



January 29, 2007

To: Phillipsburg Newspaper

RE: Legal Notice on Reclamation Bond Increase for Skalkaho Grazing, Inc.

Dear Editor:

Please publish the following legal notice in the next issue of your newspaper:

LEGAL NOTICE

The Montana Department of Environmental Quality (DEQ) is conducting a five-year comprehensive bond review for Skalkaho Grazing, Inc., a sapphire mine located on private land in Granite County about 16 miles west of Phillipsburg. The review will update bonding requirements pursuant to Section 82-4-338(3), MCA, of the Montana Metal Mine Reclamation Act (MMRA). DEQ does not believe that the current bonding level represents the costs of implementing the approved reclamation plan per the MMRA and the rules adopted under the MMRA. Skalkaho Grazing Inc. is currently permitted under Operating Permit 00044 from DEQ.

From this review the DEQ has determined that the bond should be increased from the current \$180,000 to \$204,000 to guarantee reclamation of the current disturbance at the site. Skalkaho Grazing, Inc. has a permit area of 28.4 acres of which 11 acres are permitted to be disturbed. Current disturbance is estimated at 10.4 acres.

A copy of the bond calculations that form the basis for the proposed bond determination can be obtained by contacting the Montana Department of Environmental Quality, Environmental Management Bureau, P. O. Box 200901, 1520 E. Sixth Ave., Helena, MT 59620-0901, or by calling Herb Rolfes at (406) 444-3841 or e-mail at hrolfes@mt.gov. Comments must be received by February 28, 2007.

Please send your invoice, tear sheet, and affidavit of publication to DEQ at the address below to the attention of Sue Fairchild indicating that the bill applies to EMB 5037 090. Thank you.

Department of Environmental Quality
Environmental Management Bureau
1520 East 6th Avenue

PO Box 200901
Helena MT 59620-0901

Sincerely,

Herb Rolfes
Operating Permit Section Supervisor
Environmental Management Bureau
Department of Environmental Quality
P.O. Box 200901
Helena, MT 59620-0901
(406)444-3841 or email at hrolfes@mt.gov

cc: Jackie Windon, DEQ
Charles Freshman, DEQ

HR\srf