

MINERAL EXPLORATION LICENSING IN MONTANA

A GUIDE TO THE REGULATORY FRAMEWORK

Mineral exploration includes all activities that are conducted on or beneath the surface of lands (drilling, trenching, test pits, bulk sampling, adits, etc.) 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. All exploration activities are regulated under Montana's Metal Mine Reclamation Act (MMRA) [Title 82, chapter 4, part 3 of Montana Code Annotated (MCA)] and impacts disclosed under the Montana Environmental Policy Act (MEPA) [Title 75, chapter 1, part 1, MCA]. The Montana Department of Environmental Quality (DEQ) is the agency responsible for licensing exploration in the state. If you are interested in mineral exploration in Montana, please contact DEQ early in your planning process.

Exploration Licensing Process

To characterize an ore body for potential mining, apply for an **Exploration License**

- \$1,000-2,000 application fee dependent on the type of exploration activities being conducted

Steps & Timeline: After an application is submitted for an Exploration License

- **Application review:** if application is deemed incomplete, a *Deficiency Letter* will be issued by DEQ.
 - Timeline: Varies. Applications are reviewed as soon as possible, in consideration of other active applications under review and other work of DEQ staff.
- **MEPA Review:** Environmental review begins once an application is deemed complete. The applicant will receive a *Notice of Completeness Letter* from DEQ if/when the application process is completed.
 - Timeline: MEPA review is completed ≤90 days from the date a complete application is received.
 - If exploration includes federal land, additional time (>90 days) may be necessary to complete the environmental review to facilitate a joint environmental review (state/Federal) under MEPA and the National Environmental Policy Act (NEPA).
- **Bond calculation:** Applicant will receive a *Bond Due Letter* from DEQ (amount necessary for DEQ to reclaim the site, if necessary – bond is returned to applicant upon successful completion (and approval) of reclamation).
 - Timeline: Bond will be calculated ≤30 days from the date the MEPA action is finalized by DEQ.
 - If bond is to be held jointly with federal agencies, additional time (>30 days) may be necessary to facilitate joint (state/Federal) bond calculations.
- **Bond submitted by Applicant:**
 - Timeline: Dependent on applicant's ability to secure bond and submit to DEQ for review/approval.
- **License issued:** Licensee will receive an *Authorization to Proceed Letter* from DEQ.
 - Timeline: ≤5 days after DEQ accepts the bond.
- **Bond release:** Applicant finishes exploration, completes reclamation, and submits release request to DEQ (reclamation is typically expected to be completed w/in 2 years after exploration activity).

Tips for a Smooth Licensing Process

- Submit a thoughtful and complete license application--more complete applications lead to quicker permit decisions by DEQ.
- Complete your exploration license application using current DEQ forms.
- Respond timely and completely to deficiencies identified by DEQ during the "Application Review" step.

- Ensure reclamation plan aligns with all requirements of MMRA and corresponding Administrative Rules of Montana (ARM) and is practical to implement.
- Contact DEQ early and often.
- Seek and receive guidance and touch points from DEQ on important timeline criteria and deadlines.
- Seek to understand what the environmental review process entails.
- Communicate with both DEQ and federal agencies, if proposing a mine on land managed by a federal agency.

Other Permit Considerations

- Air Quality Permit (MAQP) – DEQ
- Water Quality Discharge Permit (MPDES) – DEQ
- Other permits may be required for exploration on public lands through state and federal agencies

DEQ Contact

Eric Dahlgren, Mining Bureau Chief

edahlgren@mt.gov

(406) 444-5245

P.O. Box 200901

Helena, MT 59620-0901

For more information on mining permits, laws and regulations, please visit <https://deq.mt.gov/mining/programs/hardrock> or scan the QR code below.



Resources & References

Montana Mining Association

PO Box 4652

Butte, MT 59702

info@montanamining.org

- *Consultants for application preparation, baseline studies and monitoring*

Montana Bureau of Mines and Geology

1300 West Park Street

Butte, MT 59701-8997 USA

- *Orebody characterization, economics and feasibility*

(406) 496-4167

Montana Department of Commerce

Canon Luerkens

301 S Park Ave, Helena, MT 59620

cluerkens@mt.gov

- *Development liaison (406) 841-2034*