control. Completed Phase II work includes soil replacement and tillage, passing of at least two growing seasons since seeding, establishing of vegetation consistent with applicable requirements, protection from erosion and control and noxious weeds.
- (2) The time of filing will allow the Department to properly evaluate the completed reclamation operations.
- (3) This application includes a copy of letters to be sent to adjoining property owners, surface owners, local government bodies, planning agencies and sewage and water treatment facilities.
- (4) A notarized statement certifying that all applicable reclamation requirements have been achieved in accordance with the Act, the rules, and the approved reclamation plan is included with this document.
- (5) A copy of the public notification. Proof of the publication of the advertisement will be submitted within 30 days of the final printing of the public notification.
- (6) Prospecting bond release is not applicable to this application.
- (7) Legal Description of Requested release areas:
 - T8S R39E S 14, 15
 - T8S R40E S 29,30,31,32
 - T8S R39E S 22,27
 - T8S R39E S13,14
 - T8S R39E S 25

17.24.1112 BONDING: ADVERTISEMENT OF RELEASE APPLICATIONS AND RECEIPT OF OBJECTION

- (1) (a) – (h) The public notification will be published in a newspaper of local circulation for advertisement in four consecutive weekly publications following the completeness review. It contains all of the required items listed in sub-paragraphs (b) – (h).
- (2) The deadline for written objections, requests for informal conferences or requests for public hearings by affected persons related to this proposed bond release application is 30 days following the last advertisement.

17.24.1116 BONDING: CRITERIA AND SCHEDULE FOR RELEASE OF BOND

(1) It is NTEC's belief that it has met the requirements of Phase I and II reclamation as defined by ARM 17.24.1116 and, therefore requests partial bond release on **83** and **33.6** acres, respectively. All backfill, regrade, drainage control work and drill hole plugging work (Phase I reclamation) was completed prior to January 2026 and was completed in accordance with the approved plan. For Phase II reclamation areas, all topsoiling and initial seeding was completed prior to the summer of. 2024.

The areas where bond release is being sought are depicted on attached Exhibit 1. Bond release lands are described on the application form.

(2) NTEC recognizes that it would remain responsible for any corrective actions necessary to comply with the Act, sub-chapters 3 – 13 of this chapter, and the permit until final bond release.

(3) NTEC is requesting release from the bond on the application parcels for completion of Phase I and II work.

(4) NTEC is not requesting release from the permit at this time.

(5) The remaining bond, **\$180,950,000** would be sufficient to complete the approved reclamation plan.

(6) Approved alternate post-mine land use plans will be implemented prior to application for final bond release.

(7) The following paragraphs describe the completed reclamation activities including supporting information from annual reports and monitoring data and from department inspection reports to support this application for bond release.

Phase I Reclamation Activities

All exploratory drill holes not retained as water wells have been properly plugged and abandoned in accordance with SMP C1979012 and applicable rules and regulations. On March 16, 2005, the Department granted full bond release on Prospect Permit 20310R. Liability for remaining holes not covered under Prospect Permit 20310R and holes drilled since 2005 are covered under SMP C1979012. Records documenting the proper plugging and abandonment of holes under SMP C1979012 are contained in Annual Mining Reports that are submitted yearly to the Department.

After coal extraction is complete, reclamation begins with backfill and grading. Backfill and rough grading is performed with draglines, trucks, shovels and bulldozers until the approved post-mine topography is achieved.

Following rough grading, final grading activities are conducted and involve the construction of surface drainages and wildlife habitat features to approximate the level of similar pre-mine features. Approval of the final graded surface is then sought through the Department. The following table summarizes the dates of Department approval for each reclaimed area.

Reclamation Area	Acres	Date of Department Concurrence for Topsoil Laydown
9D	10	6/23/2025
9E	17	6/23/2025
10H	42	2/26/2025
10I	14	2/26/2025
	<i>83 acres</i>	

Phase II Reclamation Activities

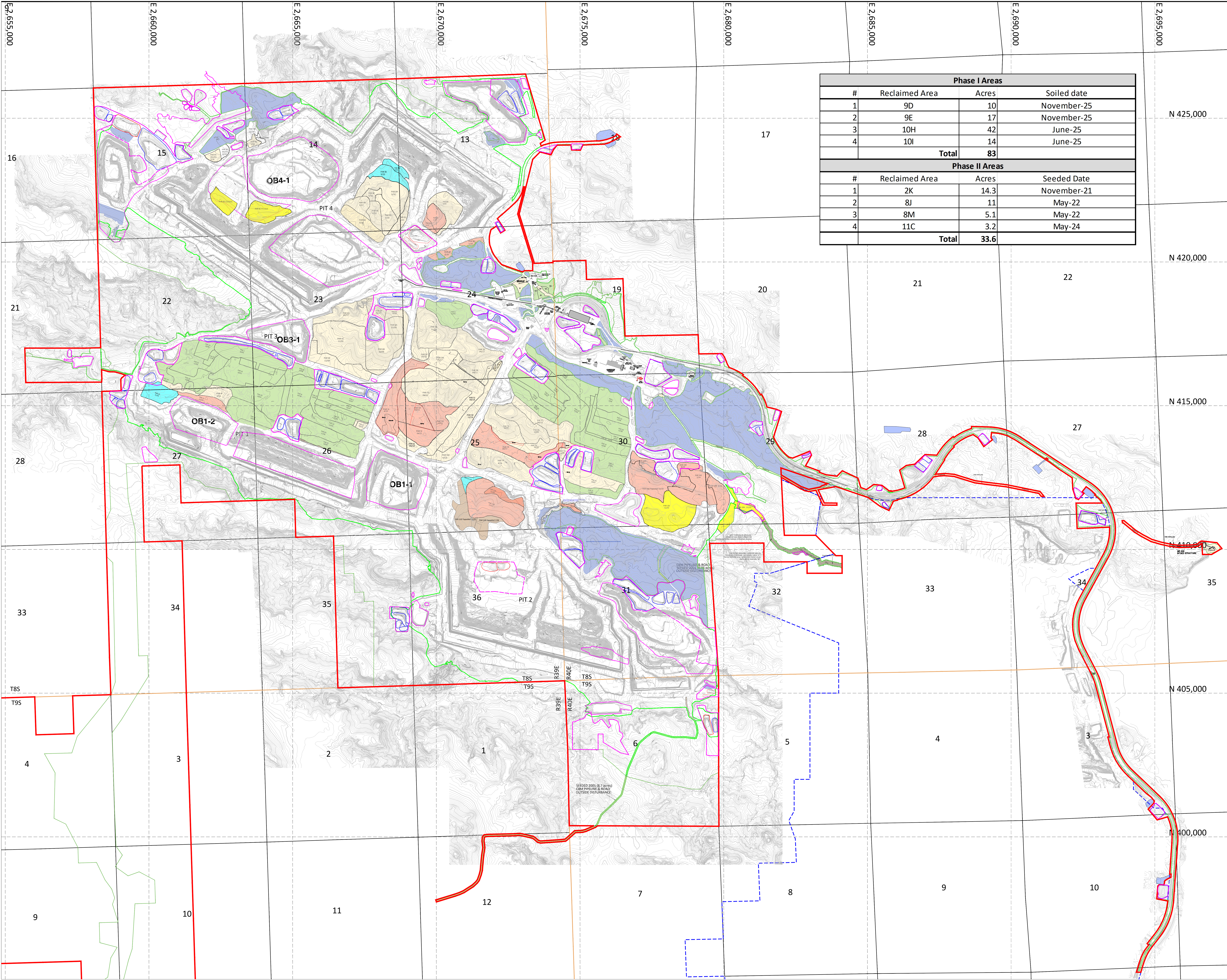
Once Department approval of final grading is obtained, in-situ spoils are ripped in preparation for topsoil placement. Topsoil is then placed and seeded according to the desired post-mine land use. Spoils ripping, topsoil placement and seeding activities are conducted on the contour to reduce potential for surface erosion. Sediment control structures such as berms, traps, and silt fence are installed along the edges of reclaimed areas to prevent sediment migration off the reclamation.

This application seeks Phase II bond release on the following areas:

Reclamation Area	Acres	Date of Initial Seeding	Date of Most Recent Reseeding*
2K	14.3	11/2021	N/A
8J	11	5/2022	N/A
8M	5.1	5/2022	N/A
11C	3.2	5/2024	N/A
	<i>33.6 acres</i>		

*Reseeded areas are disked, packed, and seeded, thus restarting the bond release clock. Reseeding is not a normal husbandry practice. Data is from draft Table 2 of the current year SCM Annual Mining Report. Several areas have been interseeded to improve revegetation diversity. Interseeding does not impact the eligibility for Phase II bond release.

Phase II bond release requires a minimum of two growth seasons and the dates of seeding (including seed tags) for each area are contained in the applicable Annual Mining Report. The most recent topsoil depth verification sample point mapping and data are contained in the Annual Mining Report Map 3.



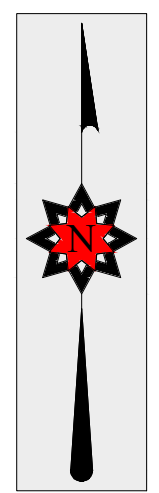
Phase I Areas			
#	Reclaimed Area	Acres	Soiled date
1	9D	10	November-25
2	9E	17	November-25
3	10H	42	June-25
4	10I	14	June-25
Total		83	
Phase II Areas			
#	Reclaimed Area	Acres	Seeded Date
1	2K	14.3	November-21
2	8J	11	May-22
3	8M	5.1	May-22
4	11C	3.2	May-24
Total		33.6	

LEGEND

- Decker Coal Mine Permit Boundary
- Spring Creek Mine Permit Boundary (MR 281)
- LOM Disturbance Boundary (MR 296)
- Current Disturbance Boundary (December 2025)
- Current Non Disturbed Islands
- 5' Contours (December 2025)
- Stockpile/Pond/Trap Facilities

BOND RELEASE AREAS

- Proposed Areas for Phase I (SL20)
- Proposed Areas for Phase II (SL20)
- Phase I Bond Released (Through SL19)
- Phase II Bond Released (Through SL19)
- Phase III Bond Released (Through SL13)
- Pre 1989 Final Bond Released (Through SL13)
- Reclamation Field Topsoiled but not in application



DATE	REVISION

DESIGN: 1/2" = 100' DRAWN: 1/2" = 100' DATE: 04/25 SHEET: 1 OF 1
SCALE: 1" = 100' CONTOUR INTERVAL: 5' FILE NUMBER: SL20_042525.dwg

SPRING CREEK MINE
P.O. BOX 67, DECKER, MT 59025
PHONE: (406) 757-2581

Exhibit 1
SL20 BOND RELEASE AREAS
(SMP C1979012)

Public Notice

Pursuant to the Montana Strip and Underground Reclamation Act notice is hereby given that Navajo Transitional Energy Company, LLC., with its offices located at: 285 Interlocken Crescent, Suite 400 Broomfield, Co 80021 has filed an application with the Coal Section, Mining Bureau of the Department of Environmental Quality for bond release SL20 of Permit Number C1979012.

The Spring Creek Mine is located near Decker, Montana. The general legal description of the bond release area is as follows:

- T8S R39E S 14,15
- T8S R40E S 29,30,31,32
- T8S R39E S 22,27
- T8S R39E S 13,14
- T8S R39E S 25

All M.P.M., Bighorn County, Montana, containing 116.6 acres.

The total bond amount for Permit C1979012 is **\$180,950,000.00**

Navajo Transitional Energy Company, LLC (NTEC) is submitting bond release application SL20 for 83 acres of Phase I and 33.6 acres of Phase II at the Spring Creek Mine.

The application is available for inspection at the Department of Environmental Quality office in Helena (1520 E 6th Avenue). Electronic copies of the application may be requested by visiting the website <https://deq.mt.gov/mining/Programs/coal> or by emailing DEQCoal@mt.gov.

Written comments, objections and/or requests for informal conference on this application may be submitted to the Department of Environmental Quality, Coal Section, P.O. Box 200901, Helena, MT 59620-0901 or by emailing DEQCoal@mt.gov within 30 days of the final publication of this notice.



March 10th, 2026

To whome it may concern:

The Navajo Transitional Energy Company, LLC (NTEC) operates the Spring Creek Mine located in Big Horn County, Montana under Surface Mining Permit No. C1979012 issued by the Montana Department of Environmental Quality (MDEQ). The Surface Mine Permit was originally issued on April 11, 1979 and renewed on April 11, 2024. On March 5th, 2026 NTEC filed a request for partial bond release for 83 acres of Phase 1 and 34 acres of Phase 2 completed reclamation work in a Bond Release Request called SL20. The proposed release areas are located within portions of the following legally described lands:

- T8S R39E S 14, 15
- T8S R40E S 29,30,31,32
- T8S R39E S 22,27
- T8S R39E S13,14
- T8S R39E S 25

All M.P.M., Bighorn County, Montana, containing 81.5 acres.

Phase I reclamation work includes backfilling, regrading, drainage control and plugging of drill holes, while Phase 2 requires vegetative progress towards post mine land use and drainage stabilization. The current total approved amount of the Spring Creek Mine bond is **\$180,950,000.00**. NTEC is seeking **no** dollar reduction in the current mine reclamation bond amount and is requesting liability release only.

The application is available for inspection at the Department of Environmental Quality office in Helena (1520 E 6th Avenue). Electronic copies of the application may be requested by visiting the website <https://deq.mt.gov/mining/Programs/coal> or by emailing DEQCoal@mt.gov.

Written comments, objections and/or requests for informal conference on this application may be submitted to the Department of Environmental Quality, Coal Section, P.O. Box 200901, Helena, MT 59620-0901 or by emailing DEQCoal@mt.gov within 30 days of the final publication of this notice.

With kind regards,

A handwritten signature in black ink, appearing to read "Allen Wellborn", is placed above the printed name.

Allen Wellborn

Env. Engineer Sr.

cc: Emily Lodman, MDEQ, PO Box 200901, Helena, MT 59620-0901

Legal Description

<i>Township/Range</i>	<i>Section(s)</i>	<i>Area</i>	<i>Name</i>
T8S, R39E	12	N2, N2S2, S2SE4	Montaylor Corp
T8S, R39E	10	SW4NW4, SW4	Michael H Helvey
T8S, R40E	18	GOV LTS 3,4, E2SW4	BLM
T8S, R40E	28	S2N2, N2S2	Decker Coal Company
T8S, R39E	9	SW4, W2SE4, NE4SE	Nikki M Fink
T8S, R39E	16	All	DNRC
T8S, R39E	33	SW4SE4	USA Bureau of Land
T8S, R40E	34	SE4SW4, PART SWC	USA Bureau of Land Management
T8S, R40E	18	NW3	Wolf Mountain Coal
T8S, R40E	18	C.O.S 336	Albert D Pierce
T8S, R40E	7 & 18	NE4, SW2	Jimmie Pierce
T9S, R39E	8	E2W2, W2E2, E2SE4	Shawn & Kandra Ankney
T8S, R40E	27	N2SE4	USA In Trust for Northern Cheyenne
T8S, R40E	34	505(CB), PARCEL 00	MT Dept of Natural Resources & Co
T9S, R40E	3	S2NE4	State of Montana State Lands
T9S, R40E	10	C.O.S. 778, PARCEL	BNSF Railway Company Property T

Please Legal Description and Landowner Information

Surface Owner Information

<i>Address</i>	<i>City</i>	<i>State</i>	<i>Zip</i>
HC 42 Box 495	Busby	MT	59016-9705
1499 Decker Road	Sheridan	WY	82801-9654
PO Box 36800	Billings	MT	59105-6800
10980 S Jordan GTWY	South Jordan	UT	84095-4125
2631 Clark Ave	Billings	MT	59102-3830
PO Box 201601	Helena	MT	59601-4600
5001 Southgate Dr	Billings	MT	59101-4669
PO Box 36800	Billings	MT	59107-6800
PO Box 6206	Sheridan	WY	82801-1606
960 6th Ave E	Sheridan	WY	82801-6221
PO Box 11	Sheridan	WY	82801-0011
No Address Given	Decker	MT	59025-0054
PO Box 40	Lame Deer	MT	59043-0040
PO Box 201601	Helena	MT	59620-1601
No Address Given	Helena	MT	59601-4600
No Address Given	Fort Worth	TX	76161-0089

Mineral Owner Information

Note if Mineral Ownership is State, Federal, or Tribal



Via MDEQ FTP DEQCoal@mt.gov

April 9th, 2026

Mrs. Emily Lodman
Montana Department of Environmental Quality
PO Box 200901
Helena, MT 59620-0901

Permit ID: C1979012
Revision Type: Bond Release
Permitting Action: SL20
Subject: Bond Release App. **SL20 Bond Release Completeness Deficiency Response**

Dear Emily,

Navajo Transitional Energy Company, LLC (NTEC) submitted bond release application SL20 on March 10th, 2026. On April 1st, 2026; NTEC received a completeness deficiency letter. This response package addresses those deficiencies noted in the pages below.

ARM 17.24.1111: To ensure the requirements of ARM 17.24.1112(1)(a) through (h) are met please use the draft public notice example included in this letter.

NTEC Response: An updated format has been included with this response.

The current bond held for Spring Creek Coal Mine is \$181,816,800.00. Please update bond amount references throughout the application to this amount.

NTEC Response: Bond amount has been updated where referenced.

The application lists 83 phase I acres though the CAD data adds up to 85 acres. The application will have to be revised to include an additional 2 acres anywhere 83 acres is noted.

NTEC Response: This was a rounding error. Numbers have been updated to reflect new acres of 84.8, which will match annual report acres and round on the application form to 85.

82-4-232(6)(a), MCA: to reduce the amount of landowner lists and references, please update the landowner address list to include all landowners associated with the permit area including current surface owners, adjacent landowners, and government bodies.

NTEC Response:

82-4-232(6)(a), MCA states specifically in (6)(a) ... *“the permittee shall submit copies of letters that the permittee has sent to adjoining property owners, local governmental bodies, planning agencies, and sewage and water treatment authorities or water companies in the locality of the operation, notifying them of the permittee's intention to seek release from the bond.”* NTEC interprets the definition of “locality of operation” to be the active mine permit boundary, with the Merriam-Webster Dictionary definition of “adjoining”: to read “touching or bounding at a point or line” ^{^1} NTEC has included and updated list that not only encompasses adjoining land owners, but landowners within the boundary. Please reference this list as the master land ownership list for future submittals.

Enclosed **revised** materials include:

- A new bond release application form;
 - A copy of the revised DRAFT public notice;
 - A copy of the revised DRAFT adjacent surface landowner and planning agency notification letter.
 - Revised narrative on the bond releases being sought
-

NTEC 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) 757-4242 if you have any questions.

With kind regards,



Allen Wellborn
Env. Engineer Sr.

Attachments

cc: OSM –Attn: Jeff Fleischman (Casper Field Office and Denver Office)
CF 10.6.7 (SCM-26)

Citations:

1. "Adjoining." Merriam-Webster.com Dictionary, Merriam-Webster,
<https://www.merriam-webster.com/dictionary/adjoining>. Accessed 7 Apr. 2026.

Gilbert, Sharona

From: Transfer Service
Sent: Wednesday, April 8, 2026 3:09 PM
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:	SL20_Exhibit1.dwg
SENT TO:	DEQCoal@mt.gov
SENT FROM:	Allen Wellborn (Allen.Wellborn@navenergy.com)
MESSAGE:	Spring Creek SL20_Revision 1 Submittal

**To download this file,
click on the link below:**

<http://transfer.mt.gov/transfer/ReceivedFileReport?TransferID=a244fb88-b713-4a3a-8a06-0cb8a7ecf73f>

Replies to this email are not monitored.

<https://transfer.mt.gov/>

Gilbert, Sharona

From: Transfer Service
Sent: Wednesday, April 8, 2026 3:09 PM
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 SL20_Rev 1 Submittal.zip
SENT TO:	DEQCoal@mt.gov
SENT FROM:	Allen Wellborn (Allen.Wellborn@navenergy.com)
MESSAGE:	Spring Creek SL20_Revision 1 Submittal

**To download this file,
click on the link below:**

<http://transfer.mt.gov/transfer/ReceivedFileReport?TransferID=639e8e69-ef8f-4772-ac19-1d40af0b651f>

Replies to this email are not monitored.

<https://transfer.mt.gov/>

Sent Receipt

✓ Upload success!

The below files have been uploaded:

- SCM SL20_Rev 1 Submittal.zip
- SL20_Exhibit1.dwg

The file(s) will be delivered* to:

- deqcoal@mt.gov (deqcoal@mt.gov)
- Sharona Gilbert (SGilbert2@mt.gov)

Message sent with file(s):

- Spring Creek SL20_Revision 1 Submittal

* Pending a successful virus scan.

Check the file(s) status by referring to your sent box. (/Home)



Via MDEQ FTP DEQCoal@mt.gov

May 13th, 2026

Mrs. Emily Lodman
Montana Department of Environmental Quality
PO Box 200901
Helena, MT 59620-0901

Permit ID: C1979012
Revision Type: Bond Release
Permitting Action: SL20
Subject: Bond Release App. **SL20 Bond Release Completeness Deficiency Response _Rev 2**

Dear Emily,

Navajo Transitional Energy Company, LLC (NTEC) submitted bond release application SL20 on March 10th, 2026. April 28th; NTEC received a completeness deficiency letter. This response package addresses those deficiencies noted in the pages below.

ARM 17.24.1111: A field submitted for Phase I bond release, PAR 10H includes a 4-acre portion that was previously approved for Phase I through SL9 on the old Dragline Walk corridor. Please remove the previously approved portion of this field in both the mapping and acreage accounting and update to the corrected acres throughout the application as appropriate.

Upon receipt of acceptable responses to these deficiencies, DEQ will determine the application to be complete.

NTEC Response: Updated application materials have been included with this response depicting the updated acreages for PAR10H.

Enclosed revised materials include:

- A new bond release application form;
- A copy of the revised DRAFT public notice;
- A copy of the revised DRAFT adjacent surface landowner and planning agency notification letter.
- Revised narrative on the bond releases being sought
- A Revised Exhibit 1

NTEC 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) 757-4242 if you have any questions.

With kind regards,



Allen Wellborn
Env. Engineer Sr.

Attachments

cc: OSM –Attn: Jeff Fleischman (Casper Field Office and Denver Office)
CF 10.6.7 (SCM-26)

Sent Receipt

✓ Upload success!

The below files have been uploaded:

- SL20_REV2 Submittal.zip

The file(s) will be delivered^{*} to:

- deqcoal@mt.gov (deqcoal@mt.gov)

Message sent with file(s):

- Please find the attached SCM SL20 Deficiency Response.

^{*} Pending a successful virus scan.

Check the file(s) status by referring to your sent box. (/Home)

Gilbert, Sharona

From: Allen E. Wellborn <Allen.Wellborn@NavEnergy.com>
Sent: Wednesday, May 13, 2026 2:53 PM
To: DEQ AEMD Coal; Glenn, Michael
Cc: Gabriel L. Johnson; Keith P Walters
Subject: [EXTERNAL] SCM SL20 Rev 2 Deficiency Response
Attachments: File Transfer Service-submitted.pdf

The Round 2 Deficiency response has been uploaded via the FTP site.



Allen Wellborn

Environmental

Engineer, Sr.

allen.wellborn@navenergy.com

O 406-757-4242 M 307-223-6863

Big Horn County, MT

navenergy.com [navenergy.com]

Gilbert, Sharona

From: Transfer Service
Sent: Wednesday, May 13, 2026 2:51 PM
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:	SL20_REV2 Submittal.zip
SENT TO:	DEQCoal@mt.gov
SENT FROM:	Allen Wellborn (Allen.Wellborn@navenergy.com)
MESSAGE:	Please find the attached SCM SL20 Deficiency Response.

**To download this file,
click on the link below:**

<http://transfer.mt.gov/transfer/ReceivedFileReport?TransferID=78271f51-ce78-40e1-987f-12b888432101>

Replies to this email are not monitored.

<https://transfer.mt.gov/>

Coal Section, Montana Department of Environmental Quality

Bond Release Form

(Updated July 2025)

This application form is for bond release pertaining to Phases I, II, III, IV and/or Undisturbed acres.

Per Administrative Rules of Montana (ARM) 17.24.1111(2), applications must be filed at times or seasons that allow the department to evaluate properly the reclamation operations alleged to have been completed.

SECTION A – APPLICANT INFORMATION

1. Site Name: Spring Creek Mine
Permit Number: C1979012
Date Permit Approved: April 11, 1979

2. Name of Applicant: Navajo Transitional Energy Company, LLC
Address: 2518 Windmill Rd.
City: Decker State: Montana Zip Code: 59025
Office Phone: 406-757-2581 Fax: 406-757-2405

SECTION B – BOND RELEASE INFORMATION

1.

Name of Bonding Agent	Address	City	State	Zip Code	Bond No(s)
Zurich American Insurance Company	600 Red Brook Corporate Center, 4 th Floor	Owings Mills	Md	21117	9344828
Siruis Point American Ins.	1 World Trade Center, 285 Fulton St. 47 th Floor, Suite 47J	New York	NY	10007	SPA 150999_03 & SPA 150999_00

2. Current bond amount held by DEQ: \$181,816,800.00

3. Total amount of bond requested for release: \$0.00

4. The type and appropriate dates of reclamation work performed; See Narrative

5. A description of the results achieved as they relate to the permittee's approved reclamation plan; See Narrative

6. Legal Description of Bond Release Area: See Narrative

7. Bond Release Phases

Phase	Acres *no decimals	Dollar Amount Requested
Phase I: (Defined in ARM 17.24.1116(6)(a))	81	\$0.00
Phase II: (Defined in ARM 17.24.1116(6)(b))	34	\$0.00
Phase III: (Defined in ARM 17.24.1116(6)(c))	0	\$0.00
Phase IV: (Defined in ARM 17.24.1116(6)(d))	0	\$0.00
Undisturbed Acres	0	\$0.00

8. Breakdown of Final Bond Release Acres

(Only applies to Phase IV, Undisturbed, or Pre-1989 Phase III)

	Permit Acreage Mineral	Permit Acreage Surface
Federal:	0	0
Tribal:	0	0
State:	0	0
Private:	0	0
County:	0	0
Total:	0	0

9. In addition, as part of any bond application, the permittee shall submit copies of letters that the permittee has sent to adjoining property owners, local governmental bodies, planning agencies, and sewage and water treatment authorities or water companies in the locality of the operation, notifying them of the permittee's intention to seek release from the bond. Please indicate the letters included in the application:

- a. ☒ Adjoining landowners (this should include all landowners for the entire permitted area as well as any landowner adjacent to the permit boundary per 82-4-232(6)(a), MCA)
- b. ☒ Local governmental bodies
- c. ☐ Planning agencies
 - i. ☐ Check here if N/A
 - ii. ☒ Check here if covered under local governmental bodies
- d. ☒ Sewage and water treatment authorities or water companies in locality of operation
 - i. ☐ Check here if N/A
 - ii. ☒ Check here if covered under local governmental bodies
- e. Include addresses in letters or a table/list of addresses as applicable. Use the example spreadsheet or incorporate a similar format within the application.

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

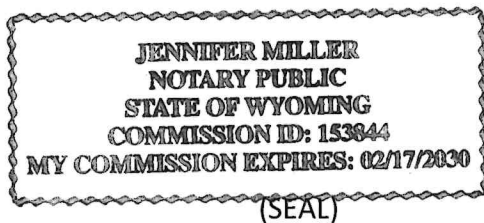
Pursuant to ARM 17.24.1111(4), I, the undersigned, hereby certify that the materials and information contained in this application are complete and correct to the best of my knowledge and belief.

Signature: [Handwritten Signature]

Title: TECHNICAL SERVICES MANAGER

Date: MAY 13, 2026

Subscribed and sworn to before me, the undersigned, a Notary Public for the State of Wyoming this 13th day of May, 2026.



Jennifer Miller
Notary Public for the State of: Wyoming
Residing at: Sheridan County, Wyoming
My Commission expires: February 17, 2030

INTRODUCTION (Phase I and II)

This document is a request by the Navajo Transitional Energy Company, LLC (NTEC) for Phase I and II bond release at the Spring Creek Mine called SL20. Because no monetary amount in bond release is requested, the bond amount will remain at the current value of **\$181,816,800.**

This specific narrative describes the types of reclamation work completed to meet the requirements of Phase I and Phase II bond release. Exhibit I depicts the requested areas. The reclamation work described was completed in accordance with the approved reclamation plan described in Surface Mine Permit (SMP) C1979012.

According to Administrative Rules of Montana (ARM) 17.24.1116(6)(a), Phase I reclamation shall be deemed complete when backfilling, regrading, and drainage control have been completed in accordance with the approved reclamation plan and when all drill holes that are not approved to be retained as monitoring wells or that were not completely mined through have been plugged.

ARM 17.24.1116(6)(b) specifies that Phase II reclamation is complete when:

- (i) soil replacement and spoil and soil tillage have been completed in accordance with the approved reclamation plan;
- (ii) at least two growing seasons (spring and summer for two consecutive years) have elapsed since seeding or planting of the affected area;
- (iii) vegetation is establishing that is consistent with the species composition, cover, production, density, diversity, and effectiveness requirements and the approved postmining land use;
- (iv) soils are protected from accelerated erosion by the established vegetation; and
- (v) noxious weeds are controlled.

It is NTEC's belief that these requirements have been accomplished.

REQUEST FOR PARTIAL BOND RELEASE

This request for partial bond release of reclamation was prepared in accordance with the Montana Strip and Underground Mine Reclamation Act and the Permanent Regulatory Program pursuant to the Act. This submittal specifically addresses the portions of ARM 17.24.1111 through 17.24.1116 that apply to bond release applications.

ARM 17.24.1111 BONDING: BOND RELEASE APPLICATION CONTENTS

- (1) NTEC is filing this application with the Department for Phase I and II reclamation work as defined in ARM 17.24.1116. Completed Phase I work includes drill hole plugging, backfilling, regrading and drainage control. Completed Phase II work includes soil replacement and tillage, passing of at least two growing seasons since seeding, establishing of vegetation consistent with applicable requirements, protection from erosion and control and noxious weeds.
- (2) The time of filing will allow the Department to properly evaluate the completed reclamation operations.
- (3) This application includes a copy of letters to be sent to adjoining property owners, surface owners, local government bodies, planning agencies and sewage and water treatment facilities.
- (4) A notarized statement certifying that all applicable reclamation requirements have been achieved in accordance with the Act, the rules, and the approved reclamation plan is included with this document.
- (5) A copy of the public notification. Proof of the publication of the advertisement will be submitted within 30 days of the final printing of the public notification.
- (6) Prospecting bond release is not applicable to this application.
- (7) Legal Description of Requested release areas:
 - T8S R39E S 14, 15
 - T8S R40E S 29,30,31,32
 - T8S R39E S 22,27
 - T8S R39E S13,14
 - T8S R39E S 25

17.24.1112 BONDING: ADVERTISEMENT OF RELEASE APPLICATIONS AND RECEIPT OF OBJECTION

- (1) (a) – (h) The public notification will be published in a newspaper of local circulation for advertisement in four consecutive weekly publications following the completeness review. It contains all of the required items listed in sub-paragraphs (b) – (h).
- (2) The deadline for written objections, requests for informal conferences or requests for public hearings by affected persons related to this proposed bond release application is 30 days following the last advertisement.

17.24.1116 BONDING: CRITERIA AND SCHEDULE FOR RELEASE OF BOND

(1) It is NTEC's belief that it has met the requirements of Phase I and II reclamation as defined by ARM 17.24.1116 and, therefore requests partial bond release on **80.8** and **33.6** acres, respectively. All backfill, regrade, drainage control work and drill hole plugging work (Phase I reclamation) was completed prior to January 2026 and was completed in accordance with the approved plan. For Phase II reclamation areas, all topsoiling and initial seeding was completed prior to the summer of. 2024.

The areas where bond release is being sought are depicted on attached Exhibit 1. Bond release lands are described on the application form.

(2) NTEC recognizes that it would remain responsible for any corrective actions necessary to comply with the Act, sub-chapters 3 – 13 of this chapter, and the permit until final bond release.

(3) NTEC is requesting release from the bond on the application parcels for completion of Phase I and II work.

(4) NTEC is not requesting release from the permit at this time.

(5) The remaining bond, **\$181,816,500** would be sufficient to complete the approved reclamation plan.

(6) Approved alternate post-mine land use plans will be implemented prior to application for final bond release.

(7) The following paragraphs describe the completed reclamation activities including supporting information from annual reports and monitoring data and from department inspection reports to support this application for bond release.

Phase I Reclamation Activities

All exploratory drill holes not retained as water wells have been properly plugged and abandoned in accordance with SMP C1979012 and applicable rules and regulations. On March 16, 2005, the Department granted full bond release on Prospect Permit 20310R. Liability for remaining holes not covered under Prospect Permit 20310R and holes drilled since 2005 are covered under SMP C1979012. Records documenting the proper plugging and abandonment of holes under SMP C1979012 are contained in Annual Mining Reports that are submitted yearly to the Department.

After coal extraction is complete, reclamation begins with backfill and grading. Backfill and rough grading is performed with draglines, trucks, shovels and bulldozers until the approved post-mine topography is achieved.

Following rough grading, final grading activities are conducted and involve the construction of surface drainages and wildlife habitat features to approximate the level of similar pre-mine features. Approval of the final graded surface is then sought through the Department. The following table summarizes the dates of Department approval for each reclaimed area.

Reclamation Area	Acres	Date of Department Concurrence for Topsoil Laydown
9D	10.8	6/23/2025
9E	17.3	6/23/2025
10H	38.5	2/26/2025
10I	14.2	2/26/2025
	<i>80.8 acres</i>	

Phase II Reclamation Activities

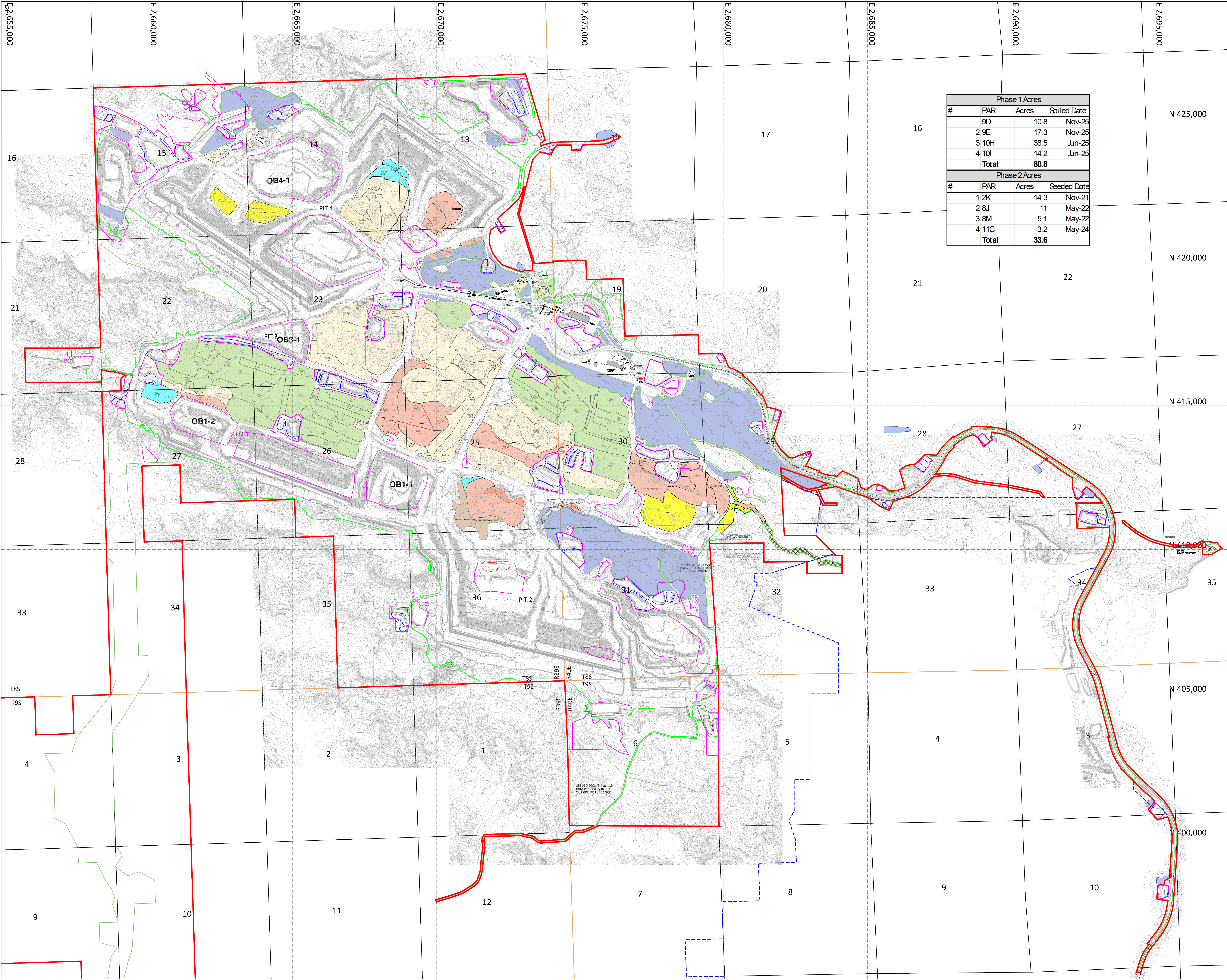
Once Department approval of final grading is obtained, in-situ spoils are ripped in preparation for topsoil placement. Topsoil is then placed and seeded according to the desired post-mine land use. Spoils ripping, topsoil placement and seeding activities are conducted on the contour to reduce potential for surface erosion. Sediment control structures such as berms, traps, or silt fence are installed along the edges of reclaimed areas to prevent sediment migration off the reclamation.

This application seeks Phase II bond release on the following areas:

Reclamation Area	Acres	Date of Initial Seeding	Date of Most Recent Reseeding*
2K	14.3	11/2021	N/A
8J	11	5/2022	N/A
8M	5.1	5/2022	N/A
11C	3.2	5/2024	N/A
	<i>33.6 acres</i>		

*Reseeded areas are disked, packed, and seeded, thus restarting the bond release clock. Reseeding is not a normal husbandry practice. Data is from draft Table 2 of the current year SCM Annual Mining Report. Several areas have been interseeded to improve revegetation diversity. Interseeding does not impact the eligibility for Phase II bond release.

Phase II bond release requires a minimum of two growth seasons and the dates of seeding (including seed tags) for each area are contained in the applicable Annual Mining Report. The most recent topsoil depth verification sample point mapping and data are contained in the Annual Mining Report Map 3.



Phase 1 Acres			
#	PAR	Acres	Seeded Date
9D		10.8	Nov-25
2 9E		17.3	Nov-25
3 10H		38.5	Jun-25
4 10I		14.2	Jun-25
Total		80.8	

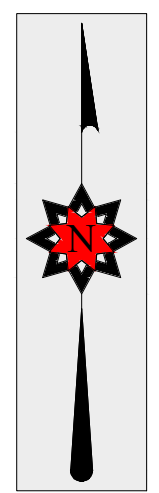
Phase 2 Acres			
#	PAR	Acres	Seeded Date
1 2K		14.3	Nov-21
2 8J		11	May-22
3 8M		5.1	May-22
4 11C		3.2	May-24
Total		33.6	

LEGEND

- Decker Coal Mine Permit Boundary
- Spring Creek Mine Permit Boundary (MR 281)
- LOM Disturbance Boundary (MR 296)
- Current Disturbance Boundary (December 2025)
- Current Non Disturbed Islands
- 5' Contours (December 2025)
- Stockpile/Pond/Trap Facilities

BOND RELEASE AREAS

- Proposed Areas for Phase I (SL20)
- Proposed Areas for Phase II (SL20)
- Phase I Bond Released (Through SL19)
- Phase II Bond Released (Through SL19)
- Phase III Bond Released (Through SL13)
- Pre 1989 Final Bond Released (Through SL13)
- Reclamation Field Topsoiled but not in application



DATE	REVISION

DESIGN: 1/2" = 100' DRAWN: 1/2" = 100' DATE: 05/25/25 SHEET: 1 OF 1
SCALE: 1" = 1000' CONTOUR INTERVAL: 5' FILE NUMBER: SL20_Bonding

SPRING CREEK MINE
P.O. BOX 67, DECKER, MT 59025
PHONE: (406) 757-2581

Exhibit 1
SL20 BOND RELEASE AREAS
(SMP C1979012)



May 13th, 2026

To whome it may concern:

Notice is hereby given that Navajo Transitional Energy Company, LLC. , with its offices located at: 285 Interlocken Crescent, Suite 400 Broomfield, Co 80021, has filed an application with the Coal Section, Mining Bureau of the Department of Environmental Quality for bond release SL20 of Spring Creek Mine, Permit C1979012, which was originally permitted OR last renewed on April 11, 2024.

The proposed bond release area containing 114.4 acres is located near in Bighorn County, Montana. The general legal description of the area is as follows:

- T8S R39E S 14,15
- T8S R40E S 29,30,31,32
- T8S R39E S 22,27
- T8S R39E S 13,14
- T8S R39E S 25

The total bond amount for Spring Creek Mine is \$181,816,800.00 and a release of \$0 is being sought.

Navajo Transitional Energy Company, LLC (NTEC) is submitting bond release application SL20 for 80.8 acres of Phase I and 33.6 acres of Phase II at the Spring Creek Mine completed on or before April 9th, 2026. A description of the reclamation activities can be found in the application.

An electronic copy of the application is available for inspection on the Montana Department of Environmental Quality Coal Section's website, such as on a public computer at the LOCAL LIBRARY/PUBLIC OFFICE, or can be requested by emailing DEQCoal@mt.gov.

Written comments, objections and/or requests for informal conference on this application may be submitted to the Department of Environmental Quality, Coal Section, P.O. Box 200901, Helena, MT 59620-0901 or by emailing DEQCoal@mt.gov within 30 days of the final publication of this notice.

With kind regards,

A handwritten signature in black ink, appearing to read "Allen Wellborn", is written over a light blue rectangular background.

Allen Wellborn

Env. Engineer Sr.

cc: Emily Lodman, MDEQ, PO Box 200901, Helena, MT 59620-0901

Bond Release Public Notice

Notice is hereby given that Navajo Transitional Energy Company, LLC. , with its offices located at: 285 Interlocken Crescent, Suite 400 Broomfield, Co 80021, has filed an application with the Coal Section, Mining Bureau of the Department of Environmental Quality for bond release SL20 of Spring Creek Mine, Permit C1979012, which was originally permitted OR last renewed on April 11, 2024.

The proposed bond release area containing 114.4 acres is located near in Bighorn County, Montana. The general legal description of the area is as follows:

- T8S R39E S 14,15
- T8S R40E S 29,30,31,32
- T8S R39E S 22,27
- T8S R39E S 13,14
- T8S R39E S 25

The total bond amount for Spring Creek Mine is \$181,816,800.00 and a release of \$0 is being sought.

Navajo Transitional Energy Company, LLC (NTEC) is submitting bond release application SL20 for 80.8 acres of Phase I and 33.6 acres of Phase II at the Spring Creek Mine completed on or before April 9th, 2026. A description of the reclamation activities can be found in the application.

An electronic copy of the application is available for inspection on the Montana Department of Environmental Quality Coal Section's website, such as on a public computer at the local library/public office, or can be requested by emailing DEQCoal@mt.gov.

Written comments, objections and/or requests for informal conference on this application may be submitted to the Department of Environmental Quality, Coal Section, P.O. Box 200901, Helena, MT 59620-0901 or by emailing DEQCoal@mt.gov within 30 days of the final publication of this notice.