



**Board of Minerals
and Environment**

523 East Capitol Avenue
Pierre, South Dakota 57501-3182
(605)773-3151 Fax: (605)773-4068

AGENDA

Board of Minerals and Environment
Matthew Environmental Education and Training Center
523 East Capitol Avenue
Pierre, South Dakota

January 22, 2015
10:00 a.m. CST

Scheduled times are estimates only. Agenda items may be delayed due to prior scheduled items or may be moved up on the agenda.

- 10:00 a.m. Call to order and roll call
- Approval of minutes from November 20, 2014, meeting
- Mining Issues
- Presentation on reclamation bonding
- Presentation on Oil & Gas development, spacing units, unitization, pooling, etc.
- Update on EPA's proposed Clean Power Plan and Lowering the Ozone Standard
- Adjourn

Notice is given to individuals with disabilities that this meeting is being held in a physically accessible location. Please notify the Department of Environment and Natural Resources at (605) 773-4216 at least 48 hours before the meeting if you have a disability for which special arrangements must be made.

Minutes of the
Board of Minerals and Environment
Telephone Conference Call Meeting

DENR Lower Level Conference Room
523 East Capitol Avenue
Pierre, South Dakota

November 20, 2014
10:00 a.m. CDT

CALL TO ORDER AND ROLL CALL: The meeting was called to order by Chairman Rex Hagg. The roll was called and a quorum was present.

BOARD MEMBERS PARTICIPATING: Rex Hagg, Glenn Blumhardt, Linda Hilde, Doyle Karpen, Bob Morris, Pete Bullene, Dennis Landguth, and Daryl Englund.

BOARD MEMBER ABSENT: Gregg Greenfield.

OTHERS PRESENT: Mike Cepak, Eric Holm, Tom Cline, and Patty McQuay, DENR Minerals and Mining Program; Mike Mehlhaff, School and Public Lands; Ron Waterland and Abby Olson, Wharf Resources; Erik Janssens, Swiss Re Corporate Solutions America Holding Corporation; Murray Epp, Marsh Canada.

APPROVAL OF MINUTES FROM SEPTEMBER 18, 2014, MEETING: Motion by Blumhardt, seconded by Englund, to approve the minutes of the September 18, 2014, Board of Minerals and Environment meeting. A roll call vote was taken, and the motion carried unanimously.

MINING ISSUES

Exchanges of Surety – Wharf Resources (USA), Inc.: Eric Holm reported that Wharf Resources (USA), Inc. requested that the board exchange its current irrevocable letters of credit, which serve as the company's reclamation, post-closure, and financial assurance (cyanide spill) bonds for surety bonds.

In September, the board approved increasing the letters of credit issued by Scotia Bank for the reclamation bond to \$35,786,000 and for the cyanide spill bond to \$597,800. Since that time, Wharf Resources determined that because of increased premiums for the letters of credit, it would like to exchange them for surety bonds.

The two companies that will provide the surety bonds are North American Specialty Insurance Company and Westport Insurance Corporation, which are both part of the Swiss RE group of Insurance Companies.

DENR staff verified that the companies are licensed in South Dakota and that they are certified by the United States Treasury Department and qualified to write surety bonds.

Staff also checked the financial strength of the companies. For AM Best, the companies are rated as A+ (superior), stable, and have a long-term credit rating of aa-, which is very strong. The companies have a Financial Size Category of XV, which is \$2 billion or greater and provides a convenient indicator of the size of a company in terms of its statutory surplus and related accounts.

Standard and Poors (S&P) ratings for the companies is aa-, which is very strong to meet obligations, stable, and a long-term credit rating aa-, which is very strong.

Moody's Rating for the companies is Aa3 (excellent), stable, with a long-term credit rating of Aa3 (very strong).

Mr. Holm noted that the companies have at least \$4 million in net worth or surplus.

The department recommended the board approve the exchanges of surety for Wharf Resources (USA), Inc.

Reclamation Bond: Motion by Morris, seconded by Hilde, to exchange Irrevocable Letter of Credit No. S18572/191556 for North American Specialty Insurance Company and Westport Insurance Corporation Bond No. 2179280 in the amount of \$35,786,000. A roll call vote was taken, and the motion carried unanimously.

Post-closure Bond: Motion by Morris, seconded by Englund, to exchange Irrevocable Letter of Credit No. S18572/199984 for North American Specialty Insurance Company and Westport Insurance Corporation Bond No. 2179281 in the amount of \$30,783,000. A roll call vote was taken, and the motion carried unanimously.

Financial Assurance (Cyanide Spill) Bond: Motion by Morris, seconded by Bullene, to exchange Irrevocable Letter of Credit No. S18572/334184 for North American Specialty Insurance Company Bond No. 2179282 in the amount of \$597,800. A roll call vote was taken, and the motion carried unanimously.

Request to Extend Final Reclamation Period After Completion of Mining: Mr. Holm reported that Pete Lien and Sons completed mining at its Rapid City Quarry covered under Large Scale Mine Permit No. 57 in 2004. The quarry also includes a limestone crushing operation and a lime plant that processes material from Pete Lien's Black Hawk Quarry, which is mined under Mine License 83-100 and, to a lesser extent, under Large Scale Mine Permit No. 216.

SDCL 45-6B-45 requires an operator to complete final reclamation of a mine site within five years after completion of mining. Since Pete Lien was still backfilling mined-out pit areas with waste material from the crusher and bag house dust from its Lime Plant in 2009, the company asked the board for a five-year extension of the reclamation period. On June 23, 2009, the board granted Pete Lien a five-year extension of the reclamation period. Pete Lien was required to complete final reclamation of the quarry by the December 31, 2014.

After the extension was granted, Pete Lien continued to backfill the mined-out pit areas.

During an October 29, 2014 inspection, the department noted that pit backfilling and other reclamation was not completed and reminded Pete Lien personnel of the December 31, 2014, deadline. As a result, on October 31, 2014, Pete Lien sent a letter to the department requesting the board approve a second five-year extension of the reclamation period to complete pit backfilling and final site reclamation.

Mr. Holm noted that since the backfilled pits will eliminate permanent long-term high walls and allow more site vegetation, the department recommended the board approve the five-year extension of the reclamation period until December 31, 2019.

Mr. Holm answered questions from the board regarding Pete Lien and Sons' mining operation.

Several of the board members expressed concern with approving the extension.

Mr. Morris suggested another extension, if approved by the board, be contingent on Pete Lien keeping the department informed regarding the percentage of reclamation that is complete.

Mr. Holm stated that 133 acres of the 400 affected acres are not yet reclaimed. Some of the 133 acres involves the lime kiln plant and the stockpile areas. He noted that those areas may have to be brought under the mine license at some point if Pete Lien intends to continue to use those facilities for the Black Hawk Quarry.

Mr. Bullene suggested the board approve the extension contingent upon Pete Lien being required to reclaim a certain percentage of the affected acres per year to insure that it is completed within the five-year timeframe.

Mike Cepak stated that Pete Lien could complete the reclamation within a year or two if they were required to do so. However, regarding the backfilling, the pit will be filled in and the high wall will be eliminated. The material Pete Lien is using as backfill is just bag house dust and lime kiln residues, so it is going into the pit at a very slow rate; only a few thousand tons per month. Mr. Cepak said if the board requires Pete Lien to reclaim the pit now, the high wall will remain on the north end of the quarry. The high wall is approximately 25 feet high, it is straight up and down, and it is next to a highway.

Motion by Blumhardt, seconded by Landguth, to approve a five-year extension to reclamation activities until December 31, 2019 for Pete Lien and Sons, Inc., Rapid City, SD, Mine Permit No. 57.

Chairman Hagg requested that the department let Pete Lien and Sons know that the board was reluctant in approving the extension and that the board encourages the company to complete the reclamation so soon as possible.

Mr. Karpen asked the department to keep a closer eye on Pete Lien and Sons.

Mr. Morris asked that the department provide the board with a briefing every year on the progress being made as to the remainder of the reclamation.

Mr. Holm noted that the annual report is due in January of each year. Mr. Holm stated that he will provide a brief to the board on the reclamation each year following receipt of the annual report.

A roll call vote was taken on the motion to approve the five-year extension, and the motion carried unanimously.

Prior to the meeting, the board received the table listing the department recommendations for transfers of liability and releases of liability (see attachment).

Motion by Englund, seconded by Bullene, to accept the department recommendations for transfers of liability, as shown on the attached table. A roll call vote was taken, and the motion carried unanimously.

Tom Cline answered questions from the board regarding releases of liability.

Motion by Hilde, seconded by Landguth, to accept the department recommendations for releases of liability, as shown on the attached table. A roll call vote was taken, and the motion carried unanimously.

NEXT MEETING: The next board meeting is January 22, 2015, in the Matthew Training Center in Pierre.

Mr. Holm noted that at the January meeting, staff will provide a presentation on reclamation bonding and a presentation on oil and gas development, spacing units, unitization, pooling, etc.

ADJOURNMENT: Motion by Hilde, seconded by Karpen, that the meeting be adjourned. Motion carried.

The meeting was digitally recorded and a copy of the recording may be obtained by contacting the Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501; telephone number 605-773-3886. The recording is also available on the DENR website at <http://denr.sd.gov/boards/schedule.aspx>.

Approved this 22nd day of January 2015.

Secretary Date

Witness Date

South Dakota Board of Minerals & Environment

November 20, 2014

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
Mine Permits:						
<u>Exchanges of Surety:</u>						
Wharf Resources (USA), Inc. Lead, SD	356, 434, 435, 464, & 476	Reclama- tion Bond	\$35,786,000	ILOC No. S18572/191556	ScotiaBank, Ontario, Canada	Exchange Irrevocable Letter of Credit No. S18572/191556 for North American Specialty Insurance Company & Westport Insurance Corporation Bond No. 2179280 in the amount of \$35,786,000.
		Post Closure Bond	\$30,783,000	ILOC No. S18572/199984	ScotiaBank, Ontario, Canada	Exchange Irrevocable Letter of Credit No. S18572/199984 for North American Specialty Insurance Company & Westport Insurance Corporation Bond No. 2179281 in the amount of \$30,783,000.
		Financial Assurance Bond	\$597,800	ILOC No. S18572/334184	ScotiaBank, Ontario, Canada	Exchange Irrevocable Letter of Credit No. S18572/334184 for North American Specialty Insurance Company Bond No. 2179282 in the amount of \$597,800.
<u>Request to Extend Period of Final Reclamation After Completion of Mining:</u>						
Pete Lien & Sons, Inc. Rapid City, SD	57		\$204,300	ILOC No. S500998	UMB Bank, Kansas City, MO	Grant Pete Lien & Sons, Inc. a 5-year extension to extend reclamation activities under Permit 57 until 2019.
		Portions of Section 20 & 21; T2N-R7E, Pennington County				

South Dakota Board of Minerals & Environment

November 20, 2014

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
Mine Licenses:						
<u>Transfers of Liability:</u>						
HF Jacobs & Son Construction Inc. Aberdeen, SD	83-188		\$20,000	964 93 46	Fidelity & Deposit Company of Maryland	Transfer liability.
		188004	NW1/4 Section 15; T120N-R59W, Day County			
Transfer to:						
Guy Hanlon Verdon, SD	83-38		\$500	5098	Plains Commerce Bank, Conde	
			\$1,000	5053	Plains Commerce Bank, Conde	
			\$1,000	10146	Plains Commerce Bank, Conde	
			\$1,000	10440	Plains Commerce Bank, Conde	
			\$1,500	10057	Plains Commerce Bank, Conde	
			\$1,500	10277	Plains Commerce Bank, Conde	
			\$13,500	200010566	Plains Commerce Bank, Conde	
Clarence Mc Cune DeSmet, SD	93-477		\$500	64474	First National Bank, Pierre	Transfer liability.
		477004	SE1/4 Section 16; T111N-R56W, Kingsbury County			
Transfer to:						
Allen Wilde Construction Lake Preston, SD	85-301		\$1,500	0242858173	Wells Fargo Bank, Huron	

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License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Transfers of Liability:</u>						
Wagner Building Supply Wagner, SD	83-173	173004	\$14,000 NW1/4 Section 15; T94N-R62W, Charles Mix County	55-197526	United Fire & Casualty Company	Transfer liability.
Transfer to:						
Charles Mix County Highway Department Lake Andes, SD	83-22		EXEMPT	NA	NA	
<u>Releases of Liability:</u>						
Aggregate Construction Inc. Minot, ND	89-382	382017	\$20,000 S1/2 SW1/4 Section 4; T8N-R5E, Butte County	5301306	Ohio Farmers Insurance Company	Release liability.
Arthur E. Argo, Jr. Wilmot, SD	09-876	876005	\$500 \$3000 \$3,500 E1/2 SE1/4 Section 12; T125N-R52W, Roberts County	13091 13115 13458	First State Bank, Wilmot	Release liability.

South Dakota Board of Minerals & Environment

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License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation	
<u>Releases of Liability:</u>							
Atteberry Construction, Inc. Colome, SD	97-617		\$500	14484	First National Bank, Pierre	Release liability.	
			\$500	168439	First National Bank, Pierre		
			\$2,000	94848	First National Bank, Pierre		
			\$500	303942	First Fidelity Bank, Colome		
			\$1,000	303791	First Fidelity Bank, Colome		
			\$1,000	303812	First Fidelity Bank, Colome		
			\$1,500	303483	First Fidelity Bank, Colome		
			\$2,000	304154	First Fidelity Bank, Colome		
			\$2,500	304152	First Fidelity Bank, Colome		
	617005	Section 24; T42N-R25W, Mellette County					
Clausen Construction Inc. Watertown, SD	83-15		\$8,500	SD 11204	Merchants Bonding Company	Release liability.	
		15007	NE1/4 Section 12; T115N-R58W, Clark County				
Hills Materials Company Rapid City, SD	83-42		\$20,000	8881210	Fidelity & Deposit Company of Maryland	Release liability.	
		42001	S1/2 NE1/4 & N1/2 SE1/4 Section 19; T3S-R7E, Custer County				
		42011	Section 17; T1N-R11E, Pennington County				

South Dakota Board of Minerals & Environment

November 20, 2014

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Releases of Liability:</u>						
Jennings Construction Company Bancroft, SD	83-192	192005	\$20,000	RC-0006	Sun Surety Insurance Company	Release liability.
Rechnagel Construction, Inc. Hurley, SD	83-135	135021	\$20,000	55-122632	United Fire & Casualty Company	Release liability.
Beadle County Highway Department Huron, SD	83-76	76008	EXEMPT	NA	NA	Release liability.
Haakon County Highway Department Philip, SD	83-40	40027	EXEMPT	NA	NA	Release liability.

South Dakota Board of Minerals & Environment

November 20, 2014

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Releases of Liability:</u>						
Hughes County Highway Department Pierre, SD	83-31		EXEMPT	NA	NA	Release liability.
		31005	SW 20 Section 20; T110N-R75W, Hughes County			
		31013	SE1/4 Section 14 & NE1/4 Section 23; T108N-R74W, Hughes County			
		31016	Section 6; T112N-R76W, Hughes County			
Lyman County Highway Department Kennebec, SD	83-215		EXEMPT	NA	NA	Release liability.
		215015	SW1/4 Section 19; T103N-R78W, Lyman County			
DOT – Aberdeen Region Aberdeen, SD	83-10		EXEMPT	NA	NA	Release liability.
		10003	NW1/4 SE1/4 Section 9; T127N-R54W, Marshall County			
		10309	SE1/4 SE1/4 Section 36; T112N-R52W, Brookings County			

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License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Releases of Liability:</u>						
DOT – Rapid City Region Rapid City, SD	83-10		EXEMPT	NA	NA	Release liability.
		10053	N1/2 NE1/4 Section 4; T5N-R6E & S1/2 SE1/4 Section 33; T6N-R6E, Meade County			
		10333	E1/2 SE1/4 Section 7; T2N-R15E, Pennington County			

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South Dakota Board of Minerals & Environment

January 22, 2015

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
Mine Permits:						
<u>Update on Homestake Mining Company's Conditional Release Area:</u>						
Homestake Mining Company Lead, SD	332	Reclama- tion Bond	\$1,142,531	5444262	Safeco Insurance Company	
		Post Closure Bond	\$39,626,023	8233-63-10	Federal Insurance Company	
<p>In June, 2014, the Department determined that the 8.24 acre conditional release area on the East Waste Rock Depository met release criteria and was placed into Post Closure status.</p>						
Mine Licenses:						
<u>Release of Surety:</u>						
Zacharias Construction Hartford, SD	84-279		\$2,000 \$500	11502 61763	US Bank, Sioux Falls US Bank, Sioux Falls	Release \$2,500.
<u>Release of Liability & Surety:</u>						
Britton Ready-Mix, Inc. Britton, SD	84-284		\$500	85374	First National Bank, Pierre	Release liability and \$500.
		284001	N1/2 NE1/4 Section 25; T127N-R57W, Marshall County			

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License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Transfers of Liability:</u>						
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Transfer liability.
		320003	SW1/4 Section 14; T114N-R62W, Spink County			
Transfer to:						
Williamson Trucking Doland, SD	09-869		\$1,000 \$5,500	169590 25583	First National Bank, Pierre The Farmers State Bank, Turton	
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Transfer liability.
		320008	SE1/4 Section 11; T108N-R66W, Jerauld County			
		320039	Section 26; T106N-R67W, Jerauld County			
		320040	SE1/4 Section 34; T106N-R65W, Jerauld County			
Transfer to:						
Jerauld County Highway Department Wessington Springs, SD	83-80		EXEMPT	NA	NA	

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License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Transfers of Liability:</u>						
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Transfer liability.
		320022	N1/2 Section 16; T107N-R67W, Jerauld County			
Transfer to:						
Spencer Quarries, Inc. Spencer, SD	83-36		\$20,000	55-194360	United Fire & Casualty Company	
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Transfer liability.
		320037	NE1/4 Section 35; T107N-R63W, Jerauld County			
Transfer to:		320041	SE1/4 Section 26; T107N-R63W, Jerauld County			
Wayne Feistner Woonsocket, SD	14-979		\$3,500	3003322	First National Bank, Woonsocket	
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Transfer liability.
		320038	SE1/4 Section 11; T107N-R68W, Buffalo County			
Transfer to:						
Steve & Brian Roduner Miller, SD	14-962		\$2,000	ILOC 3125702	Farmers & Merchants State Bank, White Lake	

South Dakota Board of Minerals & Environment

January 22, 2015

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Transfers of Liability:</u>						
TF Luke & Sons, Inc. Kimball, SD	83-11		\$20,000	929211763	Western Surety Company	Transfer liability.
		11016	E1/2 NE1/4 Section 8; T98N-R62W, Douglas County			
Transfer to:						
Hutchinson County Highway Department Olivet, SD	83-133		EXEMPT	NA	NA	
<u>Releases of Liability:</u>						
Aggregate Construction Inc. Minot, ND	89-382		\$20,000	5301306	Ohio Farmers Insurance Company	Release liability.
		382040	NE1/4 Section 33; T6S-R7E, Custer County			
Darrell's Rock, Sand, & Gravel, Inc. Wessington Springs, SD	86-320		\$20,000	RC-0016	Sun Surety Insurance Company	Release liability.
		320023	SE1/4 Section 14; T107N-R66W, Jerauld County			
		320029	S1/2 Section 2; T1S-R19E, Jackson County			
		320032	E1/2 Section 29; T120N-R74W, Potter County			
		320033	Section 24; T1S-R10E, Pennington County			
		320036	SE1/4 Section 23; T106N-R65W, Jerauld County			

South Dakota Board of Minerals & Environment

January 22, 2015

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Releases of Liability:</u>						
Fenton Construction Canova, SD	83-74	74010	\$7,500	105825	Miner County Bank Canova	Release liability.
Loiseau Construction, Inc. Flandreau, SD	98-651	651002	\$20,000	55-167144	United Fire & Casualty Company	Release liability.
Hamlin County Highway Department Hayti, SD	83-56	56004	EXEMPT	NA	NA	Release liability.
Kingsbury County Highway Department De Smet, SD	83-117	117009	EXEMPT	NA	NA	Release liability.

South Dakota Board of Minerals & Environment

January 22, 2015

License or Permit Holder	License or Permit Number	Site Number or Legal	Surety Amount	Surety Number	Surety Company or Bank	DENR Recommendation
<u>Releases of Liability:</u>						
City of Huron Huron, SD	83-128		EXEMPT	NA	NA	Release liability.
		128004	NE1/4 Section 18; T109N-R62W, Beadle County			

**STATE OF SOUTH DAKOTA
CASH DEPOSIT – SDCL 45-6**

1. This Agreement and Assignment is entered into by the South Dakota Board of Minerals and Environment, hereinafter referred to as "State", and _____, hereinafter referred to as "Assignor", following procurement of Mine License _____.
2. For value received, _____, Assignor, does hereby assign, transfer, and set over to the State, in lieu of posting a surety bond, the sum of \$ _____ in cash hereafter listed.
3. Assignor makes this assignment pursuant to the requirements of SDCL Chapter 45-6, as applicable.
4. The cash deposit hereby pledged is described as follows:

Date	Amount	Number	Issuing Bank & City
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Tax ID No. if certificate is in a business name: _____

Social Security No. if certificate is in an individual name: _____

5. The State shall hold the cash deposit during the term of this assignment.
6. The State may at any time after Assignor fails to fully comply with all the requirements of the license and SDCL 45-6, as applicable, and after giving written notice to the Assignor, surrender the cash deposit to any bank in exchange for money, or proceed against the cash deposit.
7. The cash deposit may be released by the State when Assignor's obligations under the license and SDCL 45-6, as applicable, are fully performed, or when Assignor is succeeded by another operator who has a license and bond involving the same affected land covered by Assignor's license.
8. Assignor, under this agreement, hereby acknowledges that under the provisions of SDCL 34A-10-2.2 and 34A-10-2.3, all right and title to any cash deposit shall be held by the State until such time as the Board, by order releases the cash deposit. Such cash deposit does not constitute an asset of the person required to provide it, and may not be canceled, assigned, revoked, disbursed, replaced or allowed to terminate without Board approval. The cash deposit may not be assigned for the benefit of creditors, attached, garnished, levied or executed on, or subject to process issued from any court except for the purpose of enabling the State to effectuate environmental cleanup or remediation.
9. ***I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.***

Assignor's Signature

Address

Date: _____

STATE ACCEPTANCE

The South Dakota Board of Minerals and Environment accepts this cash deposit in the amount of \$ _____.

Chairman, SD Board of Minerals & Environment

Date

**STATE OF SOUTH DAKOTA
CASH DEPOSIT - SDCL 45-6B, 45-6C, and 45-6D**

1. This Agreement and Assignment is entered into by the South Dakota Board of Minerals and Environment, hereinafter referred to as "State", and _____, hereinafter referred to as "Assignor", following procurement of Mine Permit _____, Exploration Notice of Intent _____, or Uranium Permit _____.
2. For value received, _____, Assignor, does hereby assign, transfer, and set over to the State, in lieu of posting a surety bond, the sum of \$ _____ in cash hereafter listed.
3. Assignor makes this assignment pursuant to the requirements of SDCL Chapter 45-6B, 45-6C, and 45-6D, as applicable.
4. The cash deposit hereby pledged is described as follows:

Date	Amount	Number	Issuing Bank & City
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Tax ID No. if certificate is in a business name: _____

Social Security No. if certificate is in an individual name: _____

5. The State shall hold the cash deposit during the term of this assignment.
6. Assignor is entitled to any earnings or interest upon the cash deposit after the State has surrendered the cash deposit. Assignor is entitled to any earnings or interest upon the cash deposit while the State holds the cash deposit.
7. The State may at any time after Assignor fails to fully comply with all the requirements of the permit, reclamation plan, operating plan, SDCL 45-6B, 45-6C, and 45-6D, as applicable, and the Rules and Regulations adopted thereunder, and after giving written notice to the Assignor, surrender the cash deposit to any bank in exchange for money, or proceed against the cash deposit.
8. The cash deposit may be released by the State when Assignor's obligations under the permit, reclamation plan, operating plan, SDCL 45-6B, 45-6C, and 45-6D, as applicable, and the Rules and Regulations adopted thereunder are fully performed, or when Assignor is succeeded by another operator who has a permit and bond involving the same affected land covered by Assignor's permit.
9. Assignor, under this agreement, hereby acknowledges that under the provisions of SDCL 34A-10-2.2 and 34A-10-2.3, all right and title to any cash deposit shall be held by the State until such time as the Board, by order releases the cash deposit. Such cash deposit does not constitute an asset of the person required to provide it, and may not be canceled, assigned, revoked, disbursed, replaced or allowed to terminate without Board approval. The cash deposit may not be assigned for the benefit of creditors, attached, garnished, levied or executed on, or subject to process issued from any court except for the purpose of enabling the State to effectuate environmental cleanup or remediation.
10. ***I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.***

Assignor's Signature

Address

Date: _____

STATE ACCEPTANCE

The South Dakota Board of Minerals and Environment accepts this cash deposit in the amount of \$ _____.

Chairman, SD Board of Minerals & Environment

Date

**STATE OF SOUTH DAKOTA
SURETY BOND**

Bond Number _____

Permit or License Number _____

Mine License ___ Mining/Milling Permit ___ Exploration Notice of Intent ___ Uranium Exploration Permit ___

KNOW ALL MEN BY THESE PRESENTS, That we (I) _____ as Principal,

and _____ a corporation organized and existing under the

laws of the State of _____ and duly authorized to transact business in the State of South Dakota as surety, are held and firmly bound unto the State of South Dakota, acting through the South Dakota Board of Minerals and

Environment in the sum of _____ (\$ _____) dollars, for payment of which sum, well and truly to be made, we bind ourselves, and each of our legal representatives, heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has received a Permit or License from the South Dakota Board of Minerals and Environment to conduct mining activities on the following described premises:

_____ **State-wide Mining** _____ **See Attachment listing legal description to be mined**

NOW, THEREFORE, The conditions of this obligation are such that if the above bounded Principal shall, in conducting the above described operations faithfully perform the requirements of the permit or license, reclamation plan, operating plan, SDCL Chapter 45-6, 45-6B, 45-6C, and 45-6D relating to mining, exploration, and uranium exploration, as applicable, and the Rules and Regulations adopted pursuant thereto, then this obligation shall be exonerated and discharged and become null and void; otherwise it will remain in full force and effect.

PROVIDED, However, the Surety shall not be liable under this bond for an amount greater in the aggregate than the sum designated in the first paragraph hereof and provided by SDCL 56-2-12.

The Principal and Surety under this agreement hereby acknowledge that under the provisions of SDCL 34A-10-2.2 and 34A-10-2.3, all right and title to any surety bond shall be held by the State until such time as the Board, by order releases the surety bond. Such surety bond does not constitute an asset of the person required to provide it, and may not be canceled, assigned, revoked, disbursed, replaced or allowed to terminate without Board approval. This surety bond may not be assigned for the benefit of creditors, attached, garnished, levied or executed on, or subject to process issued from any court except for the purpose of enabling the State to effectuate environmental cleanup or remediation.

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Principal's Signature

Principal's Mailing Address

Principal's Title:

Date:

Surety Company

Surety's Mailing Address

Surety Executed By

Signed and Sealed this Date:

(SURETY'S SEAL)

STATE ACCEPTANCE

The South Dakota Board of Minerals and Environment accepts this surety bond in the amount of \$ _____

Chairman, SD Board of Minerals & Environment

Date

RECEIVED

NOV 20 2014

MINERALS & MINING PROGRAM

AIC 0000040395

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON BLUE BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated. Not valid for Mortgage, Note, Loan, Letter of Credit, Bank Deposit, Currency Rate, Interest Rate or Residential Value Guarantees.

POWER OF ATTORNEY

Know All Persons By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal administrative office in Jersey City, New Jersey (hereinafter referred to as the "Company") does hereby appoint:

Francesca Papa, James P. Holland, Mary Lawrence, Peter Healy, Terry Ann Gonzales-Selman, Theresa Giraldo and Vincent T. Moy of New York, NY (EACH)

its true and lawful Attorney(s) in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds, undertakings, recognizances and other surety obligations, in the penal sum not exceeding Ninety Million Dollars (\$90,000,000.00).

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The execution of such bonds, undertakings, recognizances and other surety obligations in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal administrative office in Jersey City, New Jersey.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on September 15, 2011, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them subject to the limitations set forth in their respective powers of attorney, to execute on behalf of the Company, and attach the seal of the Company thereto, bonds, undertakings, recognizances and other surety obligations obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on September 15, 2011:

VOTED, That the signature of the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on September 15, 2011, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

In Testimony Whereof the Company has caused this instrument to be signed and its corporate seal to be affixed by their authorized officers, this 13 day of April, 2012.

Attested and Certified

Arch Insurance Company


Martin J. Nilsen, Secretary

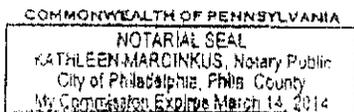



David M. Finkelstein, Executive Vice President

STATE OF PENNSYLVANIA SS

COUNTY OF PHILADELPHIA SS

I, Kathleen Marcinkus, a Notary Public, do hereby certify that Martin J. Nilsen and David M. Finkelstein personally known to me to be the same persons whose names are respectively as Secretary and Executive Vice President of the Arch Insurance Company, a Corporation organized and existing under the laws of the State of Missouri, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary acts for the uses and purposes therein set forth.




Kathleen Marcinkus, Notary Public
My commission expires 03/14/2014

CERTIFICATION

I, Martin J. Nilsen, Secretary of the Arch Insurance Company, do hereby certify that the attached Power of Attorney dated April 13, 2012 on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said David M. Finkelstein, who executed the Power of Attorney as Executive Vice President, was on the date of execution of the attached Power of Attorney the duly elected Executive Vice President of the Arch Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Arch Insurance Company on this 13 day of October, 2014.


Martin J. Nilsen, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

PLEASE SEND ALL CLAIM INQUIRIES RELATING TO THIS BOND TO THE FOLLOWING ADDRESS:

Arch Insurance - Surety Division
3 Parkway, Suite 1500
Philadelphia, PA 19102



RECEIVED

NOV 20 2014

MINERALS & MINING PROGRAM

STATE OF NEW YORK
COUNTY OF NEW YORK

On October 31, 2014 before me, the undersigned, a Notary Public in and for said county, personally appeared Peter Healy who is to me well known, who being duly sworn, did depose and say that he resides in New York, NY that he is Attorney-in-Fact of Arch Insurance Company corporation, the corporation described in and who executed the within instrument as surety. That he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was thereto affixed by order to the Board of Directors of said corporation, and that he signed his name thereto by like order.



TERRY ANN GONZALES-SELMAN
Notary Public, State of New York
No. 01500872513
Qualified in Kings County
Term Expires November 19, 2016



ARCH INSURANCE COMPANY
STATEMENT OF FINANCIAL CONDITION
December 31, 2013

RECEIVED
NOV 20 2014
MINERALS & MINING PROGRAM

Assets

Cash in Banks	\$ 113,241,149
Bonds owned	1,730,368,149
Stocks	433,238,605
Premiums in course of collection	251,285,768
Accrued interest and other assets	312,730,603
Total Assets	\$ 2,840,864,274

Liabilities

Reserve for losses and adjustment expenses	\$ 1,200,735,312
Reserve for unearned premiums	307,521,736
Ceded reinsurance premiums payable	105,942,093
Amounts withheld or retained by company for account of others	188,907,409
Reserve for taxes, expenses and other liabilities	301,130,327

Total Liabilities 2,104,236,877

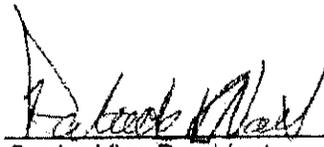
Surplus as regards policyholders 736,627,397

Total Surplus and Liabilities \$ 2,840,864,274

By:


Senior Vice President, Chief
Financial Officer and Treasurer

Attest:


Senior Vice President,
General Counsel and Secretary

State of New Jersey)

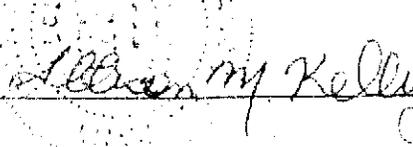
) SS

County of Hudson)

Thomas James Ahern, Senior Vice President, Chief Financial Officer and Treasurer and Patrick Kenneth Nails, Senior Vice President, General Counsel and Secretary being duly sworn, of ARCH INSURANCE COMPANY, Missouri, and that the foregoing is a true and correct statement of financial condition of said company, as of December 31, 2013.

Subscribed and sworn to before me, this 16th day of March, 2014

Notary Public



ALLISON M. KELLY
Commission # 2411013
Notary Public, State of New Jersey
My Commission Expires
August 03, 2016

(Letter of Credit must be issued on bank letterhead and/or bank safety paper.)

IRREVOCABLE LETTER OF CREDIT NO. _____

Issued to guarantee performance of reclamation requirements

Date of Issue: _____

Date of Expiry: _____

Beneficiary: Department of Environment & Natural Resources
523 East Capitol Avenue
Pierre SD 57501-3182

Amount: _____

Mine License No. _____

Permittee: _____

Gentlemen:

At the request of (**Permittee**) "Permittee", we hereby establish our Irrevocable Letter of Credit No. _____ in your favor and authorize you to draw on (**Name of Bank, Bank Address**), drafts at sight for any sum or sums not exceeding a total of (**Amount**). All drafts drawn under this Irrevocable Letter of Credit will be duly honored by (**Name of Bank**) if presented before the expiration date of (**Date of Expiry**) or any extended date provided that:

1. This Irrevocable Letter of Credit shall be automatically extended for additional periods of one year from the expiration date unless (**Name of Bank**) has notified you in writing at least sixty (60) days prior to the expiration date that we elect not to renew this Irrevocable Letter of Credit. Our notice of such election shall be sent by certified mail to the Secretary, Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, South Dakota 57501-3182.

2. Any drafts drawn by you under Irrevocable Letter of Credit No. _____ shall bear the clause "Drawn under (**Name of Bank**) Irrevocable Letter of Credit No. _____" and shall be accompanied by the original Irrevocable Letter of Credit and any amendments and your certification that you have issued written notification that the Permittee has failed to commence and/or complete reclamation requirements, per SDCL ch. 45-6, and written notification has been sent by certified mail to the Permittee as well as (**Name of Bank**).

In the event a drawing is presented, we understand that neither the State of South Dakota, Department of Environment and Natural Resources nor the South Dakota Board of Minerals and Environment is required to have commenced or completed reclamation, or given the Permittee or (**Name of Bank**) such opportunity before drawing on this Irrevocable Letter of Credit.

Irrevocable Letter of Credit No. _____

Page _____

(Letter of Credit must be issued on bank letterhead and/or bank safety paper.)

IRREVOCABLE LETTER OF CREDIT NO. _____

Issued to guarantee performance of reclamation requirements

Date of Issue: _____ Date of Expiry: _____

Beneficiary: South Dakota Department of Environment & Natural Resources
523 East Capitol Avenue
Pierre SD 57501-3182

Amount: _____

Exploration Permit EXNI- _____ Permittee: _____

Gentlemen:

At the request of (**Permittee**) "Permittee", authorized under Exploration Permit EXNI-_____, to conduct exploration operations in _____ County, South Dakota, we hereby establish our Irrevocable Letter of Credit No. _____ in favor of the South Dakota Board of Minerals and Environment, and authorize you to draw on (**Name of Bank, Bank Address**), drafts at sight for any sum or sums not exceeding a total of (\$ _____ (**Dollars**)). All drafts drawn under this Irrevocable Letter of Credit will be duly honored by (**Name of Bank**) if presented at (**Name of Bank**) before the expiration date of (**Date of Expiry**) or any extended date provided that:

1. This Irrevocable Letter of Credit shall be automatically extended for additional periods of one year from the expiration date unless (**Name of Bank**) has notified you in writing at least sixty (60) days prior to the expiration date that we elect not to renew this Irrevocable Letter of Credit. Our notice of such election shall be sent by certified mail to the Secretary, South Dakota Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, South Dakota 57501-3182.

2. Any drafts drawn by you under Irrevocable Letter of Credit No. _____ shall bear the clause "Drawn under Irrevocable Letter of Credit No. _____ issued by (**Name of Bank, Bank Address**)" and shall be accompanied by the original Irrevocable Letter of Credit and any amendments and your certification that either or both of the following alternatives exist:

(A) The South Dakota Board of Minerals and Environment has issued written notification that the Permittee has failed to commence and/or complete reclamation requirements, per SDCL 45-6C, the regulations promulgated thereunder, or its exploration permit, and sent written

(Letter of Credit must be issued on bank letterhead and/or bank safety paper.)

(For the Issuer)

Authorized Signature

Date

Name & Title

Acceptance:

Chairman, SD Board of Minerals
and Environment

Date

(Letter of Credit must be issued on bank letterhead and/or bank safety paper.)

IRREVOCABLE LETTER OF CREDIT NO. _____

Issued to guarantee performance of reclamation under
Mine Permit No. _____

Date of Issue: _____

Date of Expiry: _____

Beneficiary: South Dakota Department of Environment & Natural Resources
523 East Capitol Avenue
Pierre SD 57501-3182

Amount: _____

Mine Permit No. _____

Permittee: _____

Gentlemen:

At the request of _____ "Permittee", authorized under Mine Permit No. _____, to conduct mining operations in _____ County, South Dakota, we hereby establish our Irrevocable Letter of Credit No. _____ in favor of the South Dakota Board of Minerals and Environment, and authorize you to draw on **Name of Bank, Bank Address**, from time to time in whole or in part by means of your drafts at sight up to the aggregate amount of United States Dollars \$_____ (**Dollars**). All drafts drawn under this Irrevocable Letter of Credit will be duly honored by **Name of Bank** if presented at **Name of Bank, Bank Address** before the expiration date of **Date of Expiry** or any extended date provided that:

1. This Irrevocable Letter of Credit shall be automatically extended without amendment for additional periods of one year from the expiration date unless **Name of Bank** has notified you in writing at least sixty (60) days prior to the expiration date that we elect not to renew this Irrevocable Letter of Credit. Our notice of such election shall be delivered by courier or sent by certified mail to the Secretary, South Dakota Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, South Dakota 57501-3182.

2. Any drafts drawn by you under Irrevocable Letter of Credit No. _____ shall be drawn on **Name of Bank** and shall bear the clause "Drawn under Irrevocable Letter of Credit No. _____ issued by **Name of Bank, Bank Address**" and shall be accompanied by the original Irrevocable Letter of Credit and any amendments and your certification that either or both of the following alternatives exist:

(Letter of Credit must be issued on bank letterhead and/or bank safety paper.)

received or action filed alleging the insolvency or bankruptcy of **Name of Bank**;

OR

(B) In the event **Name of Bank** becomes unable to fulfill its obligations under the Irrevocable Letter of Credit for any reason, we shall give prompt notice to the South Dakota Department of Environment and Natural Resources and the Permittee.

Any failure by **Name of Bank** to comply with paragraph 6 shall not form the basis of or give rise to any judgment, claim or action, or any damages, liabilities, or charges against **Name of Bank**.

(For the Issuer)

Authorized Signature

Date

Name & Title

Authorized Signature

Date

Name & Title

Acceptance:

Chairman, SD Board of Minerals
and Environment

Date



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
 Minerals & Mining Program
 2050 West Main, Suite #1, Rapid City, SD 57702-2493
 Telephone: 605-773-4201, FAX: 605-394-5317

FORM 3

PLUGGING AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS,

BOND NO. _____

That we: _____ as Principal
 (Operator's Name) (Address) (State) (Zip)
 and _____ as Surety,
 (Surety's Name) (Address) (State) (Zip)

a corporation organized and existing under the laws of the State of _____ and duly authorized to transact business in the State of South Dakota as surety, are held and firmly bound unto the State of South Dakota in the sum of (circle amount) \$10,000 or \$50,000 Individual or in the sum of \$30,000 or \$100,000 Blanket, lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The condition of this obligation is that whereas the above bounden principal proposes to drill a well or wells for oil in and upon the following described land situated within the State, to wit (May be used as blanket bond or for single well):

NOW, THEREFORE, If the above bounden principal shall comply with all of the provisions of the laws of this State and the rules, regulations and orders of the Department of Environment & Natural Resources of this State, especially with reference to the proper plugging of said well or wells, and filing with the Department of Environment & Natural Resources of this State all notices and records required by said Department, and the restoration of the surface, in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, then this obligation shall be terminated by the Department, the same shall be and remain in full force and effect.

The Principal and Surety under this agreement hereby acknowledge that under the provisions of SDCL 34A-10-2.2 and 34A-10-2.3, all right and title in any surety bond shall be in the state until such time as the board, by order releases the surety bond. Such surety bond does not constitute an asset of the person required to provide it, and may not be cancelled, assigned, revoked, disbursed, replaced or allowed to terminate without board approval. This surety bond may not be assigned for the benefit of creditors, attached, garnished, levied or executed on, or subject to process issued from any court except for the purpose of enabling the state to effectuate environmental cleanup or remediation.

Penal sum of _____

Witness our hands and seals, this _____ day of _____, 20_____

Principal: _____

Witness our hands and seals, this _____ day of _____

Surety: _____

If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When the principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond).

DO NOT WRITE BELOW THIS LINE

Approved: _____
 Signature Title Date

Minerals and Mining Program Surety Bond Approval Checklist

Operator:		Permit Number:	
Reviewer:		Review Date:	
Surety Co.:		Surety Number:	
Agent:			
Agency:			
Bond Type:	Reclamation Bond	Bond Amount:	

	Surety Bond Form
<input type="checkbox"/>	The correct surety bond number is listed on the form
<input type="checkbox"/>	The correct permit number is listed on the form
<input type="checkbox"/>	The correct permit type has been checked on the form
<input type="checkbox"/>	The Company/Principal name matches the name on the permit
<input type="checkbox"/>	The state where the surety company is organized and exists matches the state listed on the Power of Attorney
<input type="checkbox"/>	Includes attachment with legal location listed in mine permit
<input type="checkbox"/>	Notarized acknowledgement of Company/Principal official having authority to sign the form submitted
<input type="checkbox"/>	The Company/Principal official's signature, title, mailing address, and date information is correctly listed
<input type="checkbox"/>	The surety company's name and mailing address is correctly listed
<input type="checkbox"/>	The surety's company's authorized power of attorney's signature, title, and date information is correctly listed
<input type="checkbox"/>	The surety seal has been applied to the form
	Surety Company
<input type="checkbox"/>	The surety company is licensed to transact surety business in South Dakota
<input type="checkbox"/>	The surety company has a minimum of \$4 million in net worth (surplus)
<input type="checkbox"/>	The surety company is listed on the US Dept. of Treasury Circular 570 http://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570_a-z.htm
	Date checked:
	Face Amount of Bond
<input type="checkbox"/>	The wording and amount of the bond on the form is correct
<input type="checkbox"/>	Does not exceed 10% of the surety company's capital and surplus to policyholders
<input type="checkbox"/>	If it does exceed 10% of the company's capital and surplus to policyholders, is it covered by reinsurance?
	AM Best Rating:
	S&P Rating:
	Moody's Rating:
	Power of Attorney (POA)
<input type="checkbox"/>	Person signing bond is shown as POA as agent/attorney-in-fact with authority to commit the surety
<input type="checkbox"/>	Notarized acknowledgement of agent/attorney-in-fact submitted
<input type="checkbox"/>	Limitation on the amount of bond that can be written:
<input type="checkbox"/>	The date on the POA is consistent with the date the attorney-in-fact signed the surety bond form
<input type="checkbox"/>	The correct surety seal is applied to the original POA

Minerals and Mining Program
Annual Surety Bond Review Checklist

Operator:		Permit Number:	
Surety Co.:		Surety Number:	
Bond Type:	Reclamation Bond	Bond Amount:	

<input type="checkbox"/>	The surety company is licensed to transact surety business in South Dakota
<input type="checkbox"/>	The surety company has a minimum of \$4 million in net worth (surplus)
<input type="checkbox"/>	The surety company is listed on the US Dept. of Treasury Circular 570 http://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570_a-z.htm
<input type="checkbox"/>	Does not exceed 10% of the surety company's capital and surplus to policyholders
<input type="checkbox"/>	If it does exceed 10% of the company's capital and surplus to policyholders, is it covered by reinsurance?
	AM Best Rating:
	S&P Rating:
	Moody's Rating:
	Date checked:
	Reviewer:
	Comments:



DEPARTMENT OF ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov



January 5, 2014

MEMO TO: Members of the Board of Minerals and Environment
FROM: Vonni Kallameyn, Administrator, Waste Management Program
SUBJECT: Solid Waste Permit Actions

Vonni Kallameyn

Listed below are the solid waste permit actions since my last memo dated December 31, 2013.

Individual Permits Public Noticed and Issued

1. City of Willow Lake – restricted use site (five-year renewal)
2. City of Clark – restricted use site (five-year renewal)
3. City of Salem – yard waste compost site (five-year renewal)
4. City of Menno – restricted use site (five-year renewal)
5. Town of Olivet – restricted use site (five-year renewal)
6. City of Hot Springs – restricted use site (five-year renewal)
7. City of Springfield – restricted use site (five-year renewal)
8. City of Platte – restricted use site (five-year renewal)
9. City of Madison – yard waste compost site (five-year renewal)
10. City of Lake Norden – restricted use site (five-year renewal)
11. Friessen Construction (Sioux Falls) – construction and demolition debris disposal site (five-year renewal)
12. Soukup Construction (Sioux Falls) – construction and demolition debris disposal site (five-year renewal)
13. Brown County – municipal solid waste landfill (five-year renewal)
14. City of Dell Rapids – restricted use site (five-year renewal)
15. City of Avon – restricted use site (five-year renewal)
16. American Colloid Company (Belle Fourche) – construction and demolition debris disposal site (five-year renewal)
17. Homestake Mining Company (Lead) – construction and demolition debris disposal site (five-year renewal)
18. City of Rapid City – municipal solid waste landfill (five-year renewal)
19. City of Freeman – restricted use site (five-year renewal)
20. City of Armour – restricted use site (five-year renewal)
21. Ross Management (Colman) – electric transformer resource recovery (five-year renewal)
22. City of Herreid – yard waste compost site (five-year renewal)
23. City of Pierre – municipal solid waste landfill (five-year renewal)
24. City of Alexandria – restricted use site (five-year renewal)
25. City of White River – restricted use site (five-year renewal)
26. Gregory County – restricted use site and municipal solid waste transfer station (five-year renewal)
27. City of Springfield – lime sludge disposal (five-year renewal)

28. Town of South Shore – restricted use site (five-year renewal)
29. City of Estelline – restricted use site (five-year renewal)
30. City of Hecla – restricted use site (five-year renewal)
31. Town of Midland – restricted use site (five-year renewal)
32. City of Herreid – restricted use site (five-year renewal)

Individual Permit Amendment Public Noticed and Issued

1. City of Ipswich – restricted use site amendment to allow an expanded site acreage and increased annual tonnage

General Permit Authorizations Issued

1. City of Parkston – restricted use site (five-year renewal)
2. Town of Raymond – restricted use site (five-year renewal)
3. Bon Homme County – restricted use site (five-year renewal)
4. City of Groton – restricted use site (five-year renewal)
5. Town of Camp Crook – restricted use site (five-year renewal)
6. City of Kimball – restricted use site (five-year renewal)
7. City of Hosmer – restricted use site (five-year renewal)
8. Town of Java – restricted use site (five-year renewal)
9. City of Murdo – restricted use site (five-year renewal)
10. Cheyenne Transfer (Hot Springs) – restricted use site (five-year renewal)
11. Carlson Crushing and Excavating (Britton) – construction and demolition debris disposal site (two-year initial)
12. Redfield Energy (Redfield) – land application of ethanol production waste (five-year renewal)
13. City of Howard – yard waste compost site (five-year renewal)