

January 4, 2021

Mark Thompson  
Vice President of Environmental Affairs  
Montana Resources, LLP  
600 Shield Ave.  
Butte, MT 59701

Sent via email to: [mthompson@montanaresources.com](mailto:mthompson@montanaresources.com)

**RE: Montana Resources, LLP (Operating Permits No. 00030, 00030A, 00041, 00108) Final Five-Year Bond Determination**

Dear Mr. Thompson,

The Montana Department of Environmental Quality (DEQ) has completed the five-year comprehensive bond review for Montana Resources, LLP (Montana Resources) (Operating Permits No. 00030, 00030A, 00041, 00108). The final bond determination is \$116,477,500 and this amount has not changed from the proposed bond determination provided by DEQ on November 24, 2020.

Current Obligated Bond held by DEQ:	\$114,602,575
Current Unobligated Bond held by DEQ	\$0
Final Five-year Bond Determination:	\$116,477,500

The current obligated bond held by DEQ is \$114,602,575 and DEQ currently holds no unobligated bond balance. Montana Resources will need to submit \$1,874,925 to supplement the existing bond held by DEQ for reclamation.

Montana Resources is required to post the additional bond within 30 days after issuance of the final bond determination, if the bond is increased, unless a hearing is requested. DEQ is required to grant a 30-day extension of the deadline if the operator demonstrates that, through the exercise of due diligence, it will not be able to post the final bond within 30 days.

Section 82-4-338(3)(b), MCA, requires that any request for a hearing be filed within 30 days of the issuance of the final bond determination stating the reason for the request. The request for hearing must specify the amount of bond increase, if any, that a permittee considers appropriate and state the reasons why the permittee considers DEQ's final bond determination to be excessive. As a condition precedent to any right to request a hearing, Section 82-4-338(3)(b), MCA, requires the operator post bond with DEQ in the amount of the bond increase that it states is appropriate in

the request for the hearing or the amount that is one-half of the increase contained in DEQ's final bond determination, whichever is greater. If the Board determines that additional bond is necessary, the operator would be required to post bond in the amount determined by the Board within 30 days of receipt of the Board's decision. DEQ may grant a reasonable extension of the deadline if the operator demonstrates that, through the exercise of reasonable diligence, it would not be able to post the bond within 30 days. If the operator fails to post bond in accordance with these procedures, the operating permit would be suspended and the operator would be required to immediately cease mining until the bond is posted and approved by the agencies.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Garrett Smith". The signature is written in black ink and is positioned above the printed name.

Garrett Smith  
Geochemist- Hard Rock Mining Bureau  
Montana Department of Environmental Quality  
(406) 444-1967 or [gsmith5@mt.gov](mailto:gsmith5@mt.gov)

E-file: OP 00030.1

Electronic copy:

Jeremy Fleege (MR): [jfleege@montanaresources.com](mailto:jfleege@montanaresources.com)

Charles Freshman (DEQ): [chfreshman@mt.gov](mailto:chfreshman@mt.gov)

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