

NOTE: DO NOT MODIFY THIS FORM. Use typewriter or print neatly in blue ink. Submit two (2) copies one of which must be an original Form 1 as supplied by the Department of Environmental Quality, Land Quality Division.

STATE OF WYOMING  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LAND QUALITY DIVISION  
APPLICATION  
FOR  
PERMIT TO MINE  
OR  
AMENDMENT TO A PERMIT TO MINE  
OR  
COAL PERMIT RENEWAL

1. (a) Name, telephone number, and mailing address of applicant:  
Black Hills Bentonite LLC., 307-265-3740, P.O. Box 9, Mills, WY 82644

(b) If the applicant is a partnership, association or corporation, (circle one) the names and addresses of all managers, partners and executives directly responsible for operations in this State:

Name: Cynthia Klimstra Address: P.O. Box 9 Mills, WY 82644  
Title: President Phone No. 307-265-3740

Name: Todd Druse Address: P.O. Box 9 Mills, WY 82644  
Title: Vice President Phone No. 307-265-3740

Name: Tammy Keeran Address: P.O. Box 9 Mills, WY 82644  
Title: CFO Phone No. 307-265-3740

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone No. \_\_\_\_\_

2. Name, address, and telephone number of the agent or person to whom any notice under the provisions of Wyoming Environmental Quality Act or Rules and Regulations adopted thereunder may be sent: Mike Thomas, P.O. Box 9 Mills, WY 82644, 307-265-3740

3. Attach the following information as part of the specific appendices:

(a) APPENDIX "A"

Names and addresses of surface and mineral owners of record within the proposed permit (amendment) area.

(b) APPENDIX "B"

(i) Names and last known addresses of the owners of record of the surface rights of the lands immediately adjacent to the proposed permit (amendment) area.

(ii) Names and last known addresses of any other persons within one-half (1/2) mile having a valid legal estate of record.

(iii) For surface coal mining operations, the names and last known addresses of coal ownership immediately adjacent to the proposed permit (amendment) area.

NOTE: Appendices "A" and "B" shall each be accompanied by maps showing the ownership locations required by the respective appendices. Mapping of (b)(ii) is not required.

(c) APPENDIX "C"

(i) All lands to be included in the proposed permit (amendment) area shall be tabulated by legal subdivision, section, township, range, county, and municipal corporation, if any, and the number of acres for each subdivision listed.

(ii) Lands which are to be part of the proposed permit (amendment) area, for which no right to mine is claimed shall be identified in item (c)(i) above as such and tabulated separately listing the number of acres for each legal subdivision.

(iii) Lands which are located within other permit areas shall be identified and a copy of the land use agreement with the other permittee shall be attached as part of this application.

(iv) An original United State Geological Survey topographic map, clearly outlining and identifying the lands to be within the proposed permit areas, shall be provided. Photo copies or other similar copies are not acceptable unless prior approval is obtained from the Land Quality Division.

DEQ Exhibit 1

(d) APPENDIX "D"

A description of the land which shall include: historic and present land use; vegetative cover; annual rainfall; general directions and average velocities of the winds; indigenous wildlife; present surface water and the immediate drainage areas; valid water rights; nature and depth of the overburden, subsoil, topsoil; including a soils map; mineral seams, or other deposits; subsurface water(s) known to exist above the deepest projected depth of the mining operation.

(e) APPENDIX "E"

A map or maps with the boundary of the proposed permit (amendment) are clearly outlined and identified showing:

- (i) The lands to be affected by the mining;
- (ii) The drainage area within and surrounding the proposed permit (amendment) area;
- (iii) The location and names, where known, of all roads, railroads, public or private rights-of-way and easements, utility lines, lakes, streams, creeks, springs, and other surface water courses, oil wells, gas wells, and water wells;
- (iv) An outline of the probable limits of all areas previously disturbed or to be disturbed by underground or subsurface mining, whether active or inactive, on or immediately adjacent to the proposed permit (amendment) area;
- (v) The names, last known addresses and boundary lines of the present surface landowners and occupants on the adjacent land to be affected;
- (vi) The location, ownership, and uses of all buildings on, or on lands adjacent to, the land to be affected;
- (vii) Information presented as part of APPENDIX "D" when necessary for clarification.

4. Mineral(s) to be mined: Bentonite  
Mining method to be used: Surface Mining

5. Estimated dates of commencement and termination of the proposed operation:  
Start: May 2022 Terminate: May 2042

6. The total number of acres in the proposed permit (amendment) area and an estimate of the total number of acres to be affected by the operation:

Permit Acres	Approved Acreage to Affect	Surface Ownership
Original Permit _____	Original Permit _____	No. of Federal Acres <u>20.3</u>
Approved Amendments _____	Approved Amendments _____	No. of State Acres <u>296.7</u>
This Application <u>317</u>	This Application <u>140</u>	No. of Private Acres _____
Total Acres <u>317</u>	Total Acres <u>140</u>	Total Acres _____

7. The name, if any, by which the permit (amendment) lands or any part thereof are known:  
Black Hills Bentonite Kevhole State Project

8. The nearest town or city: Pine Haven, WY 82721

9. A filing fee of \$100.00 (\$200.00 for amendments) plus \$10.00 for each acre in the request permit (amendment) area. For any single permit (amendment) the maximum fee shall not exceed \$2,000.00.

10. Plan or plans of the applicant, including maps for the proposed mining operation and the reclamation of all affected lands as required by W.S. §35-11-406(b) and Chapter 2, Sec. 2 of the Land Quality Rules and Regulations.

11. Each application for coal mining operations shall also contain:
- (a) Additional information as required in Chapter 2, Section 2 of the Land Quality Division Coal Rules and Regulations;
  - (b) A certification that the applicant has a public liability insurance policy in force for the proposed mining and reclamation, as required by W.S. §35-11-406(a)(xiii) and Land Quality Division Coal Rules and Regulations Chapter 12, Section 2.;
  - (c) A listing of all notices of violations required by W.S. §35-11-406(a)(xiv).

12. The following obligations are incumbent upon the applicant upon approval of this application:
- (a) The provisions of the permit are severable, and if any provision of the permit, or the application of any provision of the permit, to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of the permit, shall not be affected thereby.
  - (b) The operator shall allow the Director, the Administrator and/or his authorized representatives, at reasonable times and upon presentation of appropriate credentials, to enter upon and have access to any and all lands covered by this permit and amendments thereto and to inspect and copy any records or documents, obtain or monitor any samples or sampling, for any activities associated with the operation and permit.
  - (c) The following shall also apply for coal mining operations:
    - (i) The operator shall conduct his operation in a manner which prevents violation of any other applicable State or Federal law.

Initial TD

Date 6 APR 21

Permit No. PT0849  
Temporary Filing No. 7/018

TFN7 1/018  
DEED MAY 10 2021

- (ii) The operator shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with his approved mining and reclamation plan and other terms and conditions of any permit or license, including monitoring to define the nature of the noncompliance and warning of any potentially dangerous condition.
- (iii) The operator shall conduct all operations in accordance with his approved mining and reclamation plan and with any special conditions of the permit or license attached thereto.
- (iv) All reclamation fees shall be paid as required by Title IV, P.L. 95-87, for coal produced under the permit for sale, transfer or use.

FINAL SWORN STATEMENT

State of Wyoming )  
 County of Natrona ) ss

I, Todd Druse being duly sworn on my oath that I am the applicant (President or Vice President if the applicant is a corporation) for the foregoing permit (amendment); that I have read the said application and fully know the contents thereof; that all statements contained in the permit (amendment) application are true and correct to my best knowledge and belief; by execution of this statement I certify that Black Hills Bentonite, applicant or entities controlled by or under common control with the applicant has the right and power by the legal estate owned to mine from the land for which this permit (amendment) is desired; that applicant or entities controlled by or under common control with the applicant has not forfeited, or is not involved in forfeiture proceedings for, a bond posted for reclamation purposes; and if a **surface coal mining application**, that applicant or entities controlled by or under common control with the applicant has paid the reclamation fees for this and all coal mining operations under the jurisdiction of P.L. 95-87 as required by Title IV of that law; and that applicant or entities controlled by or under common control with the applicant has not had any Federal or State coal mining permits suspended or revoked in the five years preceding the date of this application.

Dated this 6 day of APRIL, 2021.

Signature [Signature]  
 Name Todd Druse  
 (Printed or typed)  
 Title VICE PRESIDENT

(Corporate Seal)

The foregoing instrument was acknowledged before me by Todd Druse this 6<sup>th</sup> day of April, 2021.

Witness my hand and official seal.

[Signature]  
 (Notary Public or Secretary if a Corporation)

(Notary Seal)



TAMELA L. KEERAN  
 (Name printed or typed)

My Commission Expires: July 30, 2021

Initial TD

Date 6 APR 21

Permit No. PT0849  
 Temporary Filing No. 7/018

TFN7 1/018  
 RECD MAY 10, 2021


This is to certify that I have examined the foregoing application and do hereby grant the same subject to the following limitations and conditions:

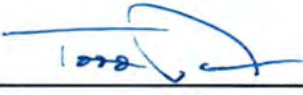
This permit/coal renewal/amendment grants only the right to affect the land described in Appendix "C" of the application.

Acceptance of the approved permit/coal renewal/amendment obligates the operator to abide by the standard conditions specified in Item No. 12. of this application form. Any condition and/or special condition attached to approval of this permit/coal renewal/amendment shall supersede and/or replace any conflicts with the original permit, amendments, coal renewals or any other revision.

Additional special conditions and limitations are as follows:

Reference the decision document dated September 12, 2022

Approved:   
Administrator  
Land Quality Division  
Department of Environmental Quality

Approved:   
Director  
Department of Environmental Quality

Effective Date: September 12, 2022

Initial TD

Date 6 APR 21

Permit No. PT0849  
Temporary Filing No. 7/018

C TFN7 1/018  
REC'D MAY 10 2022