

FINDINGS FOR PERMIT RENEWAL

Company: Western Energy Company

Current Permit Number: C1986003D

Date Application Received: July 21, 2010

Renewal Due Date: March 21, 2011

A.R.M. 17.24.416

- (1) Was proper form submitted? Yes No.
(a) Is form complete and correct? Yes No.
(b) Is a copy of the newspaper notice and proof of publication provided?
Yes Yes
(c) Is evidence provided that insurance is adequate? Yes No.
(2) (a) Was an informal conference requested? Yes No.

If yes, provide narrative demonstrating compliance with ARM 17.24.403.

On December 10, 2010, the Western Environmental Law Center, on behalf of Montana Environmental Information Center and the Sierra Club, submitted objections and a request for an informal conference. The request for the informal conference included a request for a tour of Area D, Rosebud Mine. The mine tour was subsequently scheduled for and held on January 4, 2011. The informal conference was scheduled for January 10, 2011. Following the field tour and exchange of information, Western Environmental Law Center submitted an email (on February 7, 2011) stipulating to the withdrawal of the informal conference request. Therefore, the informal conference was not conducted.

ARM 17.24.416 (2) continued

- (b) Are there areas excepted from the standards of 82-4-227(3)(b) Yes No.
If yes, provide narrative explanation.
(c) Is adequate bond provided? Yes No.
(3) What is the permit term of the new permit? 5-years
This permit term shall not exceed 5 years.
(4) Is permit renewal being denied? Yes No.

(a) If yes, provide department findings for one or more of the following:

- (i) The terms and conditions of the existing permit are not being satisfactorily met;
- (ii) The present strip or underground mining operations are not in compliance with the environmental protection standards of the Act or subchapters 5 through 9;
- (iii) The requested renewal substantially jeopardizes the operator's continuing responsibility to comply with the Act, the rules adopted pursuant thereto, and the reclamation plan on existing permit areas;
- (iv) the operator has not provided evidence that a) any performance bond required to be in effect for the operations will continue in full force and effect for the proposed period of renewal, as well as any additional bond the department might require; and b) adequate liability insurance will be provided;
- (v) any additional revised or updated information required by the department has not been provided by the applicant;



- (vi) the applicant has not agreed to comply with all applicable laws and rules in effect at the time of renewal;
- (vii) the renewal is prohibited by the denial provisions of 82-4-227, 82-4-234, and 82-4-251; or
- (i) the operation has been in a state of temporary cessation for six or more years.

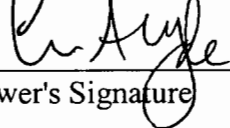
(b)(c)(d) If permit renewal is denied, all documentation must be provided showing reason(s) for denial.

Decision documents have been sent to:

- 1) the applicant
- 2) objectors
- 3) commentors

Are there new stipulations to be attached to the renewal? Yes No.

A check of OSM's Applicant Violator System (AVS) was completed on December 8, 2010 and March 21, 2011; no problems were identified that would preclude issuance of the permit.

 3/21/2011

Reviewer's Signature

FC: 620.132 (2011 Renewal)