

2025 SJM Phase I Bond Release Application



October 2025

Prepared for:

New Mexico Mining and Minerals Division

Santa Fe, NM

Table of Contents

Application

Appendix A – Surface Owner Notification Letter

Appendix B – Exhibits

Appendix C – Notification Mailing List

Appendix D – Draft Public Notice

Appendix E – Statement of Certification

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 650.2 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the area currently under Permit #24-01, approved September 15, 2025. 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 260
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. Locations are also depicted in 2025 Phase I Bond Release Areas San Juan Mine USGS Quads found in Appendix B Exhibits.

Township 29N Range 15W, Sections 3, 4

- Section 3 – 33.0 acres
- Section 4 – 77.8 acres

Township 30N Range 15W, Sections 27, 28, 33, 34

- Section 27 – 131.9 acres
- Section 28 – 78.5 acres
- Section 33 – 57.8 acres
- Section 34 – 271.2 acres

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 a USGS 7.5' base map at a scale of [1:4,800] (2025 Phase I Bond Release Areas San Juan Mine Aerial). See Appendix B Exhibits.

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. Permit #19-01 was renewed to Permit #24-01 on September 15, 2025. The bond remains at \$95,390,000.00.

The applicant is seeking a determination that the work necessary for Phase I bond release has been successfully completed. WSJM will be seeking bond reduction of \$10,301,933.34.

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
2025 Proposed Phase I Bond Release Area	650.2 ac.
Total Permit Area	17,726 ac.

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.

A list of names and addresses of each surface and mineral owner of record in the area proposed for Phase I bond release is provided in Appendix C Notification Mailing List.

Surface Owner	Address	Area (ac.)
USA Bureau of Land Management	P. O. Box 27115 Santa Fe, NM 87501	315.9
Tucson Electric Power Company	P. O. Box 711 Tucson, AZ 85702	192.8
Gross, Andrew C. & Jennifer A.	9 Road 6875 Waterflow, NM 87421	67.0
Kennedy Minerals LLC	4924 Fairfax Dr NW Albuquerque, NM 87114	0.1
Collyer Cyril J. Et. Al.	P.O. Box 55 Waterflow, NM 87421	44.5
Palmer, Barton L. and Jeanne M.	P.O. Box 268 Kirtland, NM 87417	9.4
Garcia Martin R. Trust Et Ux.	9828 Chantilly Rd NW Albuquerque, NM 87114	20.5
Total:		650.2

Mineral Owner	Address	Area (ac.)
USA, Bureau of Land Management	P. O. Box 27115 Santa Fe, NM 87501	572.7
Westmoreland San Juan Mining LLC	P.O. Box 561 Farmington, NM 87421	23.5
Kennedy Minerals, LLC*	4924 Fairfax Dr NW Albuquerque, NM 87114	0.1
Kennedy & Amsden Et Al	4924 Fairfax Dr NW Albuquerque, NM 87114	44.5
Palmer, Barton L. Et Al	P.O. Box 268 Kirtland, NM 87417	9.4
Total:		650.2

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 Westmoreland LLC San Juan Mine's request for bond release is in Appendix A Surface Ownership Notification Letter. The addresses are located in Appendix C Notification Mailing List.

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:

- 2025 SJM Phase I Bond Release Area Aerial: Shows proposed Phase I bond release area.
- 2025 SJM Phase I Bond Release Area Topography: Shows the final reconstructed topography (5' contour intervals) of area requested for Phase I bond release.
- 2025 SJM Phase I Bond Release Area USGS Quads: Shows the townships, ranges, and sections that the proposed Phase I bond release area is in.

19.8.14.1412 A(2)(h): The permittee shall include in the application for bond release a notarized statement which certifies that all applicable reclamation activities have been accomplished in accordance with the requirements of SMCRA, the act, the regulatory program, and the approved reclamation plan; a certification shall be submitted for each application or phase of bond release.

Statement of certification is provided in Appendix E 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 Tri-City Record once MMD has advised Westmoreland San Juan Mining LLC that the administratively complete is provided in Appendix D 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

October 08, 2025

(See Notification Mailing List)

Re: 2025 San Juan Mine Phase I Bond Release Application, Permit #24-01

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 650.2 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the areas currently under Permit #24-01, approved September 15, 2025. 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 260
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, described below:

Township 29N Range 15W, Sections 3, 4

- Section 3 – 33.0 acres
- Section 4 – 77.8 acres

Township 30N Range 15W, Sections 27, 28, 33, 34

- Section 27 – 131.9 acres
- Section 28 – 78.5 acres
- Section 33 – 57.8 acres
- Section 34 – 271.2 acres

A map of the areas proposed for Phase I bond release is enclosed with this letter.

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 be seeking a bond reduction of \$10,301,933.34.
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)-690-8071

Online at <https://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:

Ms. Erin McCullough
Director
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505)-490-1828

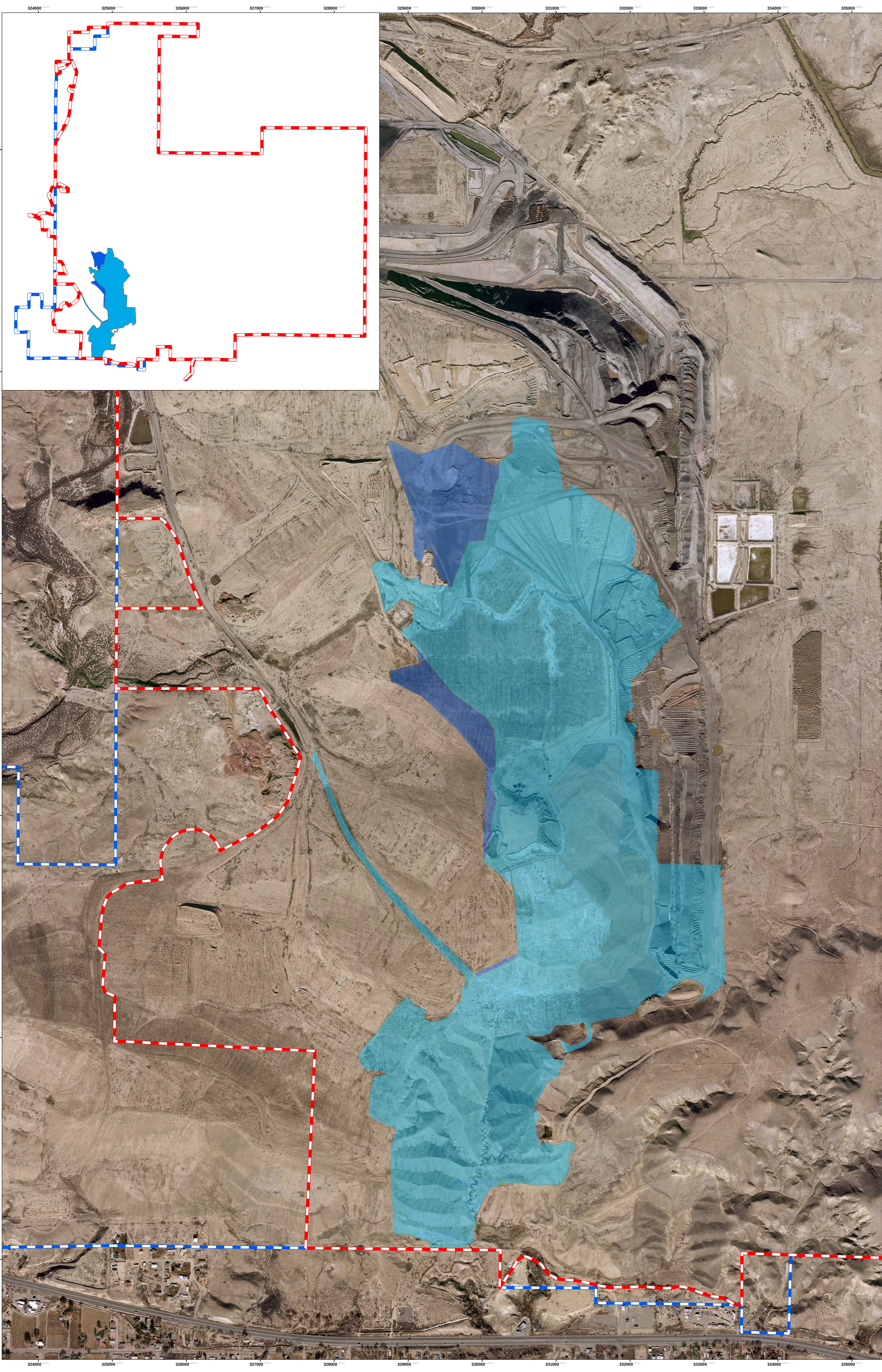
7. The bond release request has been filed with MMD and will be acted upon pursuant to the 19.8 NMAC rules.

Sincerely,

Derek Rawson

Derek Rawson
General Manager
Westmoreland San Juan Mining LLC

Enc: Map of proposed Phase I bond release areas



Legend

- Lease Boundary
- Permit Boundary

SJM_Phase_I_Juniper

Status

- Re-Phase I
- Phase I

0 300 600 1,200 Feet

1:4,000

Exhibit 1

WESTMORELAND SAN JUAN MINING LLC
SAN JUAN MINE

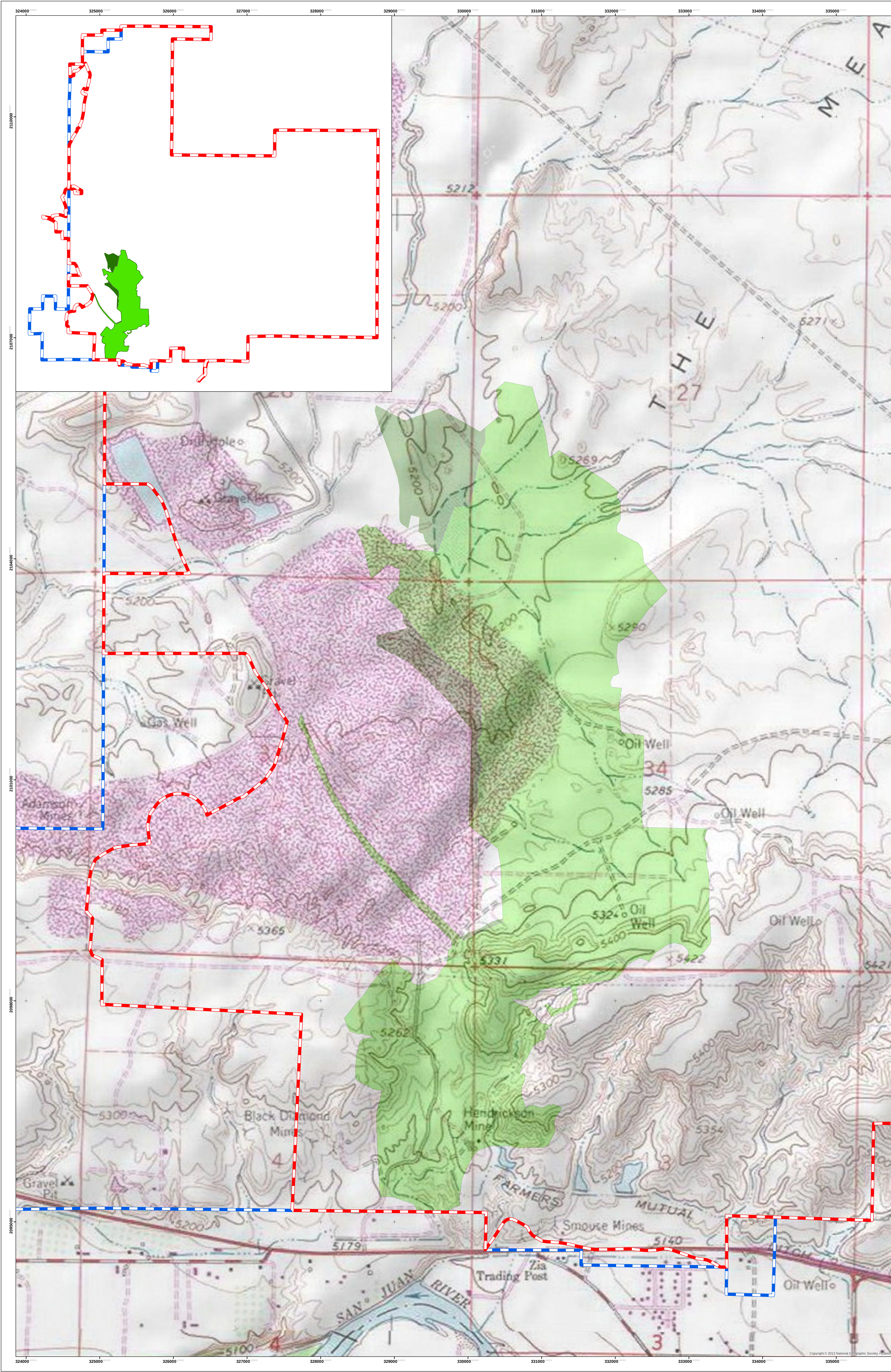


San Juan Mine
2025 Phase I Bond Release Areas
Aerial

REV.	DATE	THREAT	REVISION DESCRIPTION	DESIGNED BY	CHECKED BY

PREPARED BY: CMA DRAWN BY: CMA PAPER SIZE: ARCH E

APPROVED BY: DATE: 7/28/2025



Legend

- Lease Boundary
- Permit Boundary
- SJM_Phase_I_Juniper**
- Status**
- Phase I Release Area
- Re-Phase I
- Phase I

REV	DATE	DRAWN BY	REVISION DESCRIPTION	APPROVED BY
1	07/28/2025	CMA	2025 Phase I Bond Release Areas	CMA

Exhibit 3

WESTMORELAND SAN JUAN MINING LLC
SAN JUAN MINE

P.O. BOX 285 WATERFLOWS NEW MEXICO 87424 PHONE 505-585-2887 FAX 505-585-2026

San Juan Mine
2025 Phase I Bond Release Areas
USGS Quads

PREPARED BY: CMA DRAWN BY: CMA PAPER SIZE: ARCH E
APPROVED BY: DATE: 7/28/2025

Surface and Adjoining Landowners Notification Mailing List

Address

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

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

Gross Andrew C and Jennifer A
9 Road 6875
Waterflow, NM 87421

Kennedy Minerals LLC
4924 Fairfax Dr NW
Albuquerque, NM 87114

Collyer Cyril J Et. Al.
P.O. Box 55
Waterflow, NM 87421

Palmer Barton L and Jeanne M
P.O. Box 268
Kirtland, NM 87417

Garcia Martin R. Trust
9828 Chantilly Road NW
Albuquerque, NM 87114

Westmoreland San Juan Mining LLC
P.O. Box 260
Farmington, NM 87421

Public Notice – 2025 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 650.2 acres to the New Mexico Mining and Minerals Division (MMD) for a portion of the area currently under Permit #24-01, approved September 15, 2025. 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 260
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, described below:

Township 29N Range 15W, Sections 3, 4

- Section 3 – 33.0 acres
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- Section 27 – 131.9 acres
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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 be seeking a bond reduction of \$10,301,933.34.

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 24-01, 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.

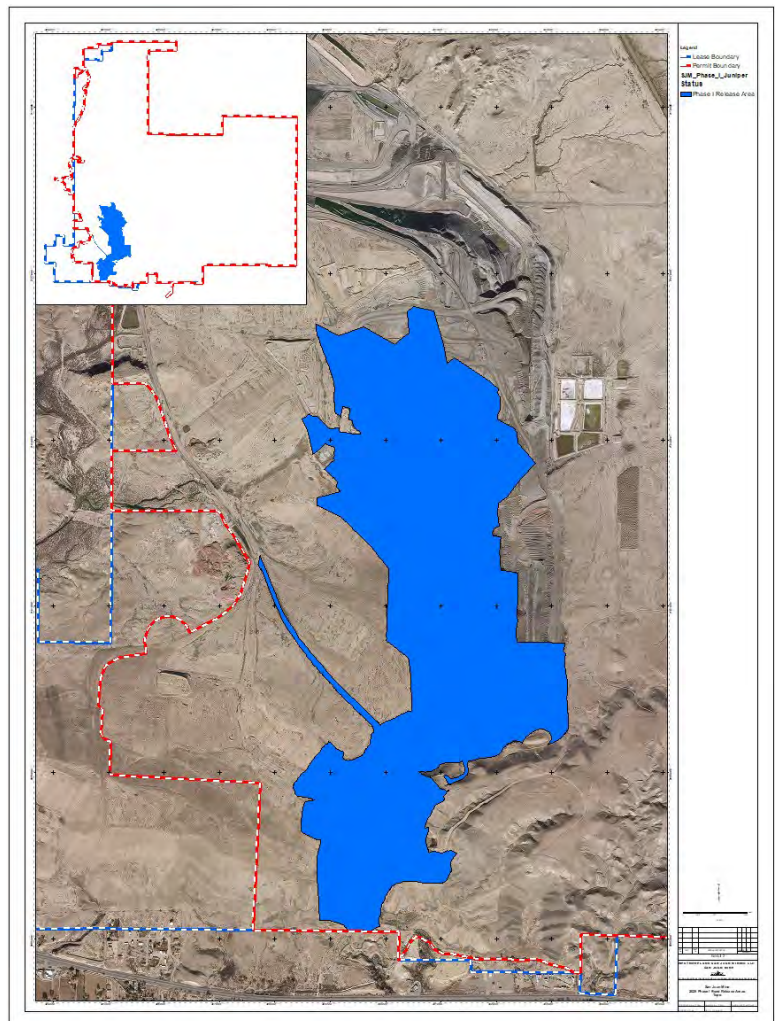
5. The application for bond release is available for examination at:

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

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

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

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



Ms. Erin McCullough
Director
New Mexico Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505)-490-1828

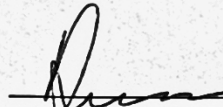
The MMD Director shall receive all written comments, objections, or requests within 30 days after the last publication of this notice.

7. The bond release request has been filed with MMD and will be acted upon pursuant to the permanent regulatory program 19.8 NMAC rules.
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 2024-01
SAN JUAN COUNTY, NEW MEXICO

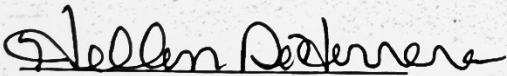
I swear and affirm, under oath and in writing, that all backfilling, regrading, and establishment of drainage control applicable for Phase I bond release on 650.2 acres of the San Juan Mine has been completed. Westmoreland San Juan Mining LLC has accomplished all required work in accordance with the requirements of Surface Mining Control and Reclamation Act and the approved reclamation plan for the San Juan Mine.

 10/8/25
Derek Rawson
General Manager
Westmoreland San Juan Mining

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

SUBSCRIBED AND SWORN before me, in my presence, this 8 day of October, 2025, a Notary Public in and for the State of New Mexico.


Notary Public

My Commission Expires: 08-15-2028

