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Via hand-delivery

January 27, 2017

Exhibit 1

Kyle Wendtland, Administrator Land Quality Division of the Department of Environmental Quality 200 W. 17th Street, Suite 10 Cheyenne, WY 82002

Re: Objections to Brook Mining Co., LLC Coal Mining Permit Application

Dear Mr. Wendtland,

On behalf of the members of the Powder River Basin Resource Council ("Resource Council"), our organization hereby submits these objections to the proposed coal mining permit for Brook Mining Co., LLC ("company" or "applicant") in Sheridan County.

Pursuant to W.S. § 35-11-406(k), the Resource Council requests an informal conference with the Director to discuss our objections and hopefully resolve them to the benefit of our members and the DEQ. We request that such an informal conference be held in Sheridan, the location of the proposed mining operation. Given the complexity of the issues presented, we would be willing to stipulate to hold the informal conference at a period beyond the 20 days provided for under § 406(k) to allow all parties adequate time to prepare. Although the issues are complex, we believe an informal conference will be appropriate to allow the parties an opportunity to resolve some of the objections and to allow local landowners an opportunity to participate in the proceedings.

# Organizational Interest in the Coal Mining Permit

The Resource Council is a grassroots, member-based organization that has worked to address the impacts of coal mining on people and the environment since our inception in 1973.

Many of our members work, live, and recreate in Sheridan County adjacent to and on the site of the proposed Brook Mine permit. We have members who live next to the proposed Brook Mine permit boundary that will experience aesthetic impacts, impacts to their property, and impacts to their livelihoods as a result of the mine's proposed operations. We are therefore an "interested person" within the meaning of W.S. § 35-11-406(k).

Given their proximity to the mine's proposed location, some of our members received personal notice of the opportunity to submit objections and will be submitting their own objections. Other members with recreational and aesthetic interests in the area will also be submitting objections. Our organizational objections are intended to supplement, not supplant, the individual objections of our members. However, their own stated objections and interests further support our organizational interest in the proceeding.

### **Objections and Concerns**

# 1. General Objections to the Mine Plan

The core of any coal mine permit is the mine plan. The mine plan establishes how much coal will be mined in what time period, and it describes the impacts to land, air, and water resources. It establishes the basis for the DEQ or impacted members of the public to enforce the terms of the permit, and the associated reclamation plan as the timing and measures needed in the reclamation plan are based on the mine plan, and if the mine plan is too vague or unrealistic, enforcement will prove problematic in the future.

In the case of the Brook Mine, the mine plan is based on a plan that will never occur. The mine plan estimates annual production at a level that is in direct conflict with statements of the company's representatives explaining the company's plans for the area. And in fact, the company's own statements have contradicted each other.

According to the mine plan, annual coal production will be as follows:

Table MP.1-2. Estimated Annual Production

Year	Production (tons)
1	548,000
2	1,796,000
3	1,890,000
4	2,028,000
5	2,070,000
6-10	9,999,000
11-12	1,941,000
Total	20,272,000

Note: <sup>1</sup>Year 0 corresponds to the year 2016 Source: Cardno MM&A, October 2013

However, early statements by the company estimated 6-8 million tons a year of production over 20 years, and this is still the only information available from the company on their website. As such, the mine plan would underestimate the amount of production the company plans (except in years 6-10 where it overestimates), and the mine plan would underestimate the anticipated life of the mine (the mine plan says 12 years but the company's plans anticipate at least 20 years of mining).

Alternatively, more recent statements also contradict the mine plan and show that its estimated production overestimates the amount of production. Now, Ramaco executives are stating that production will be on a "very limited basis" with "no more than a couple hundred

<sup>&</sup>lt;sup>1</sup> See Ramaco, LLC, Brook Mine Overview, Feb. 2015, http://www.ramacollc.com/upload/Brook%20Presentation%20-%20WEBSITE%20February%202015.pdf

thousand tons a year just to get started" and employment of "under 20 people." The company has stated that the coal produced would likely be sold locally.

So which is it? It is clear that the company's plans are in flux and the permit application is merely a placeholder for things yet to come. Our coal mining regulations require more; as described below, they require accurate, complete, and current information detailing anticipated production levels and an accurate, complete, and current estimate of the life of the mine. At the very least, the permit application should have fully disclosed that the company's plans are not finalized and the permit application should have presented a range of anticipated production, or even production level alternatives based on different options of company investment, to allow DEQ to assess the completeness and technical adequacy of the permit application, along with any impacts to land, air, and water resources.

There is also an unresolved conflict between the mine plan and the company's own air quality permit, which limits annual production to 2 million tons per year. DEQ should ensure consistency between these two permits and should require revision of the mine plan to reflect the production limits of the air quality permit.

In other words, the mine plan does not reflect the actual production proposed at the mine site by the company and as a result it does not accurately anticipate impacts to land, air, and water resources. An accurate estimate of production is necessary for members of the public to be able to intelligently comment on the mine plan and proposed permit and for the public to fully understand anticipated impacts. Equally important, an accurate mine plan, with production estimates and limits and corresponding surface and subsurface disturbance projections, is important for DEQ to be able to enforce the conditions of the permit. An accurate mine plan is also necessary for DEQ to accurately verify the reclamation plan and corresponding reclamation bond estimate. Mere guesswork is not sufficient to achieve these objectives.

It is for these reasons that DEQ regulations require information in a permit application to be "current" . . . "accurate and complete." DEQ Land Quality Division Rules and Regulations, Ch. 2 § 1. The mine plan must include "[a] complete operations plan proposed to be conducted during the life of the mine" with an accurate estimate of "the number of acres that will be affected annually" and the "anticipated annual and total production by tonnage." *Id.* at § 5(a)(i). <sup>4</sup> The mine plan at issue here does not contain current, accurate, or complete information and does not meet the requirements of DEQ's regulations.

Additionally, it is clear that Brook Mining Co., LLC and its parent companies, Ramaco, LLC and newly formed Ramaco Resources, Inc. are focused on metallurgical mines in the

<sup>&</sup>lt;sup>2</sup> See <a href="http://trib.com/business/energy/energy-journal-q-a-randall-atkins-ramaco/article\_7834a593-c06d-5785-aeea-8f3b5637a337.html">http://trib.com/business/energy/energy-journal-q-a-randall-atkins-ramaco/article\_7834a593-c06d-5785-aeea-8f3b5637a337.html</a> (attached)

<sup>&</sup>lt;sup>3</sup> The air quality permit is mentioned in MP.16.3 but the plan merely states that the permit will be submitted. It does not explain the results of the air quality permit process and restrictions placed upon mining operations. This information should have been updated through the technical review process as the air quality permit review took place before the mine permit went to public notice.

<sup>&</sup>lt;sup>4</sup> See also W.S. § 35-11-406(n)(i). The applicant "has the burden" in meeting these requirements.

Eastern U.S. The company's recent Initial Public Offering ("IPO") is focused exclusively on its Eastern U.S. mines and there is no mention of investment or production at the Brook Mine here in Wyoming. We question whether the company will even put sufficient capital resources into development of the Brook Mine and if not whether the mine plan will fall even further behind its production schedule proposed in the mine plan.

# 2. Specific Objections to the Mine Plan & Associated Appendices

Coal Storage and Hauling: Section MP.1.5 merely states that "[c]oal will either be temporarily stored in the pit or directly hauled off site." Alternatively, Section MP.2.2 states "The crushed coal will be loaded in the pit and hauled using coal trucks." Reading the two sentences together, it is unclear whether coal will be stored in the pit or hauled immediately. Nevertheless, both sections of the mine plan lack specificity about the exact locations of coal storage and how long coal will be stored and in what amounts. The plan does not even specify how coal will be stored, e.g. in silos or other facilities, or just in stockpiles in the pit. This is important information given that coal is naturally combustible and may create pit fires if not stored correctly, an impact which is particularly concerning given the history of coal fires in the area. It also could create dust that will travel to adjacent lands on windy days, i.e. creating an off-site impact from the mine's operations.

In regards to coal transport, there is no information in the mine plan about the estimated amount of coal truck traffic. Section MP.3.3 states that there will not be conveyer systems so presumably all coal will be transported through trucks. Additionally, there is no information about loadout facilities or direct sale facilities or any other information that explains what will happen to the coal when it leaves the pit. Again, mere speculation about what *could* happen does not provide the level of detail necessary to approve the permit application.

Relationship and Impact to the Big Horn Coal Mine: Section MP.1.9, describing the Brook Mine's relationship and impact on existing structures and adjacent mining operations, does not mention the Big Horn Coal Mine and impacts to that mine or its current or proposed operations. This is a material omission from the permit application. Additionally, we remain concerned about the lack of surface owner consent and support the objections raised by Big Horn

<sup>&</sup>lt;sup>5</sup> See Ramaco Resources, Inc., Amendment No. 2 to Form S-1 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, Jan. 23, 2017 <a href="https://www.sec.gov/Archives/edgar/data/1687187/000119312517014628/d272210ds1a.htm?mkt\_tok=eyJpIjoiTW10a01HSTJNamt3TXpjNCIsInQiOiJzaWNPQVJRcE5sQ1wvSUZIditcL2t6U253TkZxeEYraHNodUg5WmpWZUNjckVwVmNVYkQ4MWMydGpIWVwvSWpwTFwvZlQzKzA4V0xsQ2hESnpwbzBVUEQwMm5RaTlyQit1cSt6MDdkd044RFM0WndFRUw5eDBlWXo5WG42Z1ZyamhadElifQ%3D%3D

<sup>&</sup>lt;sup>6</sup> Alternatively, if Ramaco's IPO changes the company's ownership or control in regards to the Brook Mine, the permit application will no longer be complete as it will not contain the requirements of Ch. 2 §§ 2(a)(i)(B)-(F). This information is necessary for DEQ to complete an accurate search in the Applicant Violator System prior to permit approval.

<sup>&</sup>lt;sup>7</sup> Section MP.22 mentions the "dual permitted" area of Big Horn Coal but does not explain the Brook Mine's relationship to the Big Horn Coal mine or anticipated impacts that will result from the cross-over in mine permit boundaries. This section also misrepresents that "Agreement between the permittees are located in the Adjudication File."

Coal (Lighthouse Resources) regarding questions about legal access and rights for the Brook Mine.

This section also neglects to mention other mines in proximity to the Brook Mine, and especially the legacy issues surrounding idle and abandoned coal mining operations and AML activities and remediation. The permit application should explain how new mining operations will interact with and impact legacy mines in the area. While Section MP.15 briefly mentions some of these previous "significant mining activities," the section provides only cursory information without little support or analysis.

DEQ must ensure it is meeting its regulatory requirements that "no permit shall be approved unless the Administrator also finds in writing that . . . [t]he proposed operation will not be inconsistent with other surface coal mining and reclamation operations proposed or contemplated in pending or approved mining permits . . ."

Impact to Conservation Easements and Recreation Access: Section MP.1.9 also states that the mine "will only have marginal impact on existing man-made structures." The section mentions right-of-ways and roads (although it does not discuss any of them in any detail) but does not discuss impacts to conservation easements and recreation access facilities within the permit area.

Impact to Traffic & Road Use: Section MP.1.9 also states that "[i]nterruption to traffic flow will be mitigated through previously formulated plans" but it does not explain what those plans are, who made them or approved them, how local landowners or local government agencies were consulted, and what level of impact will exist after their implementation. Even with mitigation, there will likely be impacts to traffic flow and road use given the number of mine trucks and workers.

Blasting Intensity and Timing: The mine plan does not describe how frequently blasting will occur or in what amounts. Instead, Section MP.4.3.1 merely states "Standard drilling and blasting methods will be used." Our members have concerns about impacts from blasting operations given the mine's close proximity to many homes and ranch structures and it is important for the permit application to contain accurate and complete information about the proposed blasting operations at the mine.

**Dewatering:** According to the mine plan, the targeted coal seams have "high moisture content." The mine plan should disclose the estimated amount of water that will be removed from the coal seams and the proposed water removal and transport methodologies, i.e. the system of pit sumps and pipes/ditches necessary for dewatering. The mine dewatering plan in Section MP.5.8 is not complete as it does not explain how many pit sumps, dewatering wells, and associated infrastructure will be needed. Instead of including this information upfront as required

<sup>&</sup>lt;sup>8</sup> The other sections mentioning blasting (including MP.14) do not provide these details either and the "blasting plan" merely provides an example of the public notice that will be provided when blasting will occur. No details are provided that explain how often blasting is anticipated to occur.

<sup>&</sup>lt;sup>9</sup> This statement conflicts with a later statement at MP-45 that "The Target Coal seams are predominantly dry . . ."

in the permit application, the mine plan says that a dewatering plan will be submitted later on to DEQ detailing this information. MP-40. The plan must also more accurately reflect an estimate of groundwater drawdown.

**Surface Disturbance:** The mine plan downplays impacts to surface land and water resources because of the nature of the underground mining. However, as explained below, we believe there is a significant risk of subsidence from the mining operations that is not taken into account in describing or mitigating anticipated impacts (or in bonding for their reclamation and remediation).

Impacts to the Tongue River & Goose Creek: As they are important waterways in our county, are frequently used for fishing and recreation purposes, and are an important source of water supply, our members are very concerned about runoff, sedimentation, and other impacts to water quality of the Tongue River and Goose Creek. As the mine plan notes, "the first trench (T-1) will be mined . . . near the confluence of Goose Creek and the Tongue River . . . [and] will be located in surface that drains both to Goose Creek and the Tongue River." MP-41. The mine plan states that "little runoff" will occur but does not specify how much and what that means in terms of impacts to water quality and compliance with the TMDLs for those waterways. More detail is needed to fully evaluate the impacts to Goose Creek and the Tongue River.

Impacts to Other Rivers and Streams: Given that the area is in the Tongue River Valley with numerous tributaries and small streams, there are a variety of waterways that could be impacted by mining activities. Additionally, the area is prone to flooding, especially in high snowmelt runoff years. We are concerned that the sedimentation and runoff control structures identified in the mine plan will not protect impacts from flooding, especially when adding the water from mine dewatering activities. The analyses presented in the application regarding estimation of flood magnitudes and frequencies and volumes of water that will need to be managed (run-off / run-on) during mining operations did not consider extreme precipitation events. Given the occurrence of extreme events in Northeast Wyoming in recent years, it is important to model extreme events.

The mine plan contends that impacts will be "minimal due to the ephemeral nature of the drainages and the short period of time that the trenches will be open" but it does not explain the basis for this conclusion. MP-42. Words like "minimal" "most" and "small" are prevalent in the hydrologic impacts section but rarely are they quantified or justified.

Impacts to Water Rights: Our members are concerned about impacts to ground and surface water rights, and impacts to water wells. The mine plan simply states that "[t]he mine will minimize impacts," but it does not specify the measures that will be taken to minimize the impacts nor does it disclose what impacts are likely to occur as not all impacts will be prevented.

Additionally, there are very large uncertainties associated with the results of the groundwater modeling contained in the hydrology appendices. This is due primarily to the very small amount of site specific hydrologic data and too many simplifying assumptions. These uncertainties mean that there are significant error bars on the estimates of groundwater level

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drawdowns in the alluvium and nearby domestic wells that will result from dewatering associated with mining.

Lowering of the groundwater levels (water table or potentiometric surface) could significantly impact groundwater discharge to Slater Creek and the Tongue River which will reduce water available for agriculture. The applicant has not met its burden to ensure compliance with the requirements of W.S. § 35-11-406(n)(v).

Dewatering could also impact nearby water wells in a way not anticipated in the mine plan because of the lack of data and analysis.

There is also no analysis about how subsidence (discussed below) will likely impact surface or underground hydrology and/or impact hydrologic conditions and water rights. One of the main requirements of coal mining operations is to "prevent material damage to the hydrologic balance outside the permit area." W.S. § 35-11-406(n)(iii). The applicant has not met their burden in demonstrating that this condition is met.

#### 3. Objections related to Alluvial Valley Floor Determinations

It is our understanding that DEQ has made a determination regarding at least one alluvial valley floor (AVF) designation in the permit boundary. However, DEQ failed to include that determination in the public notice published on the Brook Mine permit.

Additionally, we question whether DEQ is fulfilling the requirements of its regulations which state:

For the purposes of alluvial valley floors, prior to determining that an application is suitable for publication in accordance with W.S. § 35-11-406(j) and upon the basis of sufficient information, the Administrator shall make a determination in writing as to the existence and extent of an alluvial valley floor within the permit area or on adjacent areas where the mining operation may affect surface water or groundwater that supply an alluvial valley floor . . .

There are numerous AVFs in the permit area and adjacent areas that must be protected under the Wyoming Environmental Quality Act, SMCRA, and corresponding state and federal regulations. The permit application states that the AVF status of streams in the area "have not yet been declared" by the DEQ. D11-1. There was a DEQ determination made on February 24, 2016 regarding the Slater Creek AVF, <sup>10</sup> but this determination is only for "lands within the proposed permit boundary" and does not include adjacent areas. Moreover, the determination acknowledges that the status of another AVF "is currently pending." The mine permit application should not be approved until the Administrator has made a determination on all potential AVFs within the permit boundary and adjacent areas that could potentially be impacted by proposed mining operations.

<sup>&</sup>lt;sup>10</sup> Letter from Bjarne Kristiansen (DEQ) to Randall Adkins, Feb. 24, 2016. The letter is attached to these objections.

### 4. Objections to Baseline Water Monitoring

From our review of the permit application, the water resource monitoring plan is inadequate in several key ways, including, but not limited to:

- Only four surface water monitoring locations were established for background characterization—two on Slater Creek and two on Hidden Water Creek. There are no pump samplers on the Hidden Water Creek locations and therefore there is no water quality data. There are no stations on Tongue River. Water quality sampling stations should be established on the Tongue River upstream and downstream of permit area (within ½ mile of permit boundaries).
- The baseline monitoring period was too short for all four for baseline locations to adequately determine pre-mining conditions with only one month in fall and one summer season.
- The permit application does not include flow data for Slater Creek or Hidden Water Creek from Oct-March (6 months) because monitoring equipment removed for winter and therefore it is unknown if any water flows during the Oct-March period.
- The screened intervals in groundwater monitoring wells (Masters, Carney, alluvium) vary by as much as 20 feet, which is too long and results in dilution of groundwater samples.
- Appendix D6 contains very little site specific hydraulic conductivity data. Only one value
  for each coal seam and only in the eastern part of the mine permit area is presented. There
  is no site specific hydraulic conductivity data for the alluvial aquifers, overburden or
  interburden. A single storage co-efficient /specific yield value and a single porosity value
  was used for the entire formation.
- According to the data presented, the potentiometric surface associated with groundwater
  in the coal seams in the eastern part of permit area was lowered by 40-80 feet due to
  CBM operations. However, there is no discussion of how much recharge in the coal
  seams has occurred since CBM operations have stopped and there is not current data
  presented.

#### 5. General Objections to the Reclamation Bond

A sufficient reclamation bond is a critical component of any coal mine permit. W.S. § 35-11-406(m)(ix) (requiring denial of a permit application if "[t]he operator is unable to produce the bonds required.") The bond is necessary to protect the public interest and achieve the objectives of the Wyoming Environmental Quality Act and SMCRA.

Based on our review of the reclamation bond estimate, it is too low to protect the public interest. Notably, the bond does not include all required amounts and instead defers some of those calculations to future reviews. However, the required bond must at all times cover the *entire* cost of surface and water reclamation and this bond *must* be posted *prior* to any mining on the site. See W.S. § 35-11-416(c)(i) (the bond should equal the "cost of reclaiming the affected"

<sup>&</sup>lt;sup>11</sup> The Resource Council consulted with experts at the Center for Science in Public Participation in developing comments on the reclamation bond amount.

land disturbed"... "plus the administrator's estimate of the additional cost to the state of bringing in personnel and equipment should the operator fail or the site be abandoned.").

A sufficient reclamation bond is particularly important here where the applicant has no history of operating mines in Wyoming (or really anywhere in the country). The applicant also lacks the demonstrated financial capacity and solvency to maintain its proposed mining operations.

Guideline 12 is just that – a guideline. It is not notice and comment rulemaking nor does it alter or amend the legal requirements provided for in the Wyoming Environmental Quality Act, SMCRA, and corresponding federal and state regulations.

# 6. Specific Objections to the Reclamation Bond

Incremental bond: The incremental bond total comes to approximately \$583 per acre which is low, even in the earliest phases of mining (\$187,318 divided by 321 acres). The mine must ensure that all acres that are proposed to be disturbed are included in the bond at all times. Disturbed areas should be included in a forward-looking manner, and should cover the life of the mine.

While early disturbances will not include mine debris and wastes, the site will still include trench mine activities and associated facilities. These operations still require reclamation and while some elements of reclamation may not be as costly/difficult to reclaim as a more developed mine site, the reclamation costs are still substantial. An important distinction between early and later costs is that early costs are accrued before the mine has started coal production/sales - meaning that the company has no direct income to pay for these expenses. Early costs are borne as the mine's negative cash flow, as compared to later years when actual production income (hopefully) meets or exceeds operational expenses. It is not unreasonable for the company to want to keep-down the costs during the pre-production/pre-profit period but that lack of profit underscores the financial condition of the company and the need to ensure that public resources are protected by a suitable bond.

Monitoring Costs Included in the Bond Calculation: The amount bonded for monitoring should be increased to reflect actual costs at the mine. Monitoring should include the costs for personnel and analysis, maintaining monitoring locations/sites/equipment, and developing new monitoring sites as appropriate. Any "additional cost to the state of bringing in personnel and equipment" should also be included.

Costs to Restore Hydrologic Conditions: The bond fails to include sufficient funds to carry out all operations needed to restore to pre-mine hydrologic conditions within the permit area — and in any offsite areas that are impacted. At a minimum, there must be a thorough analysis of aquifer recharge capacity, what engineering techniques would be used to restore the aquifer to pre-mining capacity and water quality conditions, and what timetable and costs would be involved with such reclamation. The same must be done for surface water, and all associated costs must be included in the reclamation bond.

**Miscellaneous Contingency Items:** For the following reasons, the contingency is too low.

Independent Reclamation Design. The costs for an independent design firm for final reclamation design should be included. There is no explanation given for why this important amount is not included in the bond estimate. It is reasonable for the bond to reduce this cost based on project size, but the project exists and if there are any disturbances, the cost to design a final reclamation plan should be included at the onset. If an amount is to be estimated, rather than reduce the amount by 100%, it seems appropriate to at a minimum use half, which is the amount by which the security costs were reduced from the Guideline 12 minimum. This would be \$125,000, which might still be low but at least ensures that some funds are available for this requirement.

Independent Management of Reclamation. While the bond uses Appendix R's lowest estimated amount of \$10,000 (5.5%), this amount fails any reasonableness test of fairly estimating anticipatable costs for an independent firm to manage even minimal reclamation activities.

Monitoring. The \$1,873.18 for monitoring is notably low. This is \$187/year - as a matter of analytical costs or consultant time (let alone collecting samples) is not sufficient for even one hour of billed time. Table 5 lists groundwater and surface water monitoring sites - and these (if any are to remain) and other sites should be included in the on-site monitoring program. Reclamation costs should also include these items, as per Guideline 12.

Long term administration and accounting. Guideline 12 suggests this amount should be between \$315,000-\$505,000, which can be reduced based on project size. To reduce this item to \$10,000 seems particularly unreasonable given that administration and accounting must happen each year - regardless of size. Rather than reduce the amount by 30-50 times it seems appropriate to at a minimum use half, which is the amount by which the security costs were reduced from the Guideline 12 minimum.

*Miscellaneous Contingency*. As with all numbers in the financial security calculation, the Miscellaneous Contingency (\$184,639) should be revised to reflect all changes made to other portions of the calculations (the category itself is appropriate but the amount is low).

Our recommendations for improving the bond calculations of miscellaneous contingency items to a required amount are as follows:

Recommended Miscellaneous Contingency Estimate for Year 0				
Item	Cost	Comments		
Independent Design Firm	\$125,000	Starting year 0 reflecting half of the Guideline 12 amount.		
		The mine proposed a 50% reduction from the Guideline 12 amount for Security and that reduction is adopted/proposed here for Year 0. However, this amount should be adjusted up		

		as mine activities progress in year two.		
Contractor overhead	\$25,287.94	13.5% Guideline 12 amount.		
Preconstruction investigation	\$2,809.77	1.5% Guideline 12 amount.		
Independent management	\$25,000	The mine proposed using the lowest amount		
		on the Guideline 12 sliding scale. It is		
		suggested that the minimum amount to retain		
		an independent manager could be at least		
		\$25,000, increasing as the mine's impacts		
		increase. For this reason it is recommended		
		that \$25,000 be used.		
On-site monitoring	\$1,873.18	1% Guideline 12 amount.		
Site Security	\$125,000	The mine proposed this reduction from the		
		Guideline 12 amount of \$250,000. This		
		seems reasonable for Year 0, as long as the		
		perimeter of operations is still secured and the		
		amount is increased beyond Year 0 to ensure		
	****	that it captures mine growth.		
Long term administration	\$205,000	The mine proposed a 50% reduction from the		
		Guideline 12 amount for Security and that		
		50% reduction is adopted/proposed here for		
		Year 0. This number is derived by averaging		
2		\$315,000 and \$505,000 (\$410,000) and		
		multiplying by 50%. However, this amount		
		should be increased as mine activities		
H-1	00.265.00	progress in year two.		
Unknown Costs	\$9,365.90	5% from Guideline 12		
Total	\$519,336.79			

# 7. Objections to Proposed Post-Mine Use

The Reclamation plan states that:

As discussed in Appendix Dl, lands within the permit area have been used extensively for industrial purposes primarily mining. Postmine industrial land use may include rock quarries, oil and gas exploration and coal mining. These uses are similar to premining industrial land uses.

#### RP.2.1.2.

The mine should not be allowed to leave coal in the ground under disturbed areas. The current economics of mining should not dictate that lands be repeatedly disturbed and reclaimed as this will further damage land resources in the area and further impact the hydrologic balance of aquifer systems and surface water sources. SMCRA's discouragement of "high grading' should prevent this area from being used for designating post-mine land uses as "industrial" for the purposes of future coal mining.

Additionally, the pre-mining land use was not "for industrial purposes" and according to the permit notice from DEQ, "The land, after mining, will be returned to a grazing land use." The reclamation standard and corresponding bond should conform to the post-mining land use as stated in the permit notice. An assumption of industrial use minimizes the reclamation expense to the mine operator, and limits the potential land use for future users.

### 8. Objections to the Subsidence Control Plan

Attached to these comments is a report prepared by Dr. Gennaro Marino, a Wyoming licensed professional engineer. As the report speaks for itself, we hereby incorporate all findings and analysis contained in the report into these objections.

Main conclusions of the report include:

- The mine subsidence potential investigation provided in the mine application is wholly inadequate and thus renders it impossible to perform an adequate peer review;
- There is a serious risk of surface subsidence from roof collapse in the proposed mining area; and
- Both sag and pit subsidence would be expected at the Brook Mine.

Subsidence "constitutes a public nuisance or endangers the public and safety" of local landowners. W.S. § 35-11-406(m)(vii). It also has implications for whether the "reclamation plan can accomplish reclamation as required." *Id.* at § 406(n)(ii).

# 9. Failure to Include Information on an Important MSHA Requirement

The Subsidence Control Plan references a Ground Control Plan that is approved by MSHA and is required under 30 C.F.R. § 77.1000. However, no such plan exists. We submitted a Freedom of Information Act (FOIA) request to MSHA requesting a copy of the Ground Control Plan (after learning that DEQ did not have it as part of the permit application and had no intention of reviewing it) and MSHA replied that they could not locate a responsive record. <sup>12</sup>

DEQ land quality regulations require "[a] list identifying the Mine Safety and Health Administration identification number for all mine facilities that require MSHA approval and licenses, permits or approvals needed by the applicant to conduct the proposed operation, whether and when they have been issued, the issuing authority, and the steps to be taken to comply with the requirements" as part of the permit application. Ch. 2 § 2(a)(v).

This information appears to be missing from the permit application.

<sup>&</sup>lt;sup>12</sup> A copy of MSHA's response is attached to these objections.

# Conclusion

Thank you for your time and consideration of these objections. We look forward to your scheduling of an informal conference to discuss these objections.

Sincerely,

Shannon Anderson

Staff Attorney