

PRELIMINARY FINDINGS OF FACTS AND DECISIONS

Renewal of Coal Exploration Permit (No. 02-86-795)

The Division of Mining, Land and Water, Mining Section (DMLW-Mining) has received a request submitted by Usibelli Coal Mine, Inc. (UCM), PO Box 1000, Healy, AK 99743 to renew the Hoseanna Creek and Emma Creek Exploration Permit (02-86-795). The DMLW makes the following Preliminary Findings of Fact in accordance with 11 AAC 90.165.

1. An application to renew Coal Exploration Permit No. 02-86-795 was filed with the DMLW-Mining on May 19, 2016. The Hoseanna Emma Creek Exploration Permit was originally issued on July 7, 1986.
2. The exploration area is located in the Hoseanna-Emma Creek Valley, approximately two miles northeast of Healy, Alaska within: Sections 26-28 and 34-35, Township 10 South, Range 6 West; Sections 3-5, 7-10, 16-21 and 25-35, Township 11 South, Range 6 West; Sections 25-26, 29 and 32-36, Township 11 South, Range 7 West; Sections 3-5, Township 12 South, Range 7 West; Sections 7 and 18, Township 11 South, Range 5 West, of the Fairbanks Meridian.
3. Since 1986 the permit has been reissued 20 times to allow for additional exploration drilling. A total of 220 drill holes have been permitted within the exploration area. Of these 220 drill holes, only 59 remain active. The remainder have been reclaimed or mined through. This permit also requests the approval for the drilling of 30 additional exploration holes, 8 additional test pits and up to 15 miles of access trails.
4. The exploration permit application was found complete on June 27, 2016. Public notice of this preliminary decision will start on June 12, 2013, and is scheduled to end on June 30, 2016. A legal advertisement was placed in the Fairbanks Daily News Miner on June 30, 2016. Also, on June 30, 2016 the public notice will be mailed directly to the DMLW's mailing list of affected persons and agencies and will be posted to the Department of Natural Resources website.
5. The activities proposed in the permit application meet the requirements of AS 27.21.200 and 11 AAC 90.163, and 11 AAC 90.167, subject to the stipulations of the permit, which ensure that the exploration and reclamation will comply with these requirements.
6. The approved permit area is not within an area designated unsuitable for mining under AS 27.21.260.
7. The proposed coal exploration activities will not affect threatened or endangered species or their critical habitat.
8. Pursuant to 11 AAC 90.167(b) UCM has proposed a reclamation bond in the amount of \$70,418.00 to cover the associated reclamation liability of 2 test pits, the capping and sealing of 22 monitoring wells and the capping and sealing of up to 30 additional exploration holes, 8 additional test pits and up to 15 miles of access trails.
9. Prior to any additional drilling, appropriate water use authorization must be acquired prior to withdrawing any water.

Copies of Permit Application, Preliminary Findings of Fact and other supporting documents are available for review at the Alaska Department of Natural Resources, Division of Mining, Land and Water, 550 W. 7th Ave., Suite 920, Anchorage, AK 99501-3577 or on our website (www.dnr.state.ak.us/mlw/mining/index.htm). A person who may be adversely affected by the issuance of this permit may file written comments. Comments should be sent to Rene Romsland, at the Anchorage address listed above, by fax to (907) 269-8930, or by e-mail to: coalprogram@alaska.gov with the subject "Hoseanna/Emma Creek Exploration permit application." The deadline for comments is 5:00 p.m. on August 1, 2016.