



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

December 16, 2024

Jonathan Madill
American Colloid Company
PO Box 2010
Belle Fourche, SD 57717

Re: EXNI 461 for American Colloid Company Exploration Drilling in Portions of Sections 5, 6, 7, 8, 9, 15, and 24; T9N-R1W, and Portions of Section 32; T9N-R2W, Butte County

Dear Mr. Madill:

The department is in receipt of the Exploration Notice of Intent (EXNI) that you filed with our office on October 1, 2024, and supplemental information November 18, 2024. The department has determined the Notice of Intent to be procedurally complete. Based on our review of your Notice, we determined the following restrictions are required:

1. This project shall be conducted and reclaimed in such a manner as to prevent any violation of the beneficial uses of specified water quality criteria of any water resources in the area. In accordance with Chapter 74:51, all surface waters of the state have been assigned the following beneficial uses:
 - 9) Wildlife propagation, recreation, and stock watering waters; and
 - 10) Irrigation waters.
2. Any discharge from the site will shall be directed to a settling pond or flat vegetated area to allow suspended solids to settle out. For any discharge into a dry draw, gulch or surface water resource, a South Dakota Surface Water Discharge permit may be required prior to discharge.
3. To ensure optimal soil erosion protection, all affected lands shall have adequate sedimentation and erosion control measures applied pursuant to SDCL 45-6C-32 and according to Best Mineral Management Practices. These measures shall be in the form of waterbar construction on access roads where appropriate; revegetation of roads; road embankment slopes; and the installation of straw bale or silt fence type sediment filters wherever necessary. American Colloid shall inspect, clean out, repair, or upgrade the sediment controls as necessary.
4. If it is necessary to clear topsoil in a drilling area, all topsoil shall be salvaged and stockpiled whenever possible for use in reclamation. If topsoil is to be stockpiled for longer than one season prior to use in reclamation, it should be seeded with the approved seed mix to ensure the quality of soil and protection from weed infestation during the interim period.
5. Should drilling methods change from dry drilling methods (auger or sonic drilling) to a drilling method which requires greater ground disturbance and mud pits or sumps, American Colloid shall be required to apply for a new mineral exploration notice of intent.

6. American Colloid shall spray noxious weeds up to 50 feet from all disturbed and surrounding areas, including along access roads within the exploration permit boundary. Noxious weed control on all disturbed or reclaimed areas is required until this EXNI is released of reclamation liability by the Board of Minerals and Environment.
7. During periods of active exploration drilling, American Colloid shall provide, via email, a weekly schedule outlining when and where holes will be drilled so the department can plan inspections and witness plugging activities.
8. All exploration holes shall be capped, sealed and plugged according to ARSD 74:11:08 (Plugging Standards) immediately following drilling and probing.
9. If surface casing is used in exploration holes, the following requirement shall be met:
 - a) Prior to removal of surface casing, the hole shall be plugged in accordance with ARSD 74:11:08 to a level just below the bottom of the surface casing.
 - b) Following step a), the casing will be removed (when possible) or cut off at least one foot below the ground surface.
 - c) The remainder of the hole will be plugged in accordance with ARSD 74:11:08.
10. American Colloid shall notify the department, in writing, when exploration drilling penetrates an aquifer. Notification shall be provided as soon as possible, but not more than 90 days after penetration of the aquifer. Notification shall include the location of the test hole penetrating the aquifer.
11. Where affected roads and drill pad areas are no longer necessary for further exploration purposes, reclamation must be completed on these disturbed areas within 12 months. If American Colloid plans to continue exploration in disturbed areas but must temporarily cease exploration activities, reclamation must be completed within 24 months. American Colloid may submit a request to extend these deadlines as necessary to the department.
12. Reclamation must be completed on all affected acreages within 12 months following completion of all exploration activities allowed under this Notice.
13. American Colloid shall follow the seed mix plan as provided in the October 1, 2024, application.
14. Wherever possible Game, Fish and Parks (GF&P) recommends that tree clearing be completed outside the migratory bird nesting season to avoid and minimize impacts to migratory birds. The time period associated with the maximum migratory bird nesting season is approximately December to August. The time period associated with the minimum migratory bird nesting season is April 1 to July 15 (timeframe when the majority of annual bird nesting occurs). Contact the GF&P Minerals and Energy Coordinator if tree clearing must take place during the minimum migratory bird nesting season.
15. American Colloid shall conduct the necessary archaeological studies as outlined in the November 25, 2024, letter from the Archaeological Research Center prior to disturbance of any areas identified as requiring additional study.

16. During the conduct of its exploration activities, American Colloid shall avoid bones, artifacts, foundation remains, or other evidence of previously unrecorded past human use. For specific direction regarding avoidance of these sites, please contact the SD Archaeological Research Center.
17. If any artifacts or other archaeological or cultural resources are discovered during exploration activities, the activities shall be halted and the State Archaeologist notified at once.

Please note that we have assigned your Notice of Intent the following number: **EXNI-461**. This Notice allows you to conduct only the type and amount of work which is hereby being approved. Any additional work must be covered by the submission of a new Notice to our office. American Colloid may commence with the operation contingent upon compliance with the above restrictions and submittal and approval of the reclamation bond for this project.

Thank you for your interest in and consideration for the natural resources of South Dakota.

Sincerely,

\s/

Roberta Hudson
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Minerals, Mining, and Superfund Program
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cc: Stan Michals, Department of Game, Fish and Parks
Dustin Lloyd, Archaeological Research Center