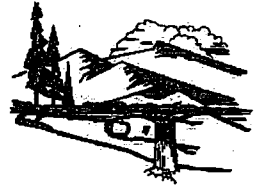




Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matt Mead, Governor

John Corra, Director

April 17, 2012

Brian Good
Good Mining Co. LLC
3796 Lane 32 1/2
Greybull, WY 82426

LQD

APR 18 2012

RE: Annual Report for Small Mining Permit No. 624s

RECEIVED

Dear Mr. Good:

Your Annual Report for Small Mining Permit No. 624s is due on or before June 27, 2012. The time period covered by your Annual Report is the 12 month period ending no more than 60 days prior to this year's due date. Please specify the exact dates covered by your report. This report is required by W.S. 35-11-411 of the Wyoming Environmental Quality Act.

In order to assist you in completing your report, we are enclosing a copy of our Required Annual Report Information for Small Operations. Please fill out the form completely, answering all questions. The form is also available on the LQD web site: <http://deq.state.wy.us/lqd.htm>

Please send us two copies of the annual report -- including any maps -- so we can send one to Cheyenne. If any federal surface or mineral ownership is included within the permit area, one copy of the Annual Report should also be sent to the appropriate Bureau of Land Management Field Office for your area.

After receipt of your report, we will contact you in order to arrange an inspection as required by W. S. 35-11-411(c). Our inspection report will be attached to your annual report and a copy made available to you.

If you should have any questions regarding this report, please contact this office.

Sincerely,

Mark Moxley
District II Supervisor, Land Quality Division

MM:lb
Encl: Annual Report for Small Mining Permits



Do not make corrections to this form after printing. Forms bearing strikeouts, ink changes, etc will not be accepted.

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WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
LAND QUALITY DIVISION

LQD

REQUIRED ANNUAL REPORT INFORMATION
FOR SMALL MINING PERMITS

JUL 19 2012

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1. Name of Permittee: Brian Good
Mailing Address: 3796 Lane 32 1/2 ; Greybull WY, 82426
Telephone Number: 307 765 9245 Fax Number: 307 765 2874
2. Permit Number: 624(s)
Permit Issue Date: August 17, 2010
Total Permit Area (acres): ~~400~~ 235 ac (BRW)
Name of Surface Owner: Brian and Danae Good
3. Location of the mining operation: Section 1 & 2, T. 53 N., R. 93 W.,
in BigHorn County
4. Time period covered by this report: From May 12, 2011 through April 24, 2012.
(The reporting period begins on the month and day of permit issuance in the year reported.
The end date of the reporting period is twelve months after the anniversary date.)
5. The volume of **topsoil** which has been stockpiled during the time period in No. 4 above
is -10,170 yards. The total volume of **topsoil** which has been stockpiled since mining
began (including volume stockpiled during the time period covered by this report)
is 41,316 yards.
6. The volume of **overburden** which has been stockpiled, for use in reclamation, during the
time period in No. 4 above is -212,536 yards. The total volume of **overburden** which
has been stockpiled, for use in reclamation, since mining began (including volume
stockpiled during the time period covered by this report) is 612,316 yards.
7. The quantity of **mineral or material** which was mined during the time period in No. 4
above is 219,310 tons. The total quantity of **mineral or material** that has been mined,
since mining began (including quantity mined during the time period covered by this report)
is 404,923
_tons.
8. The number of acres newly disturbed during the time period in No. 4 above is 7.66
_. The total number of acres (including acres disturbed during the time period covered by
this report) disturbed since mining began is 56.28.
9. The number of acres of disturbed land that were backfilled or graded and contoured during
the time period in No. 4 above is 7.88 .
10. The number of acres of disturbed land that had topsoil applied during the time period in No.
4 above is 26.0 .

11. On those lands topsoiled (No. 11 above), the average thickness of the topsoil that has been applied is 23 inches.

12. The number of acres that were seeded during the time period in No. 4 above is 14.

13. On those lands seeded (No. 13 above), please state

a. the date(s) of seeding was 2011 ;

b. the plant species that were seeded were Crested Wheat Grass ;

c. the rate the seed was applied was (pounds/acre) 22 ;

d. the seed was applied by the following method(s) Broadcast ;

e. the type of fertilizer applied was n/a ;

f. the rate the fertilizer was applied was (pounds/acre) n/a ;

g. the fertilizer was applied by the following method n/a ;

h. the type of mulch applied was n/a ;

f. the rate the mulch was applied was (pounds/acre) n/a ;

g. the mulch was applied by the following method n/a

14. The total number of acres reclaimed (graded, topsoiled and seeded) since mining began (including the acres reclaimed during the time period covered by this report) is 21.87.

15. Describe any facilities (e.g., roads, ponds, buildings, ditches, disposal sites, etc.) constructed during the report period.

Temporary road relocation Pits 12,13,14 road now is back to original alignment

16. Describe water usage and/or water discharge, including quantities. The DEQ-Water Quality Division NPDES Permit Number, if applicable, is _____.

None

17. Describe the mining and reclamation activities planned for the next reporting period.

Continuing Mining Blocks 16-31 backfilling earlier mined areas. Grading will be continous and topsoil will be applied after product stockpiles are removed or moved and final contouring. Seeding will occur during the appropriate seasons following final contouring and topsoil replacement.

18. The number of acres that are planned to be newly affected by mining activities in the next reporting period are 10.

19. The number of acres that are planned be graded and contoured in the next reporting period are 10.

20. The number of acres that are planned to be topsoiled and seeded in the next reporting period are 8.

21. Please attach a map or maps clearly showing the following information:

a. Permit area boundary

b. Title block that includes the

1. Name and Address of Permittee (see No. 1 above)

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2. Annual Report Time Period (see No. 4 above)
3. Permit Number (see No. 2 above)
4. Location of mine by section, township, and range (see No. 3 above)
- c. North Arrow, scale, contour interval, date
- d. Legend showing and identifying all map symbols
- e. Location and area of the newly disturbed lands (see No. 8 above)
- f. Location and area of all disturbed lands since mining began (see No. 8 above)
- g. Location and area of lands which were graded and contoured (see No. 10 above) during the report period
- h. Location and area of lands that were topsoiled (see No. 11 above) during the report period
- i. Location and area of lands that were seeded (see No. 13 above) during the report period
- j. Location and area of all reclaimed lands (see No. 15 above) with the year in which each area was reclaimed (seeded) indicated for each area.
- k. Location of newly constructed facilities (see No. 16 above)

Please submit maps in duplicate for state or private land and in triplicate for federal land. An enlargement of a portion of a USGS 7.5 minute topographic map with a scale of 1 inch equals 200 to 400 feet is preferred. If another type of map is used, section corners and section lines must be included on the map.

22. Please attach an itemized cost estimate for reclamation of the permit as required by W.S. §35-11-417(c)(ii). The cost estimate should be itemized to reflect the costs of reclaiming all affected lands, including buildings and roads, and those lands to be newly affected during the next report period. All affected lands require bonding until bond release is approved by the LQD.
23. Please use additional sheets as necessary. Return the completed report to:

Land Quality Division
(122 W. 25th St., Herschler Bldg., 3W, Cheyenne, WY 82002)

REPORT PREPARED BY

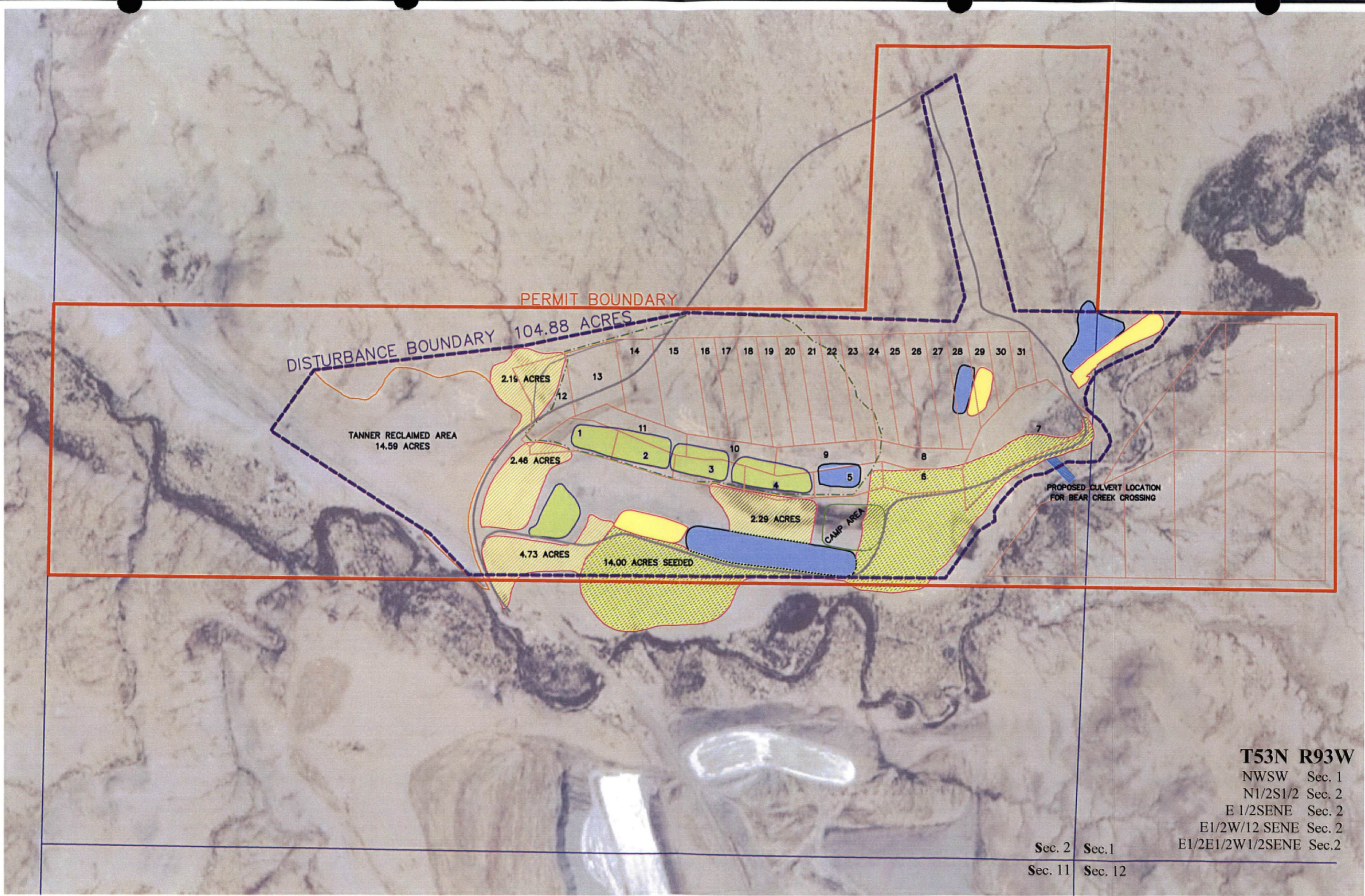


Signature

Date: July 9, 2012

Name and Title (printed or typed): Brian Good, Owner

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LEGEND:

CURRENT MINING AREA	MINE ROAD	TS PILE	SEEDED AREA
MINE BLOCKS	TS SPREAD	SUB SOIL PILE	
DISTURBANCE BOUNDARY	MINERAL STOCKPILE		
PERMIT BOUNDARY			

FIELD SURVEY CONDITIONS AS OF 06/22/2012

BLOCKS 1-14: BACKFILLED
 BLOCKS 10-15: CURRENTLY BEING BACKFILLED
 BLOCK 16: TOP SOIL OFF & PRESENTLY STRIPPING
 BLOCKS 17-31: NEXT TO MINE

T53N R93W
 NWSW Sec. 1
 N1/2S1/2 Sec. 2
 E 1/2SENE Sec. 2
 E1/2W/12 SENE Sec. 2
 E1/2E1/2W1/2SENE Sec. 2

Sec. 2 Sec. 1
 Sec. 11 Sec. 12

Environmental & Civil Solutions, LLC
 1658 S. Sheridan Ave.
 Sheridan, WY 82801
 Phone: 307-675-1919

PREPARED FOR:
GOOD MINING COMPANY, LLC
BRIAN J. & DANAE G. GOOD
 3796 LANE 32-1/2
 GREYBULL, WY 82426

BRIAN GOOD PERMIT #624(S)
 Annual Report May 12, 2011 - April 24, 2012
 BIG HORN COUNTY, WYOMING
 Township 53N, Range 93W

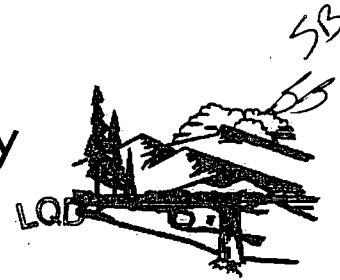
Date Drawn: 06.26.12
 Scale: 1"=500'
 File Name: 100022_BEAR_CREEK_MAP
 Project No. 100022

DATE	BY	DESCRIPTION
02.14.12	ALM	NEW MAP PER EWS
07.25.12	ALM	FIELD SURVEY ON 07/25/2012
06.26.12	ALM	NEW MAP PER SITE SURVEY



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Matt Mead, Governor

JUL 30 2012 John Corra, Director

June 27, 2012

RECEIVED

Mr. Brian Good
3796 Lane 32½
Greybull, WY, 82426

RE: Permit 624(s) – 2011/2012 Annual Report

Dear Mr. Good,

I have reviewed your 2011/2012 Annual Report received on July 17, 201 and have the following comments:

1. Item #2, the permit area encompasses 235 acres, not 400 acres as identified. I will make the hand correction to the report.
2. Item #13b requests the operator to state the species planted to which the response was *Crested Wheatgrass*. The seed mix agreed upon had several other species that included Gardner Saltbush, Bottlebrush, Russian Wildrye, and several others. Please clarify if only Crested Wheatgrass planted and if not, identify the complete seed mix utilized.
3. The Annual Report Map illustrates several "potential" (un-numbered) mine blocks on the east side of Bear Creek along with a proposed culvert location. The Annual Report is not a permitting mechanism and these potential activities are not part of the approved plan. Before any of this activity can take place a Mine Plan revision must be submitted and approved. Second, at the present, WyDEQ/LQD Permit 624 is classified as a Small Mine. The limitations on being eligible for a Small Mine are that disturbance is held to 10 acres or less annually and/or removal of less than 10,000 cubic yards of overburden. I admit to have taken a relaxed approach in applying these standards to Permit 624 as a considerable portion of activity to date has occurred on lands previously disturbed by Mr. Tanner's mining activity. However, these same conditions to not exist on the east side of Bear Creek. If your intent is to mine on the east of the Creek, in addition to filing a Mine Plan revision, I will require that WyDEQ/LQD Permit 624 be converted from a Small Mine to a Large Mine. Before embarking on this permitting exercise, I suggest that you contact Mark Moxley or me to find out all that is involved in the process.
4. No Reclamation Performance Bond estimate was included with the Annual Report. A bond estimate was generated based on the information provided:

Backfill: 106,000 yd³ @ \$0.58/ yd³ = \$61,480.00
 Regrade: 15.6 ac @ \$79.80/ac = \$1,245.00
 Topsoil/Subsoil Replacement: 44,000 yd³ @ \$1.05/ yd³ = \$46,200.00
 Seed: 25 ac @ \$300.00/ac = \$7,500.00
 Retainer: 19 ac @ \$300.00/ac = \$5,700.00



Subtotal = \$122,125.00
Contingency Fee = \$25,646.00
Total Rounded Bond Estimate = \$148,000.00
Total Existing Bond = \$138,000.00
Surplus / Deficit (-\$10,000.00)

If a response to this letter is not received within the 30 days of the date of this letter, a Director's letter will be sent out establishing the bond amount at \$148,000.00 and you will be given 45 days to submit the increase. There is also the need to schedule the Annual Inspection of the Permit Area; I will be contacting you in the near future to set a date that will work for all parties. Should you have any questions, please do not hesitate to contact me.

Respectfully,



Brian R. Wood
District II Hydrologist

Cc WyDEQ/LQD - Cheyenne, Permit 624(s) Correspondence File
Mark Moxley > WyDEQ/LQD - Lander, Permit 624(s) Correspondence File
Emerson Scott, ECS, 1658 Sheridan Ave., Sheridan, WY, 82801
Brian Wood, Chron



Department of Environmental Quality

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Matt Mead,
Governor

John Corra,
Director

October 10, 2012

Mr. Brian Good
3796 Lane 32½
Greybull, WY 82426

10-5-12 KP

LQD

OCT 15 2012

RE: Permit 624(s), Fall Semi-Annual Inspection

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Dear Mr. Good:

Enclosed please find my Report for the inspection that was conducted on October 2, 2012.

Please review the contents of the enclosed report carefully and if you have any questions about its contents or if you find something in error, please contact me.

Sincerely,

Brian R. Wood
District II Hydrologist

w/ enclosures – Fall 2012 Inspection Report

cc **WyDEQ/LQD Cheyenne Office – Permit 624(s) Inspection File**
Mark Moxley > WyDEQ/LQD Lander Office Permit 624(s) Inspection File
Emerson Scott, ECS, LLC., 371 Coffeen Ave., Sheridan, WY, 82801
Brian Wood, Chron File

**Wyoming Dept of Environmental Quality – Land Quality Division
Draft Inspection Report – October 2012**

Operation: Good Mining Company (Brian Good), Lower Bear Creek, Permit 624(s)

Prepared by: Brian R. Wood, WyDEQ/LQD District II Hydrologist

Inspection Date: October 2, 2012 **Report Date:** October 10, 2012

Participants: Brian Wood, WyDEQ/LQD District II
Brian (Pab) Good, Good Mining Company
Emerson Scott, ESC, LLC
Mark Anderson, L.D. Anderson, Inc.

LQD
OCT 15 2012
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GENERAL

Brian Good is the permittee, but all onsite operations are being conducted by L.D. Anderson, Inc. (Anderson) of Shell, WY under License 624-L4. The Annual Report due date is June 27, 2012 and the Annual Report was received on July 17, 2012. No bond estimate was provided with the Annual Report. After review of the 2011 – 2012 Annual Report, the WyDEQ/LQD estimated a Reclamation Performance Bond in the amount of \$148,000.00, a \$10,000.00 increase over the existing bond. Details concerning how the bond estimate was calculated were provided to Emerson Scott on September 12, 2012 via e-mail. Based on the conditions observed at the site, the estimate appears to be reasonable. A WyDEQ Director's letter regarding the bond increase will follow this report shortly.

INSPECTION

ESC surveyed the disturbance in June 2012 and has placed stakes that denote the Permit Area Boundary and Disturbance Boundary as shown on the revised approved Mine Plan Map. Mine operations are in place to selectively handle material and as a result a significant amount of subsoil / suitable material has been and continues to be salvaged. With an abundance of suitable material available, Anderson and Mr. Good have been able to reclaim substantial portion of the prelaw spoil.

Over the report period approximately 26 acres were topsoiled and of that 14 acres were seeded. A portion of the seeded area was walked and aside from Halogeton and Russian Thistle little vegetation was observed. The only permanent vegetation species noted was Gardner Saltbush, but its presence was sporadic.

At the time of the inspection, Anderson was uncovering bentonite in the vicinity of Cut 18 (AR Map) with a Cat D10 dozer (see **Photo 1**). A single Cat 657 scraper was working ahead of the dozer salvaging topsoil. Cuts 8 and 9 were not entirely backfilled, rather a small area adjacent to the highwall was left open to facilitate mining of the final series of cuts (15 – 27). This void has been bridged to allow access to a topsoil stockpile located in the vicinity of Cuts 5 and 9, as shown on the Annual Report (AR) map (see **Photo 2**).

OCT 15 2012

Near the southeastern border of the Anderson's disturbance is a subsoil pile that has been partially regraded (see **Photo 3**). Anderson indicated that the pile may or may not stay dependent on the need for the material in reclamation. Prior to Anderson beginning mining operations, there was a slight hill in this location, such that there would be little change pre and post mine topography. At the present Anderson has blocked off all of the drainages from the north. The drainages will be reconnected to the reclaimed drainage system that will convey runoff to the pond which is located near the southeast corner of the existing disturbance, west of Bear Creek. Anderson explained that many of the reclaimed drainages may not be cut in until after an area was completely backfilled.

The only issue noted was a reconstructed drainage west of the haulroad that bisects the permit area. Although the contributing drainage area is small, the steep gradient at the bottom of the reclaimed drainage has the potential for headcut development. It was suggested that either the bottom reach of the drainage be armored or the channel alignment be altered slightly to decrease the slope. There was some discussion about mining the area just north of Ken Tanner's disturbance in an effort to salvage suitable material, cover an area previously reclaimed by Tanner, and improve the revegetation success potential. Based on Anderson's findings when the pit was opened east of the haulroad, it is anticipated that there will be a substantial volume of topsoil and subsoil buried that can be salvaged to improve revegetation success potential of the Tanner reclamation.

No issues were noted with material separation or sediment control from disturbed areas.

PERMITTING DISCUSSION

The AR map suggested that preliminary plans had been developed to mine on the east side of Bear Creek. **Photo 4** provides a general view of this area. To access the area a stream crossing would need to be constructed. The potential crossing location discussed in the field appears to have varied slightly (moving upstream) from the location shown on the AR Map. For purposes of a Mine Plan Revision, the exact location of the crossing must be illustrated on the revised Mine Plan map. For design purposes, I expect the crossing to have the same or greater capacity as the haulroad crossing downstream near the "Y".

Bear Creek is tributary to the Bighorn River, which I assume is considered a navigable waterway. Guidance put out by the US EPA and US Army Corps of Engineers (ACOE) regarding the Rapanos Decision indicates "the agencies will assert jurisdiction over non-navigable tributaries of traditional navigable waters that are relatively permanent where the tributaries typically flow year-round or have continuous flow at least seasonally (e.g., typically three months)." Bear Creek appears to meet these criteria though I am not certain whether the ACOE would or would not assert jurisdiction in this case. Thus, before the crossing is built a determination of jurisdiction must be sought from and rendered by the ACOE, alternately, file for coverage under a Section 404, Nationwide 14 permit.

I have compared the AR Map to the Approved Mine Plan Map and the Disturbance Area Boundary and the area slated for mining is not identical. The Annual Report Map shows slightly more disturbance area (approximately 4 ¼ acres) and commensurately more area slated for mining (see attached map). The AR is not a permitting mechanism and if the intent is to mine the area west of Bear Creek as shown on the AR map, then a Mine Plan revision must be submitted and approved.

During the inspection there was discussion of mining west of the haulroad that bisects the permit area. The intent is secure a sufficient volume of suitable cover material to provide adequate cover for the area previously disturbed and reclaimed by Ken Tanner that has had limited revegetation success. I have no issue with proposals to mine east of Bear Creek or west of the haulroad, however, as suggested in the AR review these efforts go far beyond the original scope of this mining endeavor. A considerable amount of latitude has been given to date regarding this operation and the associated permitting. For the last two report periods well over 10,000 cubic yards of overburden has been moved, which was the maximum allowable under a Small Mine Permit.

For this reason if the choice is to mine the east side of Bear Creek and/or west of the haulroad, I will require the permit be converted from a small mine to a large mine in addition to a revised Mine Plan. I would also like to have a few pictures of the vegetative conditions that exist at each of the potential mine areas. At the time of the conversion we can easily modify the disturbance boundary and its areal extent.

SUMMARY

The site was observed to be in good condition. The only issue I had with the site concerns a small drainage that was constructed just west of the haulroad. Problems discussed above with channel gradient will either need to be addressed or will become a moot point if the decision is to mine west of the haulroad. Unfortunately given the general absence of precipitation in the Bighorn Basin this year there was limited revegetation success, in addition to the oats, which were intended to be a cover crop, the only species observed growing was the occasional Gardner Saltbush. It is possible that nothing else germinated due to the absence of moisture, thus, it is possible that a viable seed source still exists. The 2011 seeded area will be inspected again next Spring to see if there is any improvement in the revegetation.

LAD

OCT 15 2012

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Photo 1 (top) looks generally west showing a D10 dozer moving overburden near Cut 18 as shown on the AR Map. **Photo 2 (bottom)** looks southwest and shows where the mined out pit void has been bridged to allow scrapers access to a topsoil stockpile opposite the parked scraper in the photo. The topsoil salvage area is located in upper photo right.



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DEQ 4 - 012



Photo 3 (top) looks south-southwest and shows a regraded hill of suitable material. The hill may or may not stay as a feature on the reclaimed landscape; its fate will be dependent on cover material needs. The foreground shows the vegetation present in the 2011 seeding, which is dominated by Russian Thistle and Halogeton. **Photo 4 (bottom)** looks east and shows the vegetative condition of a portion of the potential mine area located east of Bear Creek.



OCT 15 2012

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