



Brian Schweitzer, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.mt.gov

October 15, 2012

Mr. Mike Rowlands
Otter Creek Coal, LLC
Otter Creek
P.O. Box 7152
Billings, MT 59103-7152

Permit ID: C2012018
Revision Type: New Permit
Permitting Action: Deficiency
Subject: First Round Completeness Deficiency; Otter Creek Permit

Dear Mike:

The Department reviewed the permit application for SMP C2012018 to determine if the information required by 82-4-231(4), MCA was included in the application. The following deficiencies need to be addressed before the application can be ruled complete:

17.24.303 – Legal, Financial, Compliance, and Related Information

- The application form does not have the Name of Resident Agent filled out.
- Safety and Health Identification Number has not been applied for.
- There is no table of contents - this is necessary to finding the information referenced in their narrative.
- Please change the proposed public notice to have comments submitted to DEQCoalComments@mt.gov instead of DEQCoal@mt.gov.

17.24.304 – Baseline Information / Environmental

- Please provide the Baseline Reports listed below:
 - 17.24.304(1)(b)-Cultural Site Map and Mitigation Reports
 - 17.24.304(1)(j)-Fish and Wildlife

- 17.24.304(1)(l) Vegetation for facilities including the Agricultural Production Baseline
- Please provide a statement of whether the proposed permit area has been previously mined as this was not evident in this section of the application.

17.24.305 – Maps

- Please provide the Maps listed below or address the concerns associated with the map as stated below:
 - 17.24.305(1)(h)-Map 6-Cultural Sites
 - 17.24.305(1)(r)-*Map 13-Revegetation* (Please create a place holder that states this map will be created after the approval of the PMT.)
 - 17.24.305(1)(w)-*Map 14-Post-mining Drainage Plan*
 - Map 15-Drill Hole Locations and Map 16-Geologic Cross Sections
 - Map 16 is referenced as both Cross Sections and Drill Hole Locations under Section 17.24.322(2)(a). Please include a separate Map 15.
 - 17.24.322(2)(a) references Maps 17A-E-Isopach Maps, Map 18-Knoblock Coal Limits and Bottom Structure, and Map 19-Coal Recovery Map, however, these are not with the other maps under 305. Please either provide the maps or reference their location.

17.24.308 – Operations Plan

- (f) Noxious Weeds language was referenced with an Exhibit 308E; however, Exhibit 308E was not found in this application package. **A Noxious Weed Management section can be found in Exhibit 313G Revegetation Plan. Please clarify where the noxious weed language is and provide exhibit 308E if necessary.

17.24.311 – Air Pollution Plan

- Applicant indicates a MT AIR permit is needed. Please indicate that the air pollution permit will be applied for prior to the SMP being issued.

17.24.313 – Reclamation Plan

- 17.24.313(1)(c): Bond calculation must be submitted upon approval to the mine plan, facilities, and reclamation plan. Please include a statement committing to the submittal of the reclamation bond calculation. The bond must be submitted and approved prior to the permit issuance.

17.24.325 – Coal Mining Operations on Areas or Adjacent to Areas Including Alluvial Valley Floor: (Special Application Requirements):

- 17.24.325(2)(a)(ii): The Baseline Report 325B – Please provide the Agricultural Production Report.

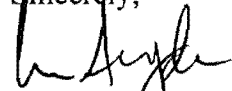
General Comments:

- Please provide a complete list of rules 17.24.501-1309 and reference the location where each section is addressed within 17.24.301-327. For Example: ARM 17.24.762 is addressed in 17.24.313(1)(a). The narrative within 17.24.301-327 should include a reference to the appropriate subsection so that there is a direct easy to follow link to the performance standard.
- Otter Creek Coal is reminded that the following must be submitted prior to permit issuance:
 - Insurance Certificate

Upon receipt of satisfactory responses to these deficiencies, the Department will determine the application to be complete. Acceptability review of the application continues.

Please feel free to contact Bob Smith at 444-7444 with questions regarding this deficiency letter.

Sincerely,



Chris A. Yde, Supervisor
Coal and Uranium Program
Industrial and Energy Minerals Bureau
Ph: 406 444.4967
Fax: 406 444.4988
E-mail: cyde@mt.gov

Cc: Jeff Fleischman, OSM Casper Office
Gene Hay, OSM Denver Office

FC: 630.0