



WESTERN ENERGY COMPANY - *Rosebud Mine*
A Subsidiary of WESTMORELAND COAL COMPANY

P.O. Box 99 • 138 ROSEBUD LANE • Colstrip, MT 59323 • Phone: (406) 748-5100

August 28, 2020

Matt Dorrington, Section Supervisor
Department of Environmental Quality
Coal and Opencut Mining Bureau
1218 E 6th Ave
PO Box 200901
Helena, MT 59620

Permit ID: C1986003D
Revision Type: Bond Release
Permitting Action: Deficiency Response #1
Subject: SL 15: Phase II, III, and IV

Dear Matt:

In response to the Department's deficiency letter dated June 11, 2020; please see the revised application for the following:

In the application in section ARM17.24.1111(3) WECO has listed landowners to receive notifications for the bond release. Montana Cadastral has WPP listed as an owner for Section 19, T2N, R42E and they are not listed as a landowner. Colstrip Com Service is also listed as an owner for Section 30, T2N, R42E and not included. Please confirm they should be receiving notifications and add them to this section.

Response: Application section ARM 17.24.1111(3) has been updated to the current landowners to include WPP LLC and Colstrip Com Service. Please note, for simplicity the surface owners have been added to the Legal Description section in Attachment 2 to line up with ARM 17.24.1111(3) in the application. Updated landowner notification letters have been sent out and are included with this submittal.

As indicated below, some Sections have not been included in the legal descriptions. Please check these locations to ensure proper notifications are prepared for these parcels also. There are a few instances of incorrect references in the Legal Description in Attachment 2 that need to be rectified. Please update the following deficiencies in the Legal Description and ensure that the rest of the attachments reflect these changes as well:

- *T2N, R41E, Section 24's Legal Description should be changed to: SE¹/₄SE¹/₄ for phase II and S¹/₂SW¹/₄, SE¹/₄SE¹/₄ for phase III.*
- *T2N, R41E, Section 25's Legal Description should be changed to: SE¹/₄NE¹/₄ for phase II and SE¹/₄NW¹/₄, NE¹/₄ for phase IV. Phase III was accurate.*
- *T2N, R42E Section 19's Legal Description should be changed to: SW¹/₄SW¹/₄ for phase II and S¹/₂SW¹/₄, SW¹/₄SE¹/₄ for phase III and IV.*

- T2N, R42E Section 29's Legal Description should be changed to: NW¹/₄, SW¹/₄NE¹/₄ for phase III and IV.
- T2N, R42E, Section 30's Legal Description should be changed to: NE¹/₄NW¹/₄ for phase II and N¹/₂, N¹/₂SW¹/₄ for phase III and IV.

Response: The legal descriptions have been revised as requested in the bullet items listed above.

The first line of the fifth paragraph of Attachment 3 references [ARM 17.24.1116(3)(c)]. This is incorrect and should be changed to: [ARM 17.24.1116(6)(c)].

Response: The reference in the fifth paragraph of Attachment 3 has been revised as requested.

At the bottom of the first page of Attachment 3, the company included requirements for phase II and Phase III bond release but did not include the requirements for phase IV. Please include Phase IV bond release requirements in this section.

Response: The requirements for phase IV has been included in Attachment 3.

Attachment #4 assumes all of SL14 will be approved. The bond releases are independent and can't be calculated with assumptions of prior submittals. Until such time that SL14 is approved the bond calculation must be calculated independently from SL14. Please update the bond to reflect SL15 as an independent bond release from SL14.

Response: Attachment #4 – Bond Calculation has been calculated independently as requested.

Attachment 6 has an incorrect rule citation listed on the first paragraph of the Landowner Notification Letters being listed as ARM 17.24.1116(7)(a)-(d). Please change this to ARM 17.24.1116(6)(a)-(d).

Response: The rule citation in the draft Landowner Notification Letter has been revised as requested.

For Phase III, ARM 17.24.1116(6)(c) requires that ARM 17.24.646(3) data from monitoring of regraded areas must be used to demonstrate that the drainage basin has stabilized to its previous unmined state. The SL15 application package does not present monitoring data required to support the claim that suspended solid (sediment) contribution to stream flow or runoff outside the permit area in excess of the requirements of ARM 17.24.633 or the permit. The permittee describes that "Western energy also believes that a stable landscape has been established and the lands are not contributing suspended solid to stream flow or runoff outside the permit area in excess of the requirements of the Act, ARM 17.24.633." However, evidence is required to

substantiate the interrelated claim that a stable landscape has been created, and that the lands are not contributing suspended solids to stream flow or off permit.

For Phase IV ARM 17.24.1116(6)(d) requires that disturbance of the hydrologic balance has been minimized, material damage has been prevented, and alternative water supplies have been developed and are functional. Per DEQ guidance a hydrologic report must be submitted for Phase IV bond release demonstrating the Phase IV objectives have been met.

Response: The “Hydrologic Demonstration Report Rosebud Mine – Area D”, included in this submittal, demonstrates the Phase III and Phase IV objectives have been met.

If you have any questions, please contact me at (406) 748-5124.

Sincerely,



Dicki Peterson
Permit Coordinator
Westmoreland Rosebud Mining LLC
Rosebud Mine – Area D
Phone: (406) 748-5124
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Enclosure: C1986003D SL14 Phase I App 2020-08.pdf

From: Transfer Service
Sent: Friday, August 28, 2020 8:18 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: C1986003D SL 15 Deficiency #1 Response Letter 2020-08.pdf

SENT TO: deqcoal@mt.gov

SENT FROM: Dicki Peterson (dpeterson@westmoreland.com)

MESSAGE: Please see the attached deficiency response for C1986003D SL15. Please let me know if you have any questions. Thank you, Dicki Peterson Permit Coordinator Westmoreland Rosebud Mining LLC Rosebud Mine – Area D Phone: (406) 748-5124 Fax: (406) 748-5202 Email: dpeterson@westmoreland.com

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