

Department for Natural Resources Update

34th Professional Mining Engineer (PEM) Conference

August 19, 2022

GORDON SLONE, COMMISSIONER
DEPARTMENT FOR NATURAL RESOURCES

DNR Update Agenda

- ▶ DNR Overview of SMCRA Directors
- ▶ COVID Impacts and Updates
- ▶ Bankruptcies
- ▶ New Director, Division of Mine Permits
- ▶ New Executive Director of the KRGF
- ▶ Accomplishments and Initiatives
- ▶ Reminders

Overview of DNR

- ▶ The Department for Natural Resources encompasses the Divisions of Conservation, Forestry, Oil & Gas, Mine Permits, Abandoned Mine Lands, Mine Safety, Mine Reclamation & Enforcement, and the Office of the Reclamation Guaranty Fund.
- ▶ DNR Commissioner's Office:
 - ▶ Commissioner Gordon Slone
 - ▶ Deputy Commissioner David Fields,
 - ▶ Staff: Courtney Skaggs, and Jay Cunningham
- ▶ In terms of coal related agencies:
 - ▶ Division of Mine Permits, Director Wes Jones
 - ▶ Division of Mine Reclamation and Enforcement, Director Jim Ward
 - ▶ Division of Mine Safety, Director Tim Fugate
 - ▶ Division of Abandoned Mine Lands, Director Justin Adams
 - ▶ Office of the Reclamation Guaranty Fund, Executive Director Jeff O'Dell.

COVID-19 Update

- ▶ As of June 2021, DNR Divisions returned to the office (minimum of three (3) days a week) and all offices have officially opened back up to the public and for in-person meetings, upon request.
- ▶ Key Notes and Considerations:
 - ▶ Please check with DNR employees prior to coming to the 300 Sower Building or branch offices.
 - ▶ Offices are open to the public, upon appointment.
 - ▶ DNR continues to carry out our statutory and regulatory mandates.

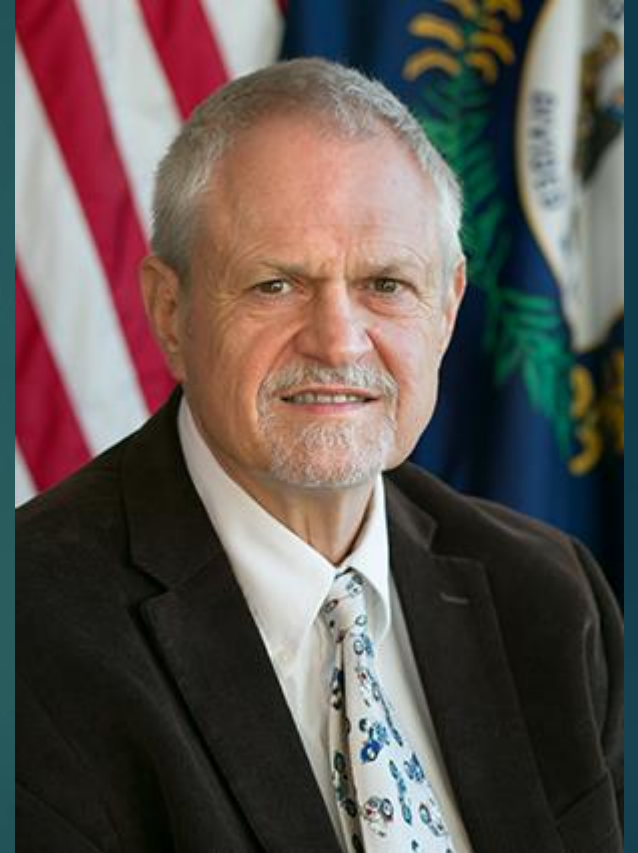
Revelation/Blackjewel Bankruptcy

- ▶ In 2019, Revelation/BlackJewel et. al. filed for Chapter 11 protection in US Bankruptcy Court in the Southern District of West Virginia.
 - ▶ The bankruptcy encompassed more than two-hundred (200) permits in the Eastern Kentucky Coal Fields.
 - ▶ After almost two years of meetings, motions, and court appearances, the bankruptcy court issued its Confirmation Order.
- ▶ On March 22, 2021, a Final Confirmation plan was entered that required:
 - ▶ Purchasers of permits from the bankruptcy sale to submit and obtain permit transfers.
 - ▶ The remaining permits not purchased were revoked pursuant to an Agreed Order entered on June 11, 2021 with the Cabinet's Office of Administrative Hearings.
 - ▶ The Cabinet has entered into a "Surety Reclamation Agreement" with Indemnity National Insurance Company to reclaim the remaining permits.

Director, Division of Mine Permits – Wes Jones

- ▶ On October 6, 2021, Wes Jones was named the Executive Director of the Division of Mine Permits.
 - ▶ Wes first started work with the Division in 1985 and has served in several divisions within the Department, as well as working in the coal industry.
 - ▶ Wes has a bachelor's degree in Mining Engineering from the University of Kentucky.

The Energy & Environment Cabinet is very pleased with the leadership and experience Wes brings to the Division of Mine Permits.



Executive Director, Office of Reclamation Guaranty Fund – Jeff O’Dell

- ▶ On December 8, 2021, Jeff O’Dell was named the Executive Director of the Office of the Office of the Reclamation Guaranty Fund (KRGF).
 - ▶ Jeff started work with the Department in 1988 as a reclamation inspector and has served in several divisions within the Department, as well as serving with the KRGF when it was first stood up.
 - ▶ Jeff has a degree in Environmental Science from Morehead State University

Both DNR and the Cabinet are pleased with the leadership and experience Jeff brings to the KRGF.



UK Mining Engineer Graduate - Tammi Hudson



Tammi Hudson, though not with DNR, is a licensed P.E. with a Bachelor of Science (B.S.) in Mining Engineering from the University of Kentucky. Tammi is the Director of the Division of Waste Management, Department of Environmental Protection in the Energy & Environment Cabinet.

The Cabinet is proud to have Tammi as a division director.

Initiatives and Accomplishments

- ▶ DNR is working with the Office of Administrative Services (OAS) to upgrade the current electronic work-flow to a more stable environment.

Reminders

- ▶ Division of Mine Permits
 - ▶ Ensure renewal applications are submitted at least 120 days prior to expiration.
 - ▶ Permitting fees must be submitted with the all applicable applications upon initial submittal.
 - ▶ Renewal applications must include the bonds and liability insurance at the time of initial submittal.
- ▶ Division of Mine Reclamation and Enforcement
 - ▶ Stay contemporaneous.
 - ▶ Ensure ponds and associated diversions are maintained in accordance with the approved permit package and applicable regulations.
- ▶ KY Reclamation Guarantee Fund: Ensure fees are submitted by the appropriate deadlines. Failure to submit fees may cause your permits to be suspended.
- ▶ Division of Mine Safety: Ensure all applicable mine license and fees are submitted in a timely manner.

Next up!

- ▶ I will be followed by the Executive Director of the Kentucky Office of the Reclamation Guaranty Fund, Jeff O'Dell.