



*Colony, Wyoming Plant*  
*554 US Hwy 212,*  
*Belle Fourche, SD 57717*  
*Phone (307)-896-2596*  
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May 24, 2018

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

2U Ranch, LLC  
426 Lonesome Country Road  
Alzada, Montana 59311

**RE: BENTONITE PERFORMANCE MINERALS, LLC SURFACE OWNER  
CONSENT**

Dear Surface Landowner:

As you are aware, Bentonite Performance Minerals, LLC (BPM) is the leasehold owner of bentonite underlying certain surface lands owned by 2U Ranch, LLC. BPM is in the process of finalizing the expansion of its existing bentonite mining operations to include these leased lands, and operations associated with this expansion will be conducted on surface lands owned by 2U Ranch, LLC.

The purpose of this letter is to (1) confirm the receipt by you of the revised mining and reclamation plans, (2) request your consideration and ultimate consent to the proposed mining and reclamation plans and (3) inform you that if 2U Ranch, LLC is unwilling to give consent, BPM would be required to proceed with completing the mine permitting process as prescribed by the Wyoming Environmental Quality Act.

Enclosed for your review is the complete mining and reclamation plans as submitted to the Wyoming Department of Environmental Quality. The mining and reclamation plans illustrate the full proposed surface use, including proposed routes of ingress and egress, temporary roads, and all areas of associated disturbance, overburden, water, powerlines, and culverts. The mining and reclamation plans detail the proposed mining plan, including the mining operation, mining progression and time schedule, as well as the anticipated life of the mine.

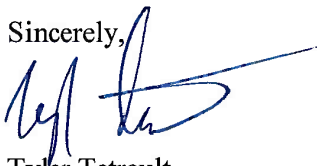
Please note that the enclosed mining and reclamation plans are identical to those plans previously provided by BPM to 2U Ranch, LLC on September 22, 2017, with the exception of an additional leasehold access point, as detailed in the mine plan, that will result in a temporary surface disturbance. Beginning in January 2015, BPM has discussed these mining and

**BPM 71**


reclamation plans in great detail with 2U Ranch, LLC, and BPM has sought to address any concerns raised by 2U Ranch, LLC in the final plans of development and reclamation.

Please review the enclosed mining and reclamation plans. BPM places great value on establishing and maintaining positive and productive working relationships with the surface owners affected by its mining operations and encourages you to contact BPM with any questions or concerns regarding the mining and reclamation plans. BPM is committed to minimizing surface disruptions to 2U Ranch, LLC and will work with you, to the extent possible, to address any concerns you may have regarding the proposed development.

Please inform BPM of your consent at your earliest convenience by executing and returning the enclosed Form 8. Should you be unwilling to provide consent, BPM will be forced to petition the Wyoming Environmental Quality Council for an order in lieu of consent.

Sincerely,  
  
 Tyler Tetrault  
 Mineral Resource Coordinator

ENCLOSURES: Form 8  
 Mine Plans  
 Reclamation Plan

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
1. Article Addressed to: 2 V Ranch, LLC 426 Lonesome Country Rd. Alzada, MT 59311	B. Received by (Printed Name) RONALD ERICSON	C. Date of Delivery 5-25-18
2. Article Number (Transfer from service label)	D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No	
PS Form 3811, July 2013	3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
7015 0640 0006 7335 5578		
Domestic Return Receipt		

**Section 2.10.58 WY State Lease 42804 (WSL04) Amendment Area Mine Plan**

The claim that is included in the WY State Lease 04 Amendment area is as follows:

<b>Amendment Areas</b>	<b>Legal</b>	<b>Total Acres</b>
<b>Wyoming State Lease 42804</b>	SE4SW4, SW4SE4 Section 30 T57N R62W	80
	NE4, E2NW4, SW4, NW4SE4 Section 31T57N R62W	440
	W2NW4 Section 32 T57N R62W	80
		<b>600</b>

**Section 2.10.58.1 Outstanding Permit Conditions and General Information**

The WY State Lease 42804 surface is owned by 2U Ranch, LLC. An illustration of the mine plan for the claim is presented in Map 2.10.58-1. Mining is expected to start on the proposed portion of the WY State Lease 42804 amendment in 2020. The area has been surveyed/cleared baseline soils, wildlife and vegetation in accordance with WY-DEQ regulations.

*WY State Lease 42804 Mining Description*

The majority of the ore on the WSL04 claim lies in a single deposit, with only a couple small deposits out-laying. There will be four pit series on the WSL04 claim, labeled on the Mine Map as S4-A through S4-D. Most of the soil associated with mining in the WSL04 claim will be live-spread, however there may be situations which require soil to be stockpiled for later application. It is expected that four out-of-pit permanent overburden piles will be constructed in relation to mining the WSL04 claim.

The ore is a continuation of the same deposit that is in the adjacent Jolley Edsall 14 (JE 14) claim (Change #31 to permit 267C). Pit Series S4-A is the southernmost series and is a continuation of mining from the Jolley Edsall claim. Mining will progress from the east (coming from JE 14) to the west. One permanent overburden pile will be placed near the central portion of the series on the southern edge, the overburden pile will be contoured into an existing hill to flow with the existing landscape. In addition salvaged soil will be placed near the south-central disturbance edge as well. This pit series will end when it meets the western claim border. Pit Series S4-A is bordered on the north by Pit Series S4-B.

Pit Series S4-B begins in the northwestern corner of the southwestern portion of the claim (refer to Mine Map for illustration). The mining will progress initially to the southeast for a short time before turning and progressing north for a large portion of the series, eventually turning to the east and wrapping around in a horse-shoe pattern and moving to the west in the central portion of the permit area. Soil will be placed in multiple locations

along the mining as illustrated on the mine map. One out of pit overburden pile will be constructed near the end of this series, also the beginning of Pit Series S4-C.

Pit Series S4-C will begin just west of the end point of pit Series S4-B in the north-central portion of the claim. It is a relatively short pit series. One permanent out of pit overburden pile will be constructed in relation to mining this pit series, on the southern edge of mining near the center of the series. Soil for this series will be placed in along the northeast edge.

Pit series S4-D is located in the southeast portion of the claim north of JE14. It is very small, consisting of only a couple pit cuts. Soil for these pits will be salvage and stored west of the mining and reapplied once mining has concluded.

The soil (0-54" based on Soil Report) will be live-spread on previous pits within that series or stockpiled for future use, depending on the area and pit progression. The permittee will adjust the "general backfilling and handling of overburden in the 'tiered' system" manner as discussed in Section 2.5.3 in order to ensure that the most suitable overburden material lies next to the topsoil. Pits will be backfilled, contoured, topsoiled and seeded per information provided in Section 2.11.3.3 (Reclamation Section).

The mining camp will remain on the disturbance from previous mining where soil has already been salvaged. Sumps will be constructed so potential petroleum spills in this area will be directed to the sumps thereby protecting area surface water. This is consistent with directives written into the permittee's SPCC plan. Any petroleum contaminated soil (PCS) in the area will be removed, hauled and placed in the permittee's permitted PCS treatment site located at the Colony Plant site. The quantity of soil removed will be documented in the permittee's Annual Report.

#### **Section 2.10.58.2 Life of Mining Operations**

The permittee expects that the mining operations associated with the WY State Lease 42804 Amendment will extend through 2040.

#### **Section 2.10.58.3 Mining Operation and Progressions**

Under the provision outlined in Section 2.10.6, the permittee will be submitting proposed mining disturbance in its 2019 Annual Report.

#### **Section 2.10.58.4 Mine Progression Time Schedule**

Under the provisions outlined in Section 2.10.7, the Permittee has presented the previous narration and accompanying illustration (Mine Plan Map 2.10.58-1) to describe the progression. The permittee also commits to those timing requirements listed in section 2.11.3.3 of Permit 267C. The Mining Map is labeled as Map 2.10.58-1. The majority of soil salvaged during the mining process will be live-spread on the previous mining. Some soil from the mining in the S4 pit series may have soil piled adjacent to the mining.

Some roads built in the area will be temporary and where possible be constructed on backfill where soil has already been salvaged, with the exception of landowner requested permanent road(s) which will remain in place once mining is completed.

#### **Section 2.10.58.5 Mining Hydrology**

The WY State Lease 42804 amendment covers 600 acres on rolling to hilly terrain with most of the disturbance occurring in the flat open areas located amongst the steeper terrain. The Belle Fourche River is located 0.6 miles to the east, 1.35 miles to the north and 1.6 miles to the northeast since it forms an inverted U-shaped meandering corridor near the permit area. Green Mountain is located in the northwest quarter of the amendment area where the elevation rises to 3,754 feet at the summit. The lowest elevation on the site is 3,585 feet at the southern edge of the site.

Refer to section 2.6.3 regarding general practices regarding drainages within the mining area. One unnamed drainage will be affected by mining in the amendment area. Approximately 1000 yards of this drainage which course through the center of the amendment area from east to west will be affected; the largest pond in the claim spills into this drainage.

In addition the small southern most pond in the amendment area will be mined through and replaced with improvements, including steeper slopes and greater depth.

All pre-mine surface water on the amendment area underwent quarterly baseline water sampling for a year. Results from this sampling can be found in section 2.6.5.24.

General BMP's utilized, concerning discharge, are listed in the Bentonite Performance Minerals' Wyoming General Storm Water Permit for Mining Operations Authorization and are listed in Section 2.10.11-1 of Permit 267C.

In addition, due to the revised Wyoming General Storm Water Permit for Mining Operations Authorization, Bentonite Performance Minerals will be allowed to discharge to "waters of the state" however will be required to monitor discharged water for Total Suspended Solids.

There are surface and ground water right claims within the eight surrounding sections, these water rights are presented in section 2.6.5.24. Bentonite mining takes place at a shallow depth and since groundwater is deep in the area bentonite mining is not expected to affect groundwater.

#### **Section 2.10.58.6 Haul, Access, and Light-Use Roads**

Under the provisions outlined in Section 2.10.17 (Volume 13, page 2.10-11), the permittee is required to submit the road types to be constructed in the WY State Lease 42804 Amendment permit application. Roads left as permanent features in the WY State

Lease 42804 Amendment area will be upon landowner request. Road construction will be on surface where soil has been salvaged.

#### **Section 2.10.58.7 Topsoil and Subsoil Salvage**

The information and commitments in Sections 2.10.8 through 2.10.16 remain current for the WY State Lease 42804 Amendment Area. Disturbance of ten soil communities will take place with an estimated 177 acres of disturbance within the 600 acre project area. Refer to pages 2.7.3.45-10 & 11 or the Soils Map 2.7.3.45-1 for a table listing all projected soil types, affected acreage and salvage depths for the amendment area.

The soil (0-54" based on Soil Report 2.7.3.45) will be live-spread on previous pits within that series or stockpiled for future use, depending on the area and pit progression. The Subsoil will be salvaged and stored separately.

#### **Section 2.10.58.8 Mining Commitments**

The information and commitments in Section 2.10.9 through 2.10.23 remain current for the WSL04 Amendment area.

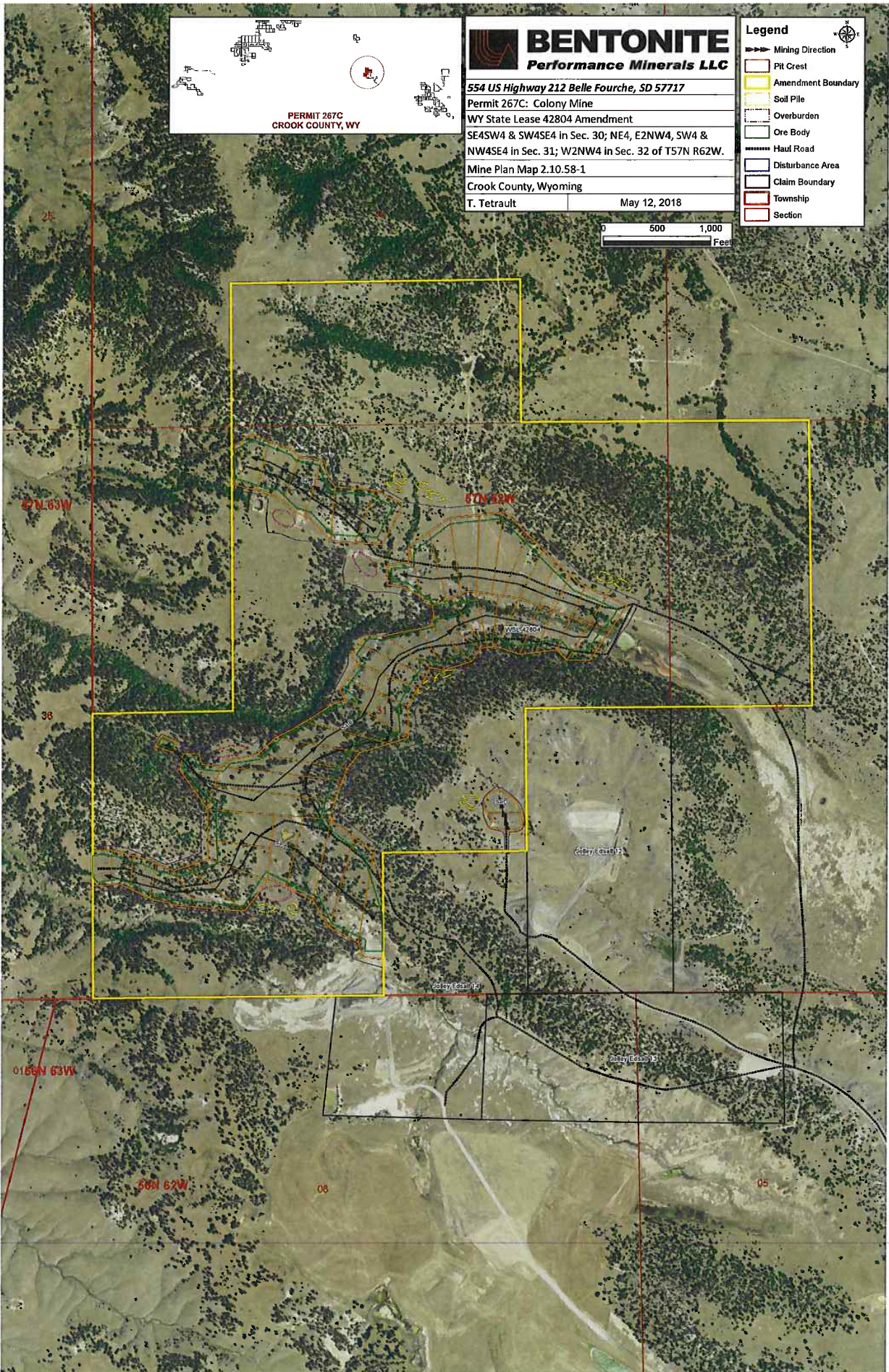
#### **Section 2.10.58.9 Power Transmission and Communication Lines**

There are no transmission or communication lines running through the WSL04.

#### **Section 2.10.58.10 Mitigation**

Habitat for the northern long-eared bat is present, however in a telephone consultation with WG&F it was decided that mitigation was not necessary for this case where no White Nose Syndrome has been recorded. The proposed mining will have "no effect" on the northern long-eared bat.

Due to the documentation of ground nesting passerines and waterfowl initial ground disturbing activities will occur outside the nesting and early brood rearing time frame of migratory birds (May 1 - July 15) to avoid direct mortality or nest destruction. (Refer to page 2.9.3.45-25 thru 27).



**Section 2.11.41 Wyoming State Lease 42804 (WSL04) Amendment Reclamation Plan**

The area that is included in the Wyoming State Lease 42804 Amendment area is as follows:

<b>Amendment Areas</b>	<b>Legal</b>	<b>Total Acres</b>
<b>Wyoming State Lease 42804</b>	SE4SW4, SW4SE4 Section 30 T57N R62W	80
	NE4, E2NW4, SW4, NW4SE4 Section 31 T57N R62W	440
	W2NW4 Section 32 T57N R62W	80
		<b>600</b>

The WSL04 surface is owned by 2U Ranch, LLC. The area has been surveyed/cleared for baseline soils, wildlife and vegetation in accordance with WY-DEQ regulations.

**Section 2.11.41-1 General Reclamation Standards & Practices**

The information and commitments in Permit 267C Sections 2.11.1 through 2.11.8.1 remain current for the reclamation operations performed on the Amendment area. Reclamation progress will follow that listed in Section 2.11.3.3. In regards to post-mining slope, topography and through drainage, reclamation on the WSL04 Amendment will not deviate from the standards listed in Section 2.11.4.

**Section 2.11.41-2 Permanent Out-of-Pit Overburden**

As stated in section 2.11.3.2 of Permit 267C when the permittee creates permanent overburden stockpiles, the reclamation will achieve the performance standards of LQD Non Coal Rules and Regulations including:

- Overburden placement will not occur on native slopes that exceed 20 degrees (approximately 33% or 3:1 slopes)
- Stabilizing the overburden slopes by grading and contouring them to blend with adjacent native and reclaimed lands
- Covering the stabilized overburden with subsoil and topsoil.
- Seeding the topsoil with an approved permanent seed mix.
- Overburden placement will not block ephemeral, intermittent or perennial drainage channels
- Overburden which is placed on pre-Act affected lands will be subject to the other reclamation practices in the reclamation section of the permit.



Specifically regarding the WSL04 Amendment four out of pit overburden piles will be constructed in relation to mining on the WSL04 claim. One (possibly two) will be in relation to Pit series S4-A, one will be in relation to Pit series S4-B and one for S4-C. These post mine features are illustrated on the reclamation map 2.11.41-1. The out of pit overburden will have topsoil, subsoil, or third lift spread over it, or parts of it in a “candy-striping” or “patch-work” pattern, it will then be seeded. This practice is consistent with mining progression Schedule A and Schedule C illustrated in Section 2.10.6 of the permit. The soil (0-54+” based on Soil Report) will be removed and live-spread or stockpiled adjacent to the active mining for reclamation. Seeding will take place in the fall of each year as outlined in Section 2.11.8.

### **Section 2.11.41-3 Permanent Post-Mining Impoundments**

One new permanent post-mine impoundment is planned for the WY State Lease 42804 Amendment area per landowner request. This impoundment will be immediately west of the largest pond found on the Amendment area and can be found illustrated on the Reclamation Plan map 2.11.41-1. In addition, one impoundment will be mined through and enhanced through reclamation with steeper slopes and a greater depth. It is noted in the letter from WG&F has suggested constructing no impoundments, but these recommendations are directly conflicting of the land owner’s desires. Therefore, enhancements will be made, such as steeper slopes and greater depths than what currently exist, but impoundments will still be replaced.

### **Section 2.11.41-4 Ephemeral Drainage Construction**

The information and commitments in Section 2.11.6 remain current for the reclamation operations on the WY State Lease 42804 Amendment area.

### **Section 2.11.41-5 Subsoil and Topsoil Redistribution Methods and Depths**

Refer to section 2.11.7 for general reclamation practices regarding soil management. Topsoil and subsoil depths are delineated in the Soil Section (2.7.3.45). The soil (0-54” based on Soil Report 2.7.3.45) will be live-spread on previous pits within that series or stockpiled for future use (subsoil will be salvaged and stored separately), depending on the area and pit progression. The permittee will adjust the “general backfilling and handling of overburden in the ‘tiered’ system” manner as discussed in Section 2.5.3 in order to ensure that the most suitable overburden material lies next to the topsoil.

Disturbance of ten soil communities within 177 acres of the 600 acre project area will take place. Refer to pages 2.7.3.45-10 & 11 or the Soils Map 2.7.3.45-1 for a table listing all projected soil types, affected acreage and salvage depths for the amendment area.

### **Section 2.11.41-6 Revegetation & Seed**

The information and commitments in Section 2.11.8 remain current for the revegetation process of the WY State Lease 42804 Amendment lands. The Permit 267C approved seed mix (Pages 2.11-16 and 2.11-17) is to be used in the reclamation.

In the correspondence from the WGFD (Section 2.9.3.45, Addendum B), it is recommended that reclamation efforts target restoration of the pre-disturbance shrub components. The permit seed mix is entirely made up of native seeds and offers a variety of forbs, grasses and shrubs (depending on availability) for the permit area. Refer to Reclamation section 2.11 pages 2.11-13 & 2.11-14 for a list of species in seed mix. Specifically shrub species are listed in section 2.11.8.2. Sampling results are presented in the Vegetation section (2.8.8.36). Based on the comment, reclamation plans will include this shrub component.

### **Section 2.11.41-7 Husbandry Practices on Revegetated Lands**

The information and commitments in Sections 2.11.9 through 2.11.11 remain current for the WY State Lease 42804 Amendment area.

### **Section 2.11.41-8 Fencing**

Any fencing removed by the permittee will be temporarily replaced during mining events. Any fencing removed by the permittee will be permanently replaced in equal or better condition of initial fencing as part of the reclamation plan.

### **Section 2.11.41-9 Hydrologic Restoration**

The Wyoming State Lease 42804 amendment covers 600 acres on rolling to hilly terrain with most of the disturbance occurring in the flat open areas located amongst the steeper terrain. The Belle Fourche River is located 0.6 miles to the east, 1.35 miles to the north and 1.6 miles to the northeast since it forms an inverted U-shaped meandering corridor near the permit area. Green Mountain is located in the northwest quarter of the amendment area where the elevation rises to 3,754 feet at the summit. The lowest elevation on the site is 3,585 feet at the southern edge of the site.

Refer to section 2.6.3 regarding drainages within the mining area.

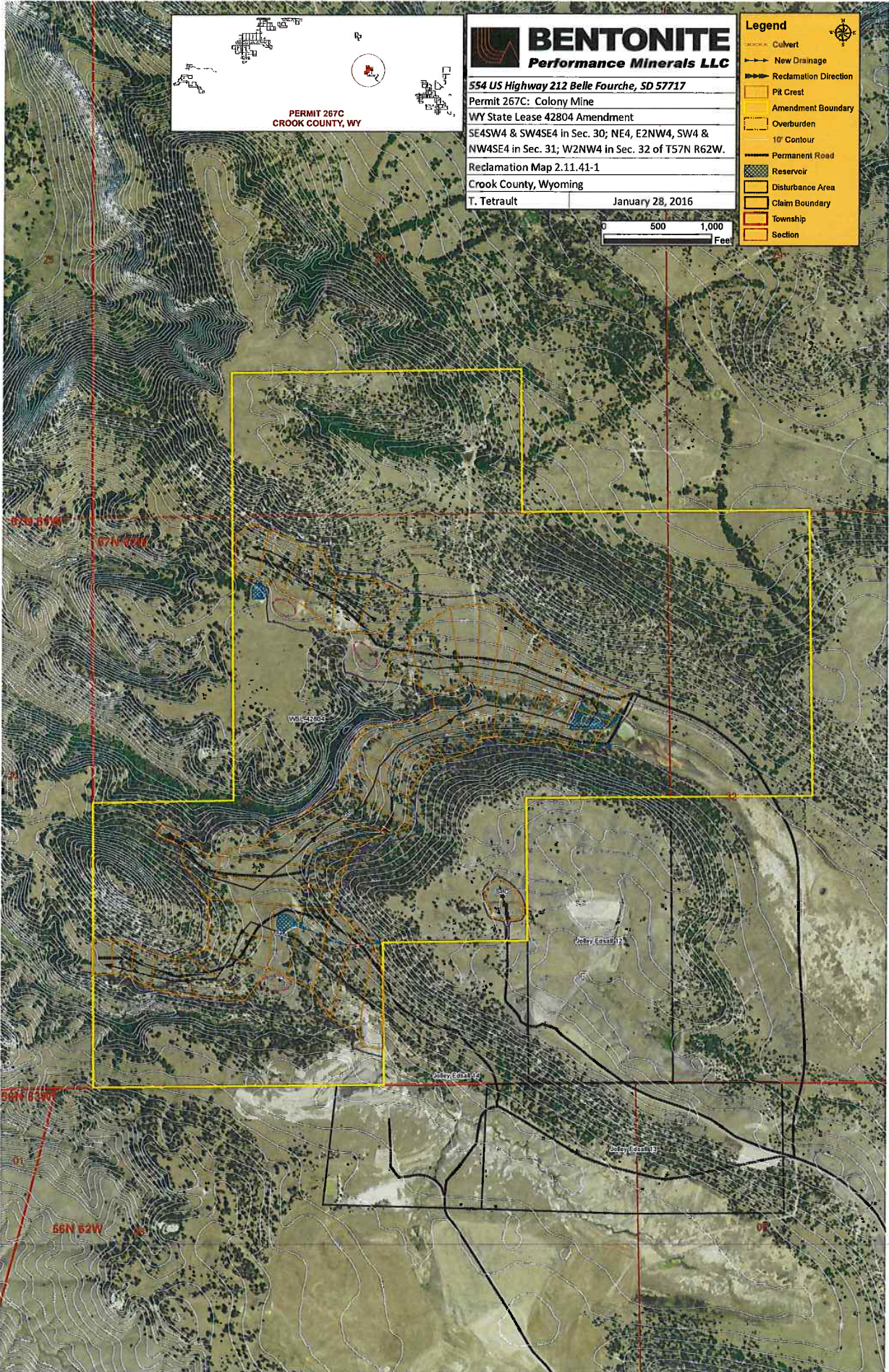
One unnamed drainage will be affected by mining in the amendment area. Approximately 1000 yards of this drainage which course through the center of the amendment area from east to west will be affected; the largest pond in the claim spills into this drainage. This drainage will be reclaimed back to its original contour with the exception the addition of a pond at the beginning of the drain on the west. This pond will have steeper slopes as well as greater depth than the water that currently collects in that area making a marshy pool.

Bentonite Performance Minerals, LLC  
Permit No 267C  
Reclamation Plan-2.11

In addition the small southern most pond in the amendment area will be mined through and replaced with improvements, including steeper slopes and greater depth. See WYG&F correspondence regarding post mine impoundments on private surface.

All surface water on the amendment area underwent quarterly baseline water sampling for a year. Results from this sampling can be found in section 2.6.5.24. Information regarding wetlands in the amendment area can be found in section 2.12-20, this is also where correspondence with USACE can be located as well as illustrations of the wetlands within the amendment area.

General BMP's utilized, concerning discharge, are listed in the Bentonite Performance Minerals' Wyoming General Storm Water Permit for Mining Operations Authorization and are listed in Section 2.10.11-1 of Permit 267C.



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

### SURFACE LANDOWNER'S CONSENT

I, \_\_\_\_\_, CERTIFY that 2U Ranch, LLC holds surface rights on the following lands on which Bentonite Performance Minerals holds mineral estate rights:

Amendment Areas	Legal	Total Acres
	SE4SW4, SW4SE4 Section 30 T57N R62W	80
State Lease 04	NE4, NE2NW4, SW4, NW4SE4 Section 31 T57N R62W	440
	W2NW4 Section 32 T57N R62W	80
		<b>600</b>

County of Crook.

I have examined the mining plan and reclamation plan prepared by Jennifer Hartman, Environmental Specialist, Bentonite Performance Minerals, LLC in compliance with the Wyoming ENVIRONMENTAL QUALITY ACT, and do hereby approve said plans, and give my consent to enter and carry out said mining and reclamation programs on said lands as proposed therein.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Surface Landowner (Signature)

\_\_\_\_\_  
Name (printed or typed)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Date)

Form 8  
Rev. 10/99