

138 Rosebud Ln. Colstrip, MT 59323 406-748-5100 www.westmoreland.com

November 21, 2023

Dan Walsh Mining Bureau, Bureau Chief Department of Environmental Quality 1520 East Sixth Ave PO Box 200901 Helena, MT 59620

Permit ID: C1984003B

Revision Type: Bond Release

Permitting Action: N/A

Subject: SL 22; Bond Release Application

Dear Mr. Walsh:

Westmoreland Rosebud Mining LLC (WRM) is requesting a Phase I Bond Release on approximately 69.4 acres within the Rosebud Mine – Area B (C1984003B) permit located near Colstrip, Montana. The request is specifically for liability release for Phase I reclamation and meets the requirement for a bond release application as committed to within Section 17.24.313 (1)(c) of the permit. Present bond liability for Area B of the Rosebud Mine is \$86,650,000. The purpose of this bond release request is to document the progress of reclamation by WRM at the Rosebud Mine. Further information regarding this bond release can be found in the attached Bond Release Application dated November 15, 2023.

Please contact Noelle Boyer at (720) 440-6369 or NBoyer@westmoreland.com for any questions or concerns.

Sincerely,

Russ Batie, P.E.

Environmental Manager

Westmoreland Rosebud Mining LLC

Phone: (406) 748-5179 Fax: (406) 748-5181

Email: RBatie@westmoreland.com

Attachment

BOND RELEASE

APPLICATION

SL22

AREA B

Phase I

C1984003B

November 2023

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BOND RELEASE APPLICATION FORM

DEQ COAL SECTION• PO BOX 200901 • HELENA MT 59620-0901 • PHONE: 406-444-4970 • FAX: 406-444-4988 • EMAIL: DEQCoal@mt.gov

Montana Department of Environmental Quality Coal Section's Application for Bond Release of Strip or Underground Mining Permit

INSTRUCTIONS-See rules and regulations pursuant to the following: This application form is pursuant to Title 82. Chapter 4. Part 2. MCA requiring permits for mining coal and uranium.

		81	and uranium.				
	oplicant agrees to: If federal minerals or surfacopy to OSM, Denver Prog If there are no federal acre-	gram Support Division Ma	nager. XYes 🔲	N/A			
	Office Director. Ves N/A						
	 File application during the appropriate time or season pursuant to ARM 17.24.1111(2). \(\times \) Yes Submit Affidavit of Publication following the publication of Public Notice. \(\times \) Yes 						
Attach	any support documents th				ropriate boxe	es below to indicate	
those a	ittached.	In december					
2.							
3.	Proposed Public Notice pursuant to 82-4-232(6)(a) MCA						
4. 5.							
		•					
SECTI	ION A – APPLICANT INF	ORMATION					
A1.		THE WAY AND THE PARTY OF THE PA		,		-	
1.	Permit ID Number: C1984						
	Site Name: Rosebud Mine Date Permit Approved: Oc						
2.			«LLC				
2.	Address: PO Box 99	norciana Rosebua Willim	<u>g LLC</u>				
	City: Colstrip State: MT	Zip Code: <u>59323</u>					
SECTI	ON B – BOND RELEASE						
B1.							
1.		Province Control Contr				-	
1,			T	State	Zip	Bond No(s)	
	Name of Bonding Agent	Address	City	State	Code	20114110(0)	
		One Tower Square	Hartford	CT	Code 06183	106649093	
	Agent Travelers Casualty and Surety Company of	One Tower					
	Agent Travelers Casualty and Surety Company of America Argonaut Insurance	One Tower Square	Hartford San	CT	06183	106649093	
	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American	One Tower Square PO Box 469001	Hartford San Antonio Schaumb	CT	78246 60196	106649093 SUR0052333	
	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American	One Tower Square PO Box 469001	Hartford San Antonio Schaumb	CT	78246 60196	106649093 SUR0052333	
2.	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American	One Tower Square PO Box 469001 1299 Zurich Way	Hartford San Antonio Schaumb	CT	78246 60196	106649093 SUR0052333	
2. 3.	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American Insurance Company	One Tower Square PO Box 469001 1299 Zurich Way fect: \$86,650,000.00	Hartford San Antonio Schaumb	CT	78246 60196	106649093 SUR0052333	
	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American Insurance Company Current bond amount in eff	One Tower Square PO Box 469001 1299 Zurich Way Fect: \$86,650,000.00 ested for release: \$0	Hartford San Antonio Schaumb urg	CT	78246 60196	106649093 SUR0052333	
3.	Agent Travelers Casualty and Surety Company of America Argonaut Insurance Company Zurich American Insurance Company Current bond amount in eff	One Tower Square PO Box 469001 1299 Zurich Way fect: \$86,650,000.00 ested for release: \$0 lease is granted: \$86,650,0	San Antonio Schaumb urg	CT	78246 60196	106649093 SUR0052333	

DEQ COAL SECTION• PO BOX 200901 • HELENA MT 59620-0901 • PHONE: 406-444-4970 • FAX: 406-444-4988 • EMAIL: DEQCoal@mt.gov

6.

Phase		Acres *no decimals	Legal Description	Dollar Amount Requested	
Phase I: (Defined in ARM 1	7.24.1116(6)(a))	69	See Attachment #2	\$0.00	
Phase II: (Defined in ARM	17.24.1116(6)(b))	0		\$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)) Check box if Phase IV includes undisturbed acres. If so, how many acres are undisturbed: 0		0		\$0.00	
**no decimals	Permit Acreage N	/lineral	Permit Acrea	ige Surface	
Federal:	50		0		
Tribal:	0		0		
State:	0		0		
Private:	19		69		
County:	0		0 .		
Total:	69		69		

7.	Check all that apply:

Mineral Ownership
Federal X State Tribal Private County Other
,
Surface Ownership
Federal 🗌 State 🔲 Tribal 🔛 Private 🖂 County 🔲 Other 🗌
SECTION C – CERTIFICATION *MUST BE CONSISTENT WITH DESIGNATION OF AGENT FORM
Pursuant to ARM 17.24.1111(4), I, the undersigned, hereby certify that all applicable reclamation requirements have been
achieved in accordance with the Act, and the approved reclamation plan.
Signature:
Signature.
Title: Environmental Manager
Date: November 15, 2023
Subscribed and sworn to before me, the undersigned, a Notary Public for the State of Markaca this day
of Newhole . 2023
DICKI L PETERSON
Notary Public for the
State of Montana Residing at COLSTRIP, MT
My Commission Expires
Notary Public for the State of: Residing at:
My Commission expires:
(SEAL)

C1984003B SL 22: Phase I November 21, 2023 Page **3** of **8**

LEGAL DESCRIPTION

	Legal Des	eriptio	n	Surface Owner
T1N, R41I	E Sec.	10	N½	WPP LLC
T1N, R40I	E Sec	13	NW1/4	WPP LLC
T1N, R40I	E Sec	14	W ¹ / ₂ NE ¹ / ₄ , N ¹ / ₂ SW ¹ / ₄	Booth Land & Livestock

				Zip
Surface Owners	Address	City	State	Code
WPP LLC	PO Box 1745	Miles City	MT	59301
Booth Land & Livestock	PO Box 72	Lucerne	CO	80646
City of Colstrip	PO Box 1902	Colstrip	MT	59323
Rosebud County Commissioners	PO Box 47	Forsyth	MT	59327
Westmoreland Rosebud Mining LLC	PO Box 99	Colstrip	MT	59323

C1984003B SL 22: Phase I November 21, 2023 Page **4** of **8**

INTRODUCTION

Westmoreland Rosebud Mining LLC (Westmoreland), owns and operates the Rosebud Mine, located in Rosebud County, Montana, under Surface Mining Permit No. C1984003B (renewed 12/8/2020) issued by the Montana Department of Environmental Quality. The Area B permit of the Rosebud Mine is located southwest of Colstrip, Montana.

This document is a request by Westmoreland for Phase I Partial Release on approximately 69.4 acres of Rosebud Mine – Area B near Colstrip, Montana. The request is specifically for liability only release of approximately 69.4 acres for reclaimed lands in the permit area. Present bond liability for Area B of the Rosebud Mine is \$86,650,000. The purpose of this bond release request is to document the progress of reclamation by Westmoreland at the Rosebud Mine.

This application was prepared in compliance with the Montana Strip and Underground Mine Reclamation Act and the Permanent Regulatory Program pursuant to the Act. The submittal specifically addresses the portions of ARM 17.24.1111 through 17.24.1116, which apply to bond release applications.

Reclamation Phase I [ARM 17.24.1116(6)(a)] shall be deemed completed when all drill holes not approved for retention or completely mined are plugged and backfilling, regrading, and drainage control has been finished in accordance with the approved reclamation plan. It is Westmoreland Rosebud's belief that it has met these requirements.

Enclosed is narrative describing the types of reclamation work, which were completed to meet the requirements of Phase I bond release. An exhibit showing the requested area, approximately 69.4 acres, is included. The reclamation work described was completed in accordance with the approved reclamation plan described in C1984003B.

REQUEST FOR PARTIAL BOND RELEASE

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

17.24.1111 BONDING: BOND RELEASE APPLICATION CONTENTS

- (1) Westmoreland Rosebud files this application for partial release from the permit liability for the completion of approved reclamation plans and included but was not limited to drill hole plugging, backfilling, regrading, drainage control, soil placement, and seeding.
- (2) The time of filing will allow the Department to properly evaluate the completed reclamation operations.
- (3) The application includes a copy of a letter to be sent to the following adjoining property owners, surface owners, local government bodies, planning agencies and sewage and water treatment facilities: WPP LLC, Booth Land & Livestock, the City of Colstrip, Rosebud County, and Westmoreland Rosebud Mining LLC. They will be notified of Westmoreland Rosebud's intention to seek partial bond release once the application is found complete. A copy of the draft notification letter is on page 7.
- (4) Notarized statement is on the application form.
- (5) A copy of the draft public notification is shown on page 8. Proof of 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.

17.24.1112 BONDING: ADVERTISEMENT OF RELEASE APPLICATIONS AND RECEIPT OF OBJECTION

- (1) (a) (h) The public notification will be submitted to the Independent Press office in Forsyth, MT for advertisement in four consecutive weekly publications following the completeness review. It contains all 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 Westmoreland's belief that the requirements of the approved reclamation plans have been met. Therefore, Westmoreland requests liability release on approximately 69.4 acres of Phase I. The bond release fields are shown on Exhibit 1, as described in the application form.
- (2) Westmoreland recognizes that it would remain responsible for any corrective actions necessary to comply with the Act, sub-chapters 3 13 of the rules, and the permit until final bond release.
- (3) Westmoreland is requesting release from the bond liability on the application parcels for completion of backfill, regrade, drainage control, soil placement, seeding and land use in accordance with the approved alternate reclamation plan. All drill holes have been properly abandoned. Soils have been replaced, revegetation has been established, and noxious weeds are controlled in accordance with the approved alternate reclamation plan.
- (4) Westmoreland is requesting liability release of approximately 69.4 acres of Phase I reclamation at this time.
- (5) Westmoreland is not seeking a monetary reduction in the reclamation bond at this time. The total amount of bond in effect for the Area B permit is \$86,650,000.00.
- (6) This application is for Phase I reclamation acres.
- (6) (a) reclamation phase I is deemed to have been completed when the permittee completes backfilling, regrading, and drainage control 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 have been plugged in accordance with ARM 17.24.1005;
- **(6) (b)** Phase II bond release will be applied for in future applications.
- (6) (c) Phase III bond release will be applied for in future applications.
- (6) (d) Phase IV bond release will be applied for in future applications.
- (7) Information from annual reports and monitoring data, generated pursuant to ARM 17.24.645, 17.24.646, 17.24.723, and 17.24.1129, and from department inspection reports may be used or referenced to support applications for bond release.
- (8) Following final bond release, the department shall reassert jurisdiction under the Act and this chapter if it is demonstrated that the bond release or statement of reasons made pursuant to ARM 17.24.1114(4) was based upon fraud, collusion, or misrepresentation of a material fact.

DRAFT LANDOWNER NOTIFICATION LETTER

Dear Sir:

Westmoreland Rosebud Mining LLC has applied for partial release of its reclamation bond to the Department of Environmental Quality. This request is for plugging of drill holes and completion of backfill and regrade under ARM 17.24.1116(6)(a) Reclamation Phase I of Montana's Permanent Program, Strip and Underground Reclamation Rules and Regulations.

The specific permit number and acreages are shown in the following table:

Mine Area	Phase I
В	69.4

The proposed release area, containing 69.4 acres more or less, is located within portions of the following legal descriptions:

Area B - Rosebud County

Phase I	
T1N, R41E	Sec. 10
T1N, R40E	Sec. 13 and 14

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.

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 receipt of this notice.

This letter is being sent to fulfill the requirements of ARM 17.24.1111(3) of Montana's Permanent Program, Strip and Underground Reclamation Rules and Regulations.

Sincerely,

Russell Batie

Environmental Manager

Mobile

DRAFT PUBLIC NOTICE

PUBLIC NOTICE

Notice is hereby given that Westmoreland Rosebud Mining LLC, a Montana corporation with offices west of Colstrip, Montana, has filed a request for partial bond release for Phase I reclamation work in Area B (C1984003B) of the Rosebud Mine, Colstrip, Montana under the Montana Strip and Underground Mine Reclamation Act and Permanent Regulatory Program. The Area B Surface Mine Permit was originally approved on October 26, 1984.

The proposed release area, containing 69.4 acres, more or less, is located within portions of the following legal descriptions:

The area for which partial release is requested is located in portions of the following sections:

Area B - Rosebud County

Phase I	
T1N, R41E	Sec. 10
T1N, R40E	Sec. 13 and 14

Westmoreland Rosebud is not requesting liability only reduction of the reclamation bond. The total amount of bond in effect for the permit area is \$86,550,000. All backfill and regrade was completed prior to and during 2020 in accordance with the approved plan. All drill holes have been properly abandoned.

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.

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 receipt of this notice.

Date,

