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August 8, 2023

Mr. Jim Willox, Chairman
Board of Commissioners Converse County, Wyoming
107 No. 5th Street, Suite 114
Douglas, Wyoming 82633-2448

Regarding: Black Hills Lignite, LLC
Proposed Leonardite Mining Permit under Existing WDEQ
Permit # 585, Amendment 9
T37N, R75W in Converse County, Wyoming

Dear Mr. Willox:

My name is Darin Klewsaat and I am the Mining Manager for Black Hills Lignite, LLC (BHL), which consists of a leonardite (oxidized and weathered lignite and sub-bituminous coals, also referred to as humate) processing plant in Glenrock, Wyoming and several small surface mines 25 miles nearly due north of Glenrock, Wyoming. BHL is preparing a Wyoming Department of Environmental Quality (WDEQ) Leonardite Mining Application for Amendment 9 under the existing WDEQ Permit # 585, located at Township 37N, Range 75W in Converse County, Wyoming.

Black Hills Bentonite, LLC sold the Black Hills Lignite subsidiary in January 2020 and the company continues to operate as Black Hills Lignite, LLC (BHL). Black Hills Bentonite had approached the Converse County, Wyoming Board of Commissioners with the Permit Application for Amendment #8 in 2019 and the July 19, 2019 reply correspondence is attached to this correspondence for reference. The WDEQ requires in their Guideline No. 6 document (Page 4 – Section I – Adjudication File, subsection M.) that the mining permit applicant receive “Written verification of City or County (appropriate zoning of planning department) approval for the mining operation (if affecting new lands)”.

The Amendment 9 mining permit application is for a total of 126 acres in two areas (Amendment 9 - North at 68 acres and Amendment 9 - South at 58 acres) partially adjacent and north of the

active Amendment 8 area (see Figure 1 for proposed Amendment 9 location as well as current Amendment 8 location). Please note that the proposed mining areas are the smaller areas within the red shaded section quarters and not the entire section quarter. BHL has continued mining Amendment 8 in a westerly direction and will continue mining the remaining pits of Amendment 8 within the next year.

Mining activities on the amendment area will consist of open pit, surface mining for the extraction of leonardite, an oxidized, weathered lignitic material, used primarily for agricultural soil amendment end uses. The life of the mining and reclamation operation is expected to last approximately 20 - 21 years based on the current rate of plant raw feed consumption and estimated leonardite reserves. If soft market conditions occur in the future, there will likely be a decrease in demand as well as in mining, which will lengthen the reserve life and mining operation.

Topsoil and overburden will be removed using Caterpillar 627G motorized push-pull scrapers and Caterpillar D9T dozers equipped with rippers. Other equipment which will be utilized in the mining operation includes motor graders and front-end loaders. Topsoil (including subsoil), and overburden will be stripped separately and removed from the excavation areas. Topsoil will be placed in stockpiles at nearby locations or live spread on pits that have been backfilled and contoured to the approximate original contours. With the exception of the first pit in each pit sequence, overburden will be directly backfilled into adjacent pits. Overburden from the first pit in each sequence will be stockpiled adjacent to the pit sequence and will be backfilled into the last pit in each multiple-cut, direct backfill sequence. Once backfilling is completed, the areas will undergo the reclamation process, including recontouring, grading, topsoiling and seeding.

Black Hills Lignite requests if the Board of Commissioners for Converse County, Wyoming could issue a correspondence similar to the attached July 19, 2019 correspondence regarding that the proposed Amendment 9 mining permit meets zoning requirements and that BHL is authorized to conduct the proposed mining activity. This correspondence would then be placed within the Amendment 9 WDEQ Permit Application for review by the WDEQ.

We appreciate the opportunity to work with the Board of Commissioners for Converse County, Wyoming regarding this Amendment 9 WDEQ Mining Permit application.

If you have any questions, comments, or require additional information, please do not hesitate to contact me at your earliest convenience either by e-mail or directly by cellphone.

Thank you for your time.



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