

## Reclamation Bonding

SENATE NATURAL RESOURCES  
EXHIBIT NO. 2  
DATE SB 336/2/11/05  
BILL NO. SB 336

The opportunity to produce CBM and not leave lasting scars on the landscape of Montana lies before us. The time to require reclamation bonding is at the inception of an industry, and that time is now in Montana. Our history of reclaiming industrial resource extraction sites in this state is a mixture of failure and success. Montanan history tells of the good times of the copper boom, gold boom, coal boom and the attempts to repair the damage caused by those extraction processes.

The Zortman mine in north east Montana has caused us to look at the way we require reclamation bonding and how we get the bonds to be adequate to cover potential business problems as well as reclamation problems.

The coal industry in eastern Montana is an example of what happens when adequate reclamation bonding is required. Top soil is saved, coal is removed, topography is restored, and the surface is brought back to previous vegetative conditions. We in Rosebud County remember the old scars of open pit mining. Reclamation bonding has preserved the landscape, and reclamation is now the focal point of any mine tour in Rosebud County. In the early 1970's, some thought that coal mine reclamation would prove impossible to do, but, with planning and help from Montana State University, the process has since been refined to where it is now a normal part of mining coal. This wouldn't have happened without a forward-thinking legislature that listened to the public.

It is hard to imagine that a natural resource company would write a plan of operation that doesn't include the cost of reclamation. The financial obligation for these companies to reclaim the damage caused by the extraction process should already be on their books. This bill would ensure that those funds are held in some type of surety for guaranteed reclamation in Montana, and that oversight is given to a responsible government agency.

Rosebud Conservation District enthusiastically supports this legislation. We think it will have a very beneficial effect on the landscape of Eastern Montana in coming years. This bill will also protect Montana's taxpayers from the reclamation costs of another resource extraction industry. You can, by passing this legislation, leave a legacy in which the coal-bed methane industry cleans up after itself, much like the successful coal-mining industry does today.