BHP Billiton Energy Coal, Inc., 300 West Arrington, Suite 200, Farmington, New Mexico 87401, has filed for a renewal of their Western Arctic Exploration Permit No. 03-84-795. This would renew the existing permit for two additional years.

The Western Arctic Exploration Permit is located approximately 40 miles south of Point Lay, Alaska. The proposed exploration activities will be within: T1N, R41W through and including R44W; T1S, R41W through and including R47W; T2S, R41W through and including R48W; T3S, R41W through and including R49W; T4S, R41W through and including R50W; T5S, R42W through and including R51W; T6S, R42W through and including R55W; T7S, R42W through and including R55W; T8S, R42W through and including R55W of the Umiat Meridian. The size and the boundaries of the existing permit area will remain the same.

No revisions have been requested during this permit term. Exploration activities approved under the current permit authorize the retention, maintenance and upgrades of a remote camp and landing strip, a water catchment, geologic mapping and outcrop sampling, beach coal storage, drilling exploration boreholes, and retention of the Kuchiak Research Mine. All exploration and reclamation activities have been conducted in compliance with 11 AAC90.167, as described in the original and subsequent previously revised permits.

Pursuant to 11 AAC 90.167(b) the Division has determined that the reclamation bond in the amount of $259,979.00 is sufficient to cover the associated reclamation costs.

Copies of the application and preliminary decision 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 at (www.dnr.state.ak.us/mlw/mining/index.htm). Written comments regarding this permit should be sent to Russell Kirkham at the address listed above, or by e-mail at russell.kirkham@alaska.gov. The deadline for written comments is 5:00 PM, October 27, 2010.

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