January 27, 2022

Sent via electronic mail

Laura Ackermann
Navajo Transitional Energy Company, LLC
Spring Creek Coal Mine
P.O. Box 67
Decker, MT 59025-0000

Permit ID: C1979012
Revision Type: Bond Release
Permitting Action: Determination
Subject: SL15; Acceptability Determination

Dear Laura:

The Department of Environmental Quality (DEQ) received Bond Release Application SL15 on July 22, 2021. DEQ reviewed the application and inspected the application area with regard to Phase I and II criteria of the four-phase process leading ultimately to full and final bond release. Application SL15 is a request for partial release of liability only on approximately 31 phase I acres and 121 phase II acres at the Spring Creek Coal Mine. Navajo Transitional Energy Company, LLC notified individuals and agencies consistent with 82-4-232(6)(a), MCA, and a public notice of the application was published weekly in the Billings Gazette, beginning October 30, 2021 and ending November 20, 2021. No objection, comment, or request for hearing or informal conference concerning the application was received.

Phase I
Phase I bond release requires that backfilling, grading, and drainage control have been completed in accordance with the approved reclamation plan, and that all drill holes not approved for retention as monitoring wells or completely mined through be plugged in accordance with ARM 17.24.1005(3).

Phase II
Phase II bond release requires that soil replacement and soil and spoil tillage have been completed in accordance with the approved reclamation plan; that at least two growing seasons have elapsed since seeding or planting; that vegetation is establishing, in accordance with revegetation standards and the approved post-mining land use [re: ARM 17.24.1116 (6)(b)]; that noxious weeds are controlled; and, that with respect to prime farmlands (none included in this application), production has returned to the level required by ARM 17.24.815.
Pursuant to ARM 17.24.1113(1) and to confirm that the requirements for Phase I and II had been met, DEQ conducted an inspection of the lands specified in Application SL15 on October 20, 2021. Individuals participating in the inspection were Ric Casteel (MT DEQ) and Frank Bartlett (OSM).

Based upon the field inspections and the review of the application, DEQ has determined that, subject to final OSM concurrence, the permittee has fulfilled the requirements for bond release pursuant to ARM 17.24.1116 and 82-4-235(3)(a), MCA on approximately 31 phase I acres and 121 phase II acres, as depicted in the July 22, 2021 application.

Monetary release is not being sought at this time. A total bond of $117,550,000.00 remains in place for SMP C1979012. ARM 17.24.1116(5) requires that bond held may not be less than that necessary for DEQ to ensure completion of all reclamation and liability requirements. Release of the requested portion of the total liability under this application is consistent with that requirement.

Please feel free to contact Michael Glenn at (406) 444-3401 with questions regarding this letter.

Sincerely,

Robert Smith, Supervisor
Coal Section
Mining Bureau
Phone: (406) 444-4967
Fax: 406-444-4988
Email: RSmith2@mt.gov

Cc: Jeff Fleischman, Office of Surface Mining  
    Erica Trent, Office of Surface Mining  
    Frank Bartlett, Office of Surface Mining
Please see attached correspondence. Have a great day!

Sharona Gilbert | Program Support Specialist
Coal Section | Mining Bureau
Montana Department of Environmental Quality
Office: 406-444-4966