



State of Montana

Department of Environmental Quality

License for Mineral Exploration

The Exploration License is one of three regulatory instruments that the Department of Environmental Quality (DEQ) Hard Rock Mining Bureau (HRMB) administers under the 1971 Montana Metal Mine Reclamation Act (MMRA). The Exploration License is not a mining permit, and cannot be used for mining. Likewise, the Operating Permit (OP) and Small Miner's Exclusion Statement (SMES) are intended for "mining" and cannot be used for "exploration."

The following notes are meant to summarize the legal requirements and department policies related to the Exploration License program. However, this should not be relied upon as a comprehensive list of all legal requirements. Rather, the applicant should refer to the provisions of the MMRA and Administrative Rules of Montana (ARM) to determine all compliance requirements.

Exploration License Laws and Rules

The following outlines some of the basic framework related to compliance with the Exploration License. The list is not comprehensive, so please take some time to read over all of the provisions of state law applicable to Exploration Licenses. The MMRA provisions are set forth in Section 82-4-331 and 82-4332 of the Montana Code Annotated (MCA) and ARM 17.24.102 through 17.24.108.

- License Location – One Exploration License can cover multiple exploration projects that occur anywhere in the State of Montana on private or public lands. DEQ HRMB regulates exploration throughout the State of Montana, with the exception of reservation lands.
- Exploration Projects – Multiple projects can be conducted under a single license. A license amendment application is required for new projects or for existing projects that are amended or extended.
- Environmental Review – Approval of a new exploration licenses or amendment to an existing license is a "state action" and therefore, DEQ is required to complete an environmental review under the Montana Environmental Policy Act (MEPA).
- Bonding and Reclamation – Full reclamation of all project disturbances is required, as is posting of a reclamation bond. The reclamation bond is calculated by DEQ based on the full proposed scope of work.

Getting Started

An Exploration License application must be submitted with a proposed project. If the license application is approved, additional projects or amendments can be applied for, assuming the license is renewed and kept in good standing. Refer to the attached "Exploration License Process" page for a more detailed breakdown of the application process.

Annual Renewals

Exploration licenses are valid for a period of one year and can be renewed by submitting a renewal fee of \$25 along with notarized annual renewal forms. Licenses with an associated bond should be renewed until a full bond release has been granted. Annual renewals can include an updated map of work completed in the last year, and work plans for the following year.

Field Inspections

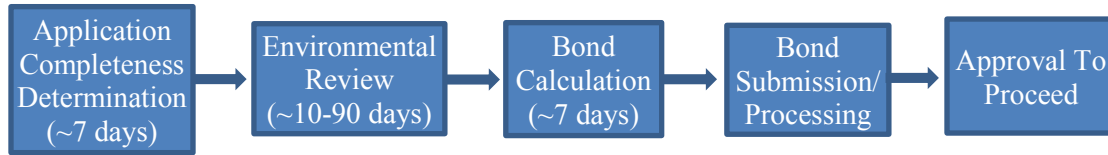
DEQ or other authorized parties may inspect the proposed exploration site before work begins. DEQ may also conduct site inspections during exploration activities. Upon completion of the project or following interim surface reclamation, a licensee may contact DEQ to request a reclamation inspection. A formal reclamation inspection is required for DEQ to consider a bond release. DEQ will typically conduct no more than one formal reclamation inspection per year at the licensee's request. No formal reclamation inspections will typically be scheduled while snow is on the ground, as it is not feasible to adequately assess reclamation progress. Site inspections are subject to staff availability and seasonal limitations.

Personal Responsibility

DEQ cannot over emphasize the importance of adhering to the final approved plan of operations. Everyone on site is expected to read and fully understand the plan of operations and project constraints. Typically, if there are issues with exploration campaigns it is due to lack of understanding of the environmental constraints, conditions, or commitments. Deviating from the approved plan may result in a Violation Letter, suspension of the operation, bond forfeiture and referral to enforcement for a corresponding penalty, or any combination thereof.

Exploration Licensing Process

As a general guideline, a new exploration license or amendment to an existing license may take one or more months to process. Once an application has been submitted to DEQ, the general process and timeline for review and consideration is as follows, although a number of factors, including federal agency participation, may modify this process and extend this timeline:



Completeness Determination

The submitted application must be deemed “complete” by DEQ before the environmental review can begin. If an application is determined to be incomplete, it will be returned to the applicant with comments and should be completed prior to re-submission to DEQ. DEQ will issue a Notice of Completeness to the applicant when a complete application is received. For an application to be considered complete, two maps must be submitted along with the completed application form:

Environmental Review

Once an application is determined to be complete, DEQ will prepare and complete an environmental review that analyzes potential environmental impacts that could result from the project as proposed by the applicant. If the project is on private property, DEQ is required to complete the review within 90 days of receiving a complete application. If the project is on state or federal land, DEQ will coordinate the environmental review with the partner agency. In this case, timing is dependent on the partner agency’s requirements, which often exceeds 90 days.

Bond Calculation

Before exploration can begin, an applicant must submit a reclamation bond to DEQ. The bond may not be less than the estimated cost to the state to ensure compliance with Montana’s Clean Air Act, Water Quality Act, Metal Mine Reclamation Act (MMRA), administrative rules adopted under the MMRA, and the exploration license. DEQ’s bond calculation is based on the work proposed. In order for an accurate bond to be calculated, the details requested in the application must be complete. For specific laws regarding exploration license bonds, please see 82-4-332(3) and 82-4-338(1)(a), MCA.

Bond Submission

For projects that do not involve exploration drilling, the full reclamation bond must be submitted and processed before DEQ issues an Approval to Proceed. For projects that involve exploration drilling, the full reclamation bond may be submitted or the applicant may opt to submit a bond increment determined by DEQ. A company’s decision to post less than the full bond amount for exploration drilling may limit operational flexibility. More information on incremental bonding can be provided at the time of the final bond calculation.



EXPLORATION LICENSE

[Pursuant to § 82-4-331 et seq. MCA]



1. Exploration License (for DEQ use): # _____

2. Applicant Information

Return via mail: DEQ Hard Rock Mining Bureau
P.O. Box 200901
Helena, MT 59620

Questions? (406) 444-4953 or jcorreia@mt.gov

APPLICANT INFORMATION

Licensee (Company Name or Individual)

Primary Contact Person

Address

City, State/Province, Zip/Postal Code

Phone

E-mail

Signature

NOTARY

Subscribed and sworn to me this _____ day of

_____, 20_____.

Notary Signature

Residency (City,
State/Province)

Notary Public for the
State/Province of:

My commission expires: _____

LICENSE INFORMATION

Date received: _____ Fee received: _____

License issued by: _____ Date: _____
Hard Rock Mining Bureau; Air, Energy, and Mining Division

License is valid from _____ to _____

This license, when executed by the Department of Environmental Quality (DEQ) and the Licensee, shall authorize the Licensee to explore for minerals in the State of Montana, in accordance with and subject to the exploration plan of operations and exploration map submitted with the application for this Exploration License to the extent that the Licensee's exploration activities have been approved by DEQ and with any modifications or conditions agreed upon by DEQ and the Licensee. The Licensee certifies that they shall reclaim any surface area disturbed by mineral exploration activities in accordance with the Montana Metal Mine Reclamation Act and Rules and Regulations pursuant to the Act. The Licensee certifies that they are not in default of any reclamation obligations under Title 82, Chapter 4, Part 3, Montana Code Annotated (MCA). **As of May 1, 2001, the fee for a new Exploration License is \$100 USD; the fee for annual Exploration License renewals is \$25 USD.**

Excerpts from Title 82, Chapter 4, Part 3, MCA:

"Exploration" means all activities that are conducted on or beneath the surface of lands and that result in material disturbance of the surface for the purpose of determining the presence, location, extent, depth, grade, and economic viability of mineralization in those lands, if any, other than mining for production and economic exploitation; and all roads made for the purpose of facilitating exploration...

"Mineral" means any ore, rock, or substance (**other than** oil, gas, bentonite, clay, coal, sand, gravel, peat, soil materials, or uranium) that is taken from below the surface or from the surface of the earth...

A person may not engage in exploration in the state without first obtaining an exploration license from the department. A license must be issued for a period of 1 year from date of issue and is renewable from year to year on application. An application for renewal must be filed within 30 days preceding the expiration of the current license and be accompanied by payment of a fee as required for a new license. A license may not be renewed if the applicant for renewal is in violation of any provision of this part. A license is subject to suspension and revocation as provided by this part.□

...a person or operator who violates a provision of this part, a rule or order adopted under this part, or a term or condition of a permit ...[or]...any director, officer, or agent of a corporation who willfully authorizes, orders, or carries out a violation of a provision of this part, a rule or order adopted under this part, or a term or condition of a permit [is subject to] a civil penalty of not less than \$100 or more than \$1,000 for each of the following violations, an additional civil penalty of not less than \$100 or more than \$1,000 for each day during which the violation continues, and an injunction from continuing the violation. If the violation created an imminent danger to the health or safety of the public or caused significant environmental harm, the maximum penalty is \$5,000 for each day of violation. In addition, if any provisions of the Montana Water Quality Act, and/or rules and regulations adopted pursuant to the Act, are violated as a result of the exploration operation, the operator is subject to penalties of up to \$25,000 for each day of violation.

EXPLORATION LICENSE

Applicant Principal, Controlling Member, and Business Information

The Department of Environmental Quality requires an exploration license applicant to provide a list of its principals and their corresponding firm or business associations of which the applicant or principal is or was a principal or controlling member and that previously has been issued an Exploration License, Operating Permit, or Small Miner Exclusion Statement under the Metal Mine Reclamation Act. For individual applicants, the applicant may likely also be considered the principal.

- *If the applicant is **not** an individual:*
 - Please provide a list of the principals associated with the organization (See Section 1).
 - Please provide a list of any business associations related to mining and exploration in Montana and the principal/controlling member's roles in that business association (See Section 2).
- *If the applicant **is** an individual:*
 - Please identify the individual under the "Company Principals" table shown below (See Section 1).
 - Please provide a list of any of the individual's business associations related to mining and exploration in Montana and the individual's role in that business association.

1. COMPANY PRINCIPALS (if applicant is not an individual)

Name	Role
Name	Role
Name	Role
Name	Role
Name	Role
Name	Role

2. COMPANY PRINCIPALS OR CONTROLLING MEMBERS BUSINESS ASSOCIATIONS

Name	Business/Organization (if any)	Role (if any)
Name	Business/Organization	Role
Name	Business/Organization	Role
Name	Business/Organization	Role
Name	Business/Organization	Role
Name	Business/Organization	Role



State of Montana
Department of Environmental Quality
Application for Exploration License/ License Amendment
Supplemental Information

LICENSEE NAME (PERSON OR COMPANY): _____

SUBMITTED BY:

NAME: _____ DATE: _____

ADDRESS: _____

E-MAIL: _____ PHONE: _____

NAME OF PROJECT: _____

TYPE OF APPLICATION (circle one): New License - License Amendment

TYPE OF EXPLORATION ACTIVITY (circle all that apply)

Trenching _____ Drilling _____ Underground _____ Other _____

PROPOSED START UP DATE OF OPERATION (mm/dd/yy): _____

ANTICIPATED PROJECT DURATION (not including time for reclamation): _____

ANTICIPATED DURATION OF RECLAMATION: _____

ANTICIPATED DAILY WORK SCHEDULE: _____

PROPOSED END DATE OF OPERATION (after reclamation) (mm/dd/yy): _____

LANDOWNER (circle all that apply):

Private – own

Private – lease from _____

USFS — BLM — State — County

If on Public Land: Name/Phone Number/E-mail for Agency Contact

The exploration license does not convey a right to occupy land not owned by the licensee. A licensee is responsible for obtaining and maintaining a lease or other authorization from the landowner to occupy the land on which the licensee is to conduct exploration activity. DEQ does not confirm whether the licensee has obtained such authorization and does not resolve any disputes regarding access between a licensee and the landowner.

Please included additional pages if necessary

MAP REQUIREMENT: Please include as many maps as necessary to address the following:

- 1.) Location- Latitude/Longitude **or** Township Range, and Section should be identified
- 2.) A map of sufficient detail to show and label all project disturbances including but not limited to new roads, overland travel routes, trenches, portals, drill pads (with labels), sumps, drill holes (with labels), new temporary and permanent buildings, camp area, laydown/loadout area, fuel storage area, and water crossings.

PROJECT DESCRIPTION:

Please describe the project including exploration methods, and total volume of material to be taken for testing.

DIMENSIONS and QUANTITIES

Drill Pads: ___ Quantity ___ L x ___ W x ___ avg depth of material moved and/or compacted

Drill Sumps ___ Quantity: ___ L x ___ W x ___ avg depth of material to be excavated

Drill Holes (if max depths vary by location, provide a table of drill hole ID, location, max depth)

___ Quantity ___ Max Depth (ft) Total depth (all holes added) ___(ft)

Trenches/Pits ___ Quantity: ___ L x ___ W x ___ avg depth of material to be excavated

Roads ___ L x ___ W x ___ avg depth of material moved and/or compacted

Overland Travel ___ L x ___ W

Laydown ___ L x ___ W x ___ avg depth of material moved and/or compacted

Other Features: (*camp, culverts, waste piles, slash piles, heli pads, etc.*) describe features and include dimensions

Please included additional pages if necessary

EQUIPMENT AND VEHICLES—*Please list all heavy and light equipment (drill rigs, water trucks, fuel trucks, excavators and other heavy equipment and their sizes, ATVs, UTVs, light vehicles, portable generators, lights, wash plants including capacity, etc...)*

STRUCTURES—*please list and include quantity of all temporary and permanent structures (core sheds, containers, campers, tents, warehouses, saw shacks, water lines, tanks, portable toilets, etc...)*

ONSITE PERSONNEL AND LODGING PLANS—*please list number and positions of personnel that will be involved with this project. If onsite lodging is anticipated, please include duration.*

PROJECT WATER SOURCE – *please describe source, ownership, and method of transport of project water and how much water use is anticipated. Please include applicable water right numbers for non-public water supply sources.*

Please included additional pages if necessary

WILL SUPPLEMENTAL LIGHTING BE REQUIRED, *if so, for what hours of the day/night, and how will light pollution be controlled ie: down facing lights, shrouds, etc...?*

AIR QUALITY – *please describe measures proposed to minimize impacts on air quality, including dust suppression, slash burning, exhaust controls, etc...*

EROSION CONTROL *Please describe all erosion control measures that will be utilized, including type of product and location of installation.*

SOLID WASTE –*Describe how solid waste will be stored, and disposed of including location and design of storage facility and location of disposal site.*

Please included additional pages if necessary

CULTURAL RESOURCES – *Describe measures for protecting known historic and archeological values, or new sites in the project area.*

HAZARDOUS SUBSTANCES – *Identify the type and volume of all hazardous materials and toxic substances which will be used or generated in the operations including cyanide, solvents, petroleum products, mill, process and laboratory reagents*

WEED CONTROL PLAN – *Describe how you will control noxious weeds before and during the project and after reclamation. Describe timing of weed control applications and how many applications per year will be applied.*

RECLAMATION PLAN—*Describe the ongoing, end of season, and final reclamation that will occur. Include such items as the removal of structures identified above. Include regrading plan, weed control plan and revegetation plan (including seed mix to be utilized).*

Please included additional pages if necessary

THIS MAY NOT BE THE ONLY LICENSE OR PERMIT YOU NEED

State of Montana Permits

310 Permit –For work proposed in streams, wetlands, floodplains, and other water bodies. One joint application form is available to apply for several different Local/State/Federal permits.

See: <http://dnrc.mt.gov/licenses-and-permits/stream-permitting/310-permit-applications>

Montana Pollutant Discharge Elimination System (MPDES) Permit – for projects that have a surface water discharge.

See: <http://deq.mt.gov/Water/WPB/mpdes>

Montana Ground Water Pollution Control System (MGWPCS) Permit – for projects that have a groundwater discharge.

See: <http://deq.mt.gov/water/wqinfo/MGWPCS>

Stormwater Permit – for projects that have the potential to contribute sediment or pollution to surface waters from surface disturbances as a result of a storm event.

See: <http://deq.mt.gov/water/wpb/mpdes/stormwater>

Suction Dredge Permit – for projects that utilize a suction dredge.

See: <http://deq.mt.gov/Water/WPB/mpdes/suctiondredge>

Sage Grouse – In response to Senate Bill 261 and Executive Orders 10-2014 and 12-2015, many DEQ permits and approvals in sage grouse core, general, or connectivity habitat, received on or after January 1, 2016, must include a letter of comment from the [Sage Grouse Habitat Conservation Program](#).

See: <https://sagegrouse.mt.gov/>

Federal Authorizations

USFS – Contact local USFS office. See: <https://www.fs.usda.gov/r1/>

BLM – Contact local BLM office. See: <https://www.blm.gov/montana-dakotas>

US Army Corp of Engineers 404 Permit – may be required for any work in streams or wetlands

See: <http://www.usace.army.mil/Missions/Civil-Works/Regulatory-Program-and-Permits/Obtain-a-Permit/>