PRELIMINARY FINDINGS OF FACT

Request for Coal Exploration Permit Flatlands Energy Corporation Exploration Project (Application # E-1601- 2)

The Division of Mining, Land and Water (DMLW) has reviewed the application, submitted by Flatland Energy Corporation, c/o Skwentna Roadhouse, PO Box 110 Willow, AK 99688 requesting the issuance of a coal exploration permit for the Canyon Creek Coal Exploration program (File number E-1601-2). DMLW makes the following Preliminary Findings of Fact and Decision in accordance with 11 AAC 90.165.

- 1. An application to request Coal Exploration Permit was filed with the DMLW on February 13, 2025.
- The exploration area is approximately 20 miles west southwest from Skwentna airport, Alaska within Sections 19, 30, 31, Township 20N, Range 13W, and Sections 24, 25, 36, Township 20N, Range 14W, Section 6, Township 19N, Range 13W, and Section 1, Township 19N, Range R14W, all within the Seward Meridian.
- 3. The proposed exploration activities consist of drilling up to twelve new exploration drill holes. All drill sites will be reclaimed and all drillholes not retained as monitoring wells will be sealed immediately upon completion of work at the site. In addition to the drillholes, the project is also to replace the current meteorological station with a different station and a larger tower. The new station location must be approved by DEC. All work will be helicopter supported, no roads or camps will be established in the exploration area. All equipment used on site will be removed upon completion of the exploration program.
- 4. The application contains all the information required by 11 AAC 90.163 and is sufficient for this office to make a preliminary finding. The exploration permit application was found complete on March 21, 2025.
- 5. Public notice of this preliminary finding will be given for the period starting on March 25, 2025 and ending on April 24, 2025. On March 25, 2025, the notice will be mailed directly to DMLW's mailing list of affected persons and agencies and will be posted to the Department of Natural Resources public notice website (https://aws.state.ak.us/OnlinePublicNotices/).
- 6. The activities proposed in the application meet the requirements of AS 27.21.200 and 11 AAC 90.163 through 11 AAC 90.167, subject to the stipulations of the permit, which ensure that the exploration and reclamation will comply with these requirements
- 7. The approved permit area is not within an area designated unsuitable for mining under AS 27.21.260.
- 8. Pursuant to 11 AAC 90.167(b) Flatlands Energy Corporation has proposed a reclamation bond in the amount of \$62.741.00 to cover the associated reclamation liability of twenty exploration wells and associated exploration activities.
- 9. Appropriate water use authorization must be acquired prior to withdrawing any water that will exceed the limits set out in 11 AAC 93.035.

Copies of the 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 (http://notice.alaska.gov/218923).

A person who may be adversely affected by the issuance of this permit may file written comments. Comments should be sent to the Anchorage address listed above, by fax to (907) 269-8930, or by email to: coalprogram@alaska.gov with the subject "Flatlands Energy Corporation Exploration" in the subject line.

The deadline for submitting comments is 5:00 p.m. on April 24, 2025.

Russell Kirkham Manager, Coal Regulatory Program March 24, 2025 Date