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COAL MINING PERMIT - PERMIT REVISION DECISION

Bowie No. 2 Mine, Bowie Resources, LLC Permit No. C-1996-083

The Division of Reclamation, Mining and Safety has proposed the decision stated below. Provided there are no objections, the decision will become effective upon the termination of the thirty (30) day public comment period, in accordance with Rule 2.07.4(3)(c).

Permit Revision No. 14 Decision: Approve with conditions

Submittal Date: March 12, 2014 Decision Date: October 10, 2014

Description of Revision: Spruce Stomp Lease

Stipulation(s) attached; Provide authorized signature and return the form to the Division

DIVISION OF RECLAMATION, MINING AND PERMITTEE

SAFETY

Authorized Representative - Division

Authorized Representative - Permittee (if applicable)

Date: October 10, 2014

Van Od Herrand

Date:

CHANGE IN ACREAGE REVISED TOTAL ACREAGE PERFORMANCE BOND

Disturbed: 0.00 Disturbed: 402.88 Prior Liability: \$11,327,770.50 Affected: 1,356.30 Affected: 7,148.14 Change in Liability: \$0.00 10,986.70 Revised Liability: Permit: 1,790.20 Permit: \$11,327,770.50 State: 0.00 State: 0.00Bond Held: \$11,339,730.57 Federal: 1,431.30 Federal: 5,262.90

Federal: 1,431.30 Federal: 5,262.90

Private: 358.90 Private: 5,723.80

County: 0.00 County: 0.00

REVISED APPLICATION PAGES

Volume I: Table of Contents page vi, pages 2.03-4 through 2.03-11, 2.03-15 through 2.03-17, 2.03-23 through 2.03-25, 2.04-11, 2.04-11i, 2.04-11i, 2.04-12, 2.04-27 through 2.04-126, 2.05-2, 2.05-3, 2.05-84 through 2.05-86, 2.05-98 through 2.05-179, 2.06-1 through 2.06-4, 2.10-1 through 2.10-6; Volume III Tab 1 BLM Lease COC-75916 Document, Volume III

REVISED MAPS

Volume II Maps 01, 02, 3, 4A, 05, 06, 07, 08, 08A, 09, 10-A, 10-B, 12, 13, 14-B, 23, 23A, 25, 27, 27-B

Tab 1 Overland Ditch and Reservoir Company Lease Memorandum; Volume III Tab 2 Application for Conditional Water Right and Appropriative Right of Exchange; Volume III Tab 3 Monitoring Well Completion Details; Volume III Tab 3 Baseline Water Monitoring Data; Volume III Tab 9 USFW Concurrence Letter; Volume III Exhibit 15 Subsidence Prediction; Volume IIIB Tab 23 2013 WWE Study Report; Volume VI Cultural Resource Report for Spruce Stomp Lease DELETED APPLICATION PAGES

DELETED MAPS

None

None

Bowie No. 2 Mine (Permit No. C-1996-083) Permit Revision No. 14

Stipulations

- 38 PRIOR TO ANY SURFACE DISTURBANCE OF LANDS WITHIN THE SPRUCE STOMP LEASE AREA (COC-75916), THE BASELINE VEGETATION INFORMATION REQUIRED UNDER RULE 2.04.10 MUST BE SUBMITTED TO AND APPROVED BY THE DIVISION.
- 39 PRIOR TO ANY SURFACE DISTURBANCE OF LANDS WITHIN THE SPRUCE STOMP LEASE AREA (COC-75916), THE BASELINE SOILS RESOURCE INFORMATION REQUIRED UNDER RULE 2.04.9 MUST BE SUBMITTED TO AND APPROVED BY THE DIVISION.
- 40 PRIOR TO ANY SURFACE DISTURBANCE OF LANDS WITHIN THE SPRUCE STOMP LEASE AREA (COC-75916), BRL WILL NEED TO EVALUATE THE EFFECTS OF THAT DISTURBANCE ON ANY OF THE SITES LISTED AS ELIGIBLE FOR LISTING ON THE NATIONAL REGISTER OF HISTORIC PLACES, AS DOCUMENTED IN THE 2012 CLASS III CULTURAL RESOURCES INVENTORY REPORT FOR THE LEASE AREA.
- 41 PRIOR TO COMMENCING ANY MINING ACTIVITIES THAT COULD CAUSE SUBSIDENCE IN THE SPRUCE STOMP LEASE AREA, BRL MUST DEMONSTRATE THAT, SHOULD MINING ACTIVITIES RESULT IN CONTAMINATION, DIMINUTION OR INTERRUPTION OF WATER IN THE WEST FORK OF TERROR CREEK, BRL HAS OBTAINED SUFFICIENT WATER RIGHTS AND AN APPROVED WATER REPLACEMENT PLAN TO RESTORE, REHABILITATE, OR REPLACE THE WATER SUPPLY. BRL MUST SUBMIT A COPY OF A COURT APPROVED ALTERNATIVE WATER SUPPLY OR COURT APPROVED SOURCES OF AUGMENTATION WATER THAT COULD BE DEVELOPED TO REPLACE THE EXISTING SOURCES. THE ALTERNATE OR SUBSTITUTED WATER SHALL BE OF A QUALITY AND QUANTITY SO AS TO MEET THE REQUIREMENTS FOR WHICH THE WATER HAS NORMALLY BEEN USED.
- 42 BRL MUST REHABILITATE OR REPLACE GROUNDWATER MONITORING POINTS CWI-DH-58 AND CWI-CH-60 BY DECEMBER 31, 2014. FOLLOWING COMPLETION OF THE WORK, A MINOR REVISION MUST BE SUBMITTED TO UPDATE THE PERMIT APPLICATION PACKAGE TEXT WITH A DISCUSSION OF THE REHABILITATION OR REPLACEMENT OF THE WELLS.
- 43 WITHIN SIXTY DAYS FOLLOWING THE COLLECTION OF A YEAR OF VALID BASELINE DATA FROM THE TWO DOWN-GRADIENT MONITORING WELLS TO BE DRILLED IN 2015 (2015-1B AND 2015-1SS), BRL MUST SUBMIT A TECHNICAL REVISION TO UPDATE THE PROBABLE HYDROLOGIC CONSEQUENCES SECTION OF THE PERMIT TO ESTABLISH THOSE WELLS AS GROUNDWATER POINTS OF COMPLIANCE, IN ACCORDANCE WITH RULES 2.05.6(3)(B)(III) AND (IV).
- 44 PRIOR TO INITIATING ANY LONGWALL MINING IN THE SPRUCE STOMP LEASE AREA (COC-75916), BRL MUST OBTAIN APPROVAL FOR A PLAN TO MANAGE REFUSE GENERATED AS A RESULT OF MINING ACTIVITIES IN THE SPRUCE STOMP LEASE AREA AND ALL CURRENTLY APPROVED COAL MINING ACTIVITIES. THIS RESTRICTION WILL NOT PRECLUDE DEVELOPMENT MINING ACTIVITIES IN THE SPRUCE STOMP LEASE AREA CONSTRUCTED WITH CONTINUOUS MINING EQUIPMENT. PROPOSED MANAGEMENT PLANS MUST BE PREPARED IN ACCORDANCE WITH RULES 2.05.3(8), 4.10, AND 4.11 AND

BE BASED ON CURRENT AND PREDICTED RATES OF PRODUCTION AND REFUSE GENERATION AND INCLUDE REFUSE THAT WILL BE GENERATED FROM ALL CURRENTLY APPROVED MINING PLANS.

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