

2022 Pinon Phase I Bond Release

San Juan Mine



May 2022

Prepared for:

New Mexico Mining and Minerals Division

Santa Fe, NM

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Application

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19.8.14.1412 A(2)(a):

The permittee's name, address and the appropriate permit number.

Westmoreland San Juan Mining LLC, San Juan Mine has made an application for the Phase I bond release of 618 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the area currently under Permit #19-01 approved March 16, 2020. Application for bond release is submitted pursuant to 19.8.14 of New Mexico Administrative Code (NMAC).

Westmoreland San Juan Mining LLC
San Juan Mine
P.O. Box 561
Waterflow, New Mexico 87421

19.8.14.1412 A(2)(b)

An accurate legal description of the land sought for bond release (either metes and bounds or precise Section, Township and Range designations).

The San Juan Mine permit area is located approximately 16 miles west of Farmington, New Mexico. The areas requested for Phase I bond release are located within the following lands of San Juan County, New Mexico. The general legal description of the requested release areas is listed below. Locations are also shown on Exhibits 1 and 2, found in Appendix B

Sections 4, 9, 10, 15, 16, and 21 of T30N, R15W in the Waterflow USGS Quad Map.

19.8.14.1412 A(2)(c):

The location of the area proposed for bond release shown on a USGS 7.5' map, which should also show the permit boundaries.

Areas requested for bond release for the San Juan Mine permit areas are shown on USGS 7.5' base maps at a scale of 1:24,000 (2022 Phase I Pinon USGS Mine USGS Quads) See Appendix B Exhibits (2022 Phase I Pinon USGS Quads).

19.8.14.1412 A(2)(d):

A brief narrative summarizing the past history of the mine, the type, amount and date of the current bonding instrument, the number of acres included in the bond release application and the portion it represents of the total permit area, documentation of the type and dates of the reclamation performed with a summary of the results achieved as they relate to the approved reclamation plan, and any other pertinent information that the applicant or the Director may consider appropriate.

The current mining area was originally permitted by Western Coal Company (WCC) under Permit to Mine #2 approved August 20, 1973 by the New Mexico Coal Surface Mining Commission (CSMC). In December 1980, Utah International acquired WCC leases and founded SJCC. The MMD approved Permit #2-5P for the San Juan Mine on September 26, 1984. Permit #2-5P was subsequently renewed on September 26, 1989.

Permit #2-5P was changed to Permit #94-01 and was approved on September 26, 1994. Permit #99-01 was renewed by MMD, which included the San Juan Underground Mine operations permit revision on October 22, 1999. On September 24, 2004, Permit #04-01 was renewed by MMD. On September 25, 2009, Permit #09-01 was renewed by MMD. Permit #14-01 renewal was on September 26, 2014.

A performance bond, amended on April 27, 2016, for \$102,004,000 was filed with New Mexico Mining and Minerals Division to satisfy the reclamation bond requirement. Permit #19-01 was approved by MMD on March 16, 2020. The renewal of permit #19-01 included a new performance bond of \$95,390,000 to assure completion of the reclamation plan pursuant to 19.8.14.1404(B) NMAC.

The applicant is seeking a determination that the work necessary for Phase I bond release has been successfully completed. SJCC will not be seeking bond reduction.

All lands within the requested bond release area have been graded to the designed post-mining topography consistent with approved mine plans in San Juan Mine permit 19-01, Subpart 906 Reclamation Plan. Bulldozers, and graders were used to grade the spoils after initial placement by the draglines and truck/loader fleet prior to underground mining. The final grading of the spoil was completed between 2008 and 2021. Drainage control is established in accordance with 19.8.20 NMAC. Spoil material has been sampled and analyzed for suitability and mitigated with suitable material in cases that the soil is unsuitable for root zone material. The results are included in the annual reports submitted to MMD.

Portion of Permit Area Proposed for Phase I Release	Acres
2022 Proposed Phase I Bond Release Area	618
Total Permit Area	17,726

19.8.14.1412 A(2)(e):

A table listing the current names, addresses and number of acres held by each of the surface and mineral owners of record in the area proposed for bond release.

Surface Owner¹	Address	Area (ac)
1-USA Bureau of Land Management	P. O. Box 27115 Santa Fe, NM 87501	215
2-State of New Mexico	State Land Office P.O. Box 1148 Santa Fe, NM 87504	263
4-Sunbelt Mining Company, INC Attn: PNM	1650 University Blvd., NE Suite 400 Albuquerque, NM 87102	92
6-Tucson Electric Power Company Attn: PNM	P. O. Box 711 Tucson, AZ 85702	48

Total		618
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Mineral Owner ²	Address	Area (ac)
1-Bureau of Land Management	P. O. Box 27115 Santa Fe, NM 87501	309
2- State of New Mexico	State Land Office P.O. Box 1148 Santa Fe, NM 87504	309
Total		618

Notes:

1 - Numbers preceding owner names refer to parcel numbers in Exhibit 701.E-1 of the San Juan Mine #19-01 permit

2 - Numbers preceding owner names refer to parcel numbers in Exhibit 701.E-4 of the San Juan Mine #19-01 permit

19.8.14.1412 A(2)(f):

Copies of letters sent to adjoining landowners, local governmental bodies, planning agencies, sewage and water treatment authorities, and water companies in the vicinity of the reclamation operation, notifying them of the permittee's intention to seek bond release;

A draft letter notifying landowners, local government bodies, and other planning agencies of San Juan Coal Company's request for bond release is in Appendix A Surface Ownership Notification Letter. Copies of letters will be submitted to MMD after the draft letter has been reviewed and approved by MMD. The addresses are located in Appendix C Notification Mailing List.

Name	Address
USA Bureau of Land Management	P. O. Box 27115 Santa Fe, NM 87501
State of New Mexico	P.O. Box 1148 Santa Fe, NM 87122
Sunbelt Mining Company Inc. Et Al.	1650 University Blvd., NE Suite 400 Albuquerque, NM 87102
Tucson Electric Power Company	P.O. Box 711 Tucson, AZ 85702
Public Service Company of New Mexico	1650 University Blvd., NE Suite 400 Albuquerque, NM 87102

19.8.14.1412 A(2)(g):

Other maps or information required by the Director to locate or characterize the areas proposed for bond release, soils, revegetation, hydrological or other reclamation issues.

Maps of the proposed Phase I bond release areas are provided in Appendix B Exhibits. The exhibits include:

- 2022 Phase I Bond Release Area San Juan Mine Aerial: Shows proposed Phase I bond release areas and the years that the areas were regraded as part of the reclamation process.
- 2022 Phase I Bond Release Area San Juan Mine Topography shows the final reconstructed topography of areas requested for Phase I bond release. Bulldozers, scrapers and motor graders were used to grade the backfill (spoil) after initial placement by truck and shovel fleet.

19.8.14.1412 A(2)(h)

Statement of certification is provided in **Appendix D Statement of Certification**.

19.8.14.1412 A(3)

A copy of the newspaper advertisement that will be used to provide public notification of the application for bond release.

Draft public notice for publication in the Farmington Daily Times once MMD has advised San Juan Coal Company that the administratively complete is provided in **Appendix E Draft Public Notice**. A copy of the full Phase I application will be placed at the Farmington Public Library in Farmington, New Mexico prior to sending out the notification letters and publication of the advertisement.



WESTMORELAND SAN JUAN MINING LLC

A Subsidiary of WESTMORELAND MINING LLC

May 16, 2022

(See Notification Mailing List)

Re: San Juan Mine Permit 19-01, Phase I Bond Release Application

Dear Sir or Madam,

1. Westmoreland San Juan Mining LLC (WSJM), San Juan Mine has made an application for a Phase I bond release of 618 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the areas currently under Permit #19-01, approved March 16, 2020. Application for bond release is submitted pursuant to 19.8.14 of New Mexico Administrative Code (NMAC).

Westmoreland San Juan Mining LLC
San Juan Mine
P.O. Box 561
Waterflow, NM 87421

2. The San Juan Mine permit area is located approximately 16 miles west of Farmington, New Mexico. The areas requested for Phase I Bond Release are located within the lands of San Juan County, New Mexico, within Sections 4, 9, 10, 15, 16, and 21 of T30N, R15W in the Waterflow USGS Quad Map.
3. A surety bond of \$95,390,000 is filed with New Mexico Mining and Minerals Division to satisfy the reclamation bond requirement. The applicant is seeking a determination that the work necessary for Phase I bond release has been successfully completed. WSJM will not be seeking a bond reduction.
4. All lands within the requested bond release area have been graded to the designed post-mining topography consistent with approved mine plans. Bulldozers, and graders were used to grade backfill materials after initial placement by the draglines and the truck/loader fleet. The final grading of the spoil was completed prior to the start of 2022. Drainage control was established according with 19.8.20 NMAC.
5. The application for bond release is available for examination at the following locations:
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505
(505)-476-3400
Online at <http://emnrd.state.nm.us/MMD/>

Farmington Public Library
2101 Farmington Ave.
Farmington, NM 87401
(505)-599-1270

6. Written comments on the Phase I bond release application can be submitted to the MMD Director at the following address:

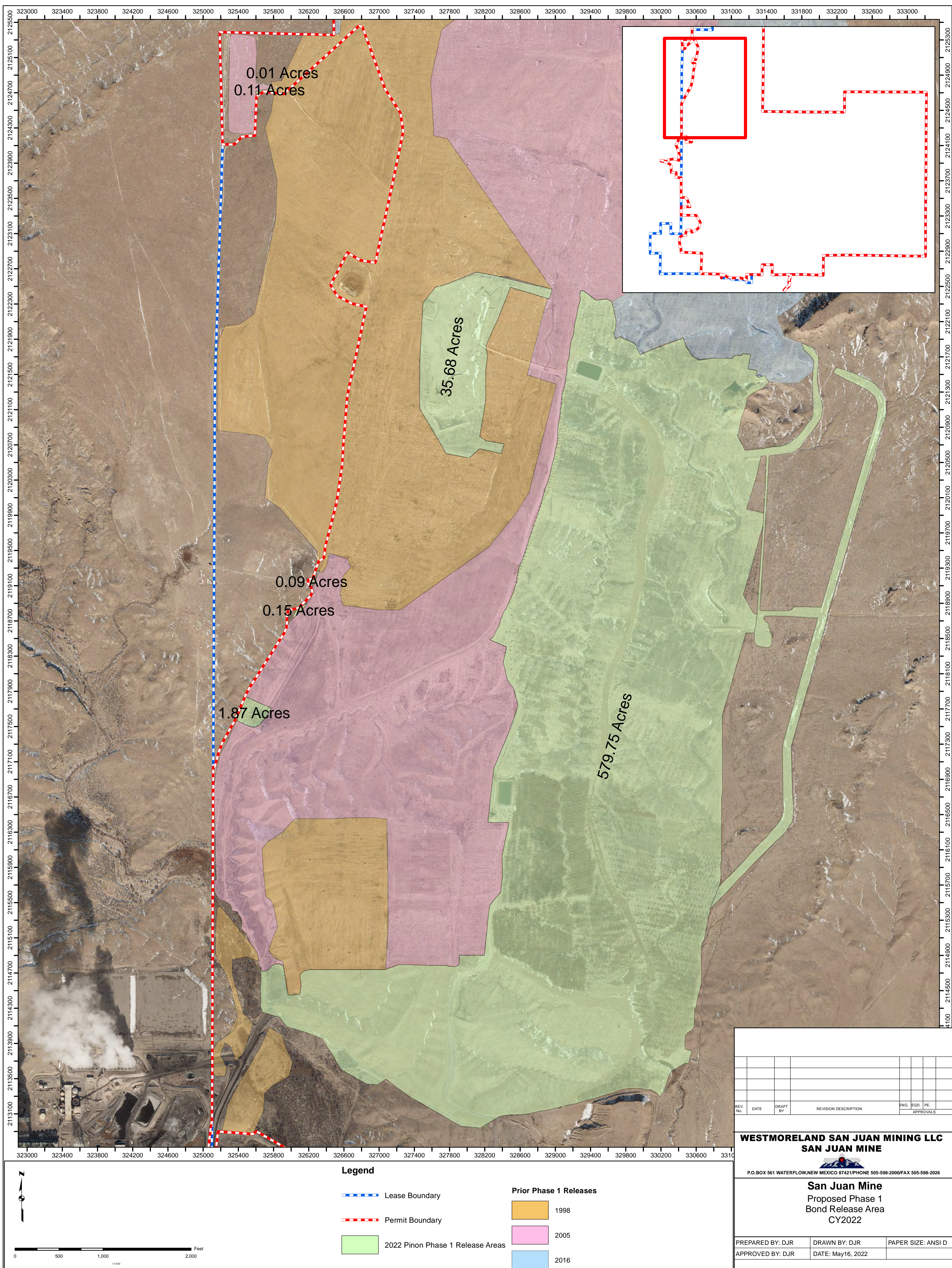
Mr. Jerry Schoeppner
Director
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3400

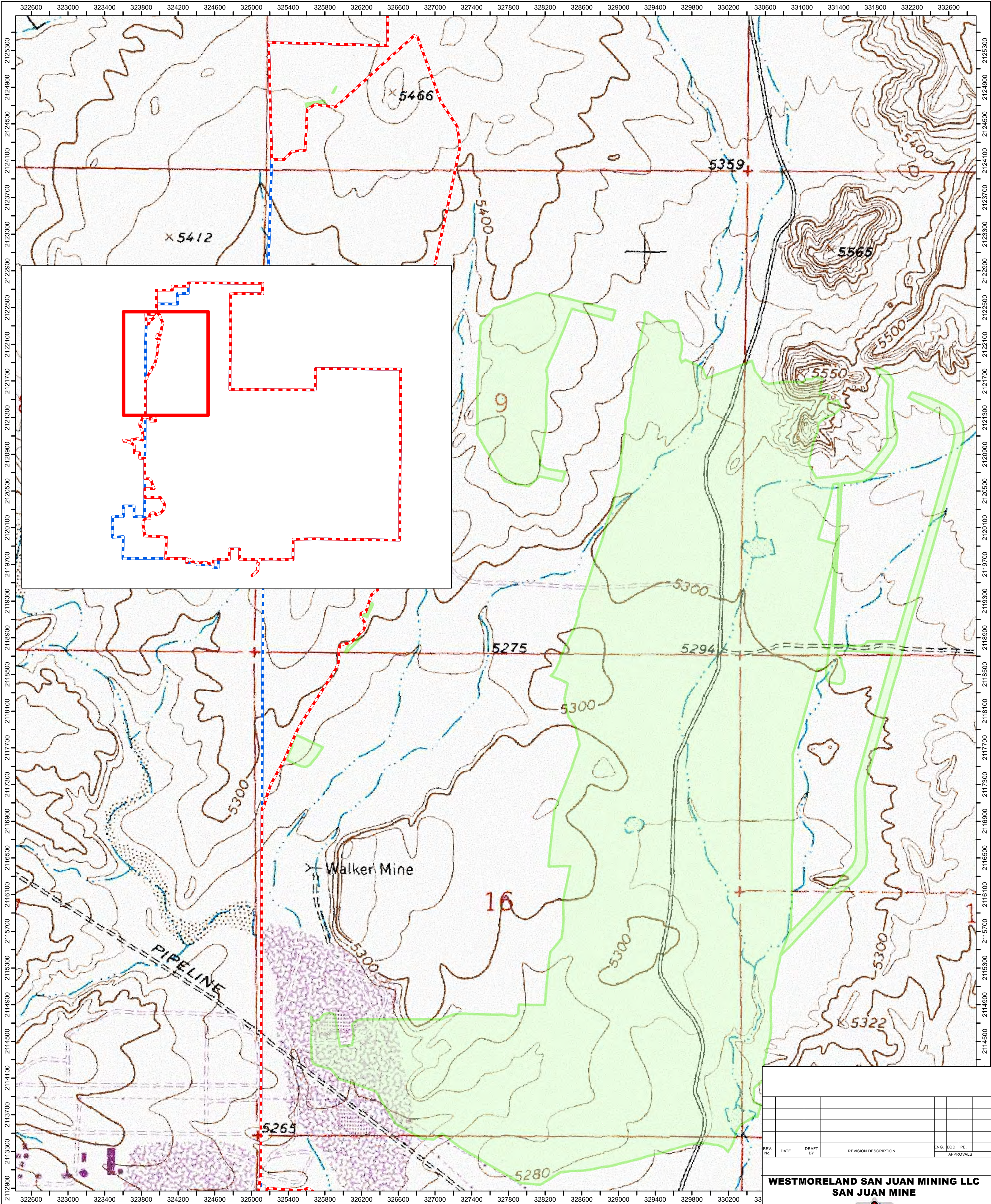
7. The bond release request has been filed with MMD and will be acted upon pursuant to the 19.8 NMAC rules

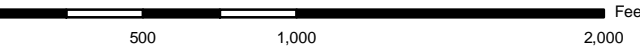

Sincerely,

Derek Rawson
Engineering Manager
Westmoreland San Juan Mining LLC




Enc: Map of proposed Phase I bond release area








Legend

-  Lease Boundary
-  Permit Boundary
-  2022 Proposed Phase 1 Bond Release

REV. No.	DATE	DRAFT BY	REVISION DESCRIPTION	ENG.	EOD.	PE.	APPROVALS

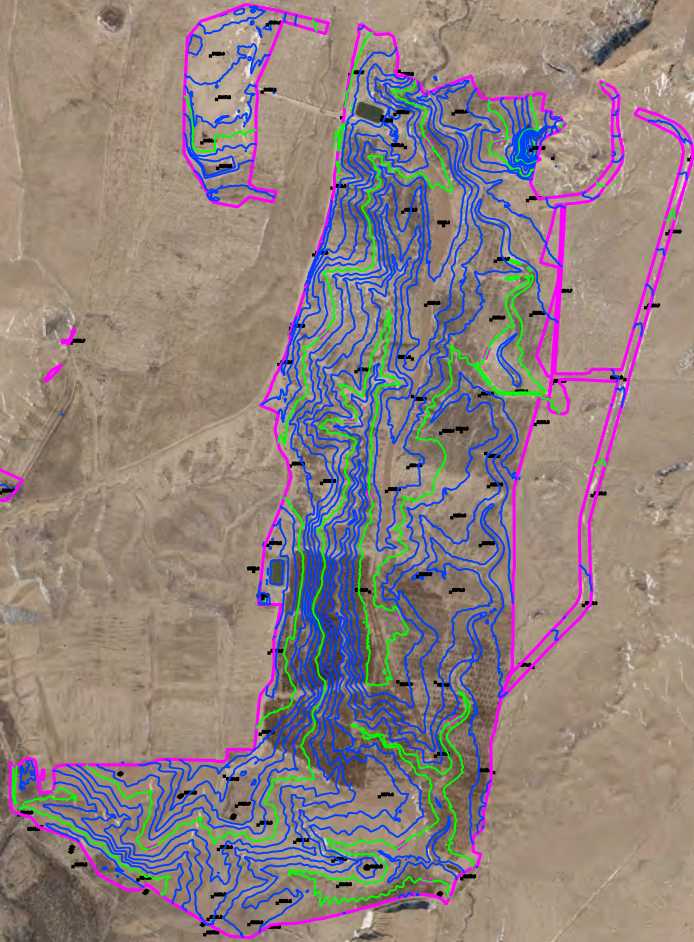
WESTMORELAND SAN JUAN MINING LLC
SAN JUAN MINE



P.O. BOX 561 WATERFLOW, NEW MEXICO 87421/PHONE 505-598-2000/FAX 505-598-2026

San Juan Mine
Proposed Phase 1
Bond Release Area
CY2022

PREPARED BY: DJR	DRAWN BY: DJR	PAPER SIZE: ANSI D
APPROVED BY: DJR	DATE: May16, 2022	



San Juan Coal Company
San Juan Mine 1
P.O. Box 561
Waterflow, New Mexico 87421



San Juan Mine Phase 1 Release - Pinon Pit

Date	Description	Drafted By:
5/17/22	Completed Regrade Topography Pinon Pit	T. Buckneberg

Dwg. Path: S:\SJ_EQ\Permits And Regulation\SJM - Technical Records\Doc Clearing\2022 Phase I Bond Release Documents\Ap
Drawing: Pinon Phase 1 Release.dwg

Layout: Layout1
Plot Date: Tuesday, May 17, 2022 8:21:08 AM

Revision
1

0 2000 4000 6000



Surface and Adjoining Landowners Notification Mail List

Address

USA, Bureau of Land Management
P. O. Box 27115
Santa Fe, NM 87501

State Of New Mexico
New Mexico State Land Office
P. O. Box 1148
Santa Fe, NM 87504

Sunbelt Mining Company, Inc.
1650 University Blvd., NE
Suite 400
Albuquerque, NM 87102

Tucson Electric Power Company
P.O. Box 711
Tucson, AZ 85702

Public Service Company of New Mexico
1650 University Blvd., NE
Suite 400
Albuquerque, NM 87102

Public Notice – San Juan Mine Phase I Bond Release

Westmoreland San Juan Mining LLC, San Juan Mine has submitted an application for the Phase I bond release of 618 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the area currently under Permit #19-01, approved March 16, 2020. Application for bond release is submitted pursuant to 19.8.14 of the New Mexico Administrative Code (NMAC).

1. The name and address of the applicant is:

Westmoreland San Juan Mining LLC
San Juan Mine
P.O.Box 561
Waterflow, NM 87421

2. The San Juan Mine permit area is located approximately 16 miles west of Farmington, New Mexico. The areas requested for Phase I release are located within the following lands of San Juan County, New Mexico, within Sections 4, 9, 10, 15, 16, and 21 of T30N, R15W in the Waterflow USGS Quad Map.
3. A surety bond of \$95,390,000 is filed with New Mexico Mining and Minerals Division to satisfy the reclamation bond requirement. The applicant is seeking a determination that the work necessary for Phase I bond release has been successfully completed. SJCC will not be seeking a bond reduction.
4. All lands within the requested bond release area have been graded to the designed post-mining topography, consistent with the approved mine plans in San Juan Mine permit 19-01, Subpart 906 Reclamation Plan. Bulldozers, and graders were used to grade backfill materials after initial placement by the truck/loader fleet. Drainage control has been established in accordance with 19.8.20 NMAC.

5. The application for bond release is available for examination at:

New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505
(505)-476-3400

Online at <http://emnrd.state.nm.us/MMD/>

Farmington Public Library
2101 Farmington Ave.
Farmington, NM 87401
(505)-599-1270

Public Notice – San Juan Mine Phase I Bond Release

6. Written comments on the Phase I bond release application can be submitted to the MMD director at the following address:

Mr. Jerry Schoeppner
Director
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505)-476-3400

The MMD Director shall receive all written comments, objections, or requests within 30 days after the initial publication of this notice.

7. The bond release request has been filed with MMD and will be acted upon pursuant to the permanent regulatory program 19.8 NMAC.
8. Interested persons may obtain more information concerning the bond release request by contacting MMD at (505)-690-8071

STATEMENT OF CERTIFICATION

WESTMORELAND SAN JUAN MINING LLC
SAN JUAN MINE PERMIT 2019-01
SAN JUAN COUNTY, NEW MEXICO

I swear and affirm, under oath and in writing, that all backfilling, regrading, and establishment of drainage control applicable for Phase I bond release on 618 acres of the San Juan Mine has been completed. Westmoreland San Juan Mining LLC has accomplished all required work in accordance with the requirements of Surface Mining Control and Reclamation Act and the approved reclamation plan for the San Juan Mine.

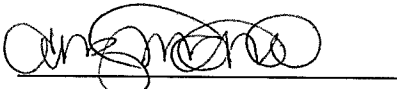
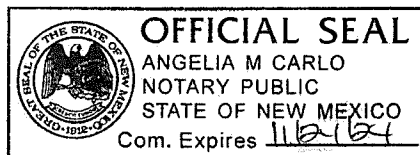


Steven Pierro
General Manager
Westmoreland San Juan Mining

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

SUBSCRIBED AND SWORN before me, in my presence, this 23rd day of May, 2022, a Notary Public in and for the State of New Mexico.


Notary Public

My Commission Expires: 11/24/24