11 AAC 90.121 is readopted and further amended to read:

11 AAC 90.121. Areas where mining may be limited. (a) Subject to valid existing rights and (b) – (d) of this section, the commissioner will prohibit operations in accordance with AS 27.21.260(d) [, SUBJECT TO (b) - (d) OF THIS SECTION].

(b) Subject to (e) of this section, if an applicant is seeking a permit within an area described in [FOR OPERATIONS UNDER] AS 27.21.260(d)(2), the commissioner will transmit a copy of the complete application to the agency that has jurisdiction over the location at issue and may [PARK OR SITE AND WILL] not approve the application unless it is approved by that agency.

(c) An applicant [THE COMMISSIONER WILL NOT APPROVE AN APPLICATION] for an operation on land within 300 feet, measured horizontally, from any occupied dwelling must submit [UNLESS THE APPLICANT SUBMITS] with the application a written, signed, waiver from the owner of the dwelling, stating that the owner had the legal
right to deny mining and knowingly waived that right. The waiver acts as consent to conduct the operation within a closer distance to the dwelling as specified in the waiver. A waiver obtained before August 3, 1977, is valid. A waiver obtained from a previous owner remains effective for a subsequent owner who had actual or constructive knowledge of the existing waiver at the time of purchase. A subsequent purchaser is considered to have constructive knowledge if the waiver has been recorded in the public property records under state law. The waiver must be separate from a lease or deed unless

(1) the lease or deed contains an explicit waiver; and

(2) a copy of the lease or deed is included with the permit application.

(d) The commissioner may approve relocation of a public road or operations on land within 100 feet, measured horizontally, of the outside right-of-way of any public road, except where mine access roads or haulage roads join the right-of-way, if

(1) requires the applicant to obtain necessary approval of the governmental authority with jurisdiction over the public road; and

(2) the commissioner provides notice for the local community to comment on the proposed operations to determine whether the interests of the public and affected landowners will be protected; and

(A) includes in the notice the date, time, and location for a public hearing and makes a written finding on this issue not later than 30 days after the hearing; or
(B) [(3)] after taking written public comments, makes a written finding within 30 days after hearing, or at the end of the public comment period [IF NO HEARING IS HELD, THAT THE INTERESTS OF THE PUBLIC AND AFFECTED LANDOWNERS WILL BE PROTECTED].

(e) If the commissioner is unable to determine whether the proposed operation is located within land identified in AS 27.21.260(d) for the purpose of complying with (b) of this section, the commissioner will transmit a copy of the relevant portions of the application to the appropriate federal, state, or municipal agency or Native corporation or village for a determination of the relevant boundaries or distances, with a request that it respond, in writing, not later than [WITHIN] 30 days after receipt of the request. The commissioner will presume that the proposed operation is not located within the boundaries of this land if no response is returned within 30 days. This presumption is not conclusive if the commissioner is notified during the review of the application that the proposed operation is within a protected area. (Eff. 5/2/83, Register 84; am 11/18/94, Register 132; am/readopt ___/___/_____, Register ___)

Authority: AS 27.21.030   AS 27.21.260   AS 27.21.960

Editor's note: As of Register ____ (__________, 20____), this section is transferred from material adopted by reference in 11 AAC 90.001(a) to the Alaska Administrative Code (AAC) by readoption and amendment.

11 AAC 90 is amended by adding a new section to read:

11 AAC 90.122. Areas designated by acts of Congress. Coal mining and reclamation operations may not be conducted on the following lands unless there are valid existing rights, as determined under 11 AAC 90.139, or where valid existing rights determinations for land are not required because an existing operation meets the requirements of 11 AAC 90.123:
(1) any lands protected under AS 27.21.260(d)

(2) any federal lands within a national forest; this prohibition does not apply if the
Secretary finds that there are no significant recreational, timber, economic, or other values that
may be incompatible with surface coal mining operations; and

   (A) any surface operations and impacts will be incidental to an
   underground coal mine; or

   (B) with respect to lands that do not have significant forest cover within a
   national forest west of the 100th meridian, the Secretary of Agriculture has determined
   that surface mining is in compliance with 16 U.S.C. 528-531 (Multiple-Use Sustained
   Yield Act of 1960); 30 U.S.C. 181 et seq. (Federal Coal Leasing Amendments Act of
   ___/___/_____, Register ___)

Authority:   AS 27.21.030  AS 27.21.260

11 AAC 90.123 is repealed and readopted to read:

11 AAC 90.123. Valid existing rights. (a) In AS 27.21 and this chapter, a "valid existing
right" means a set of circumstances under which a person may, subject to regulatory authority
approval, conduct a surface coal mining operation on land where AS 27.21.260 or 11 AAC
90.121 would otherwise prohibit such an operation. Possession of a valid existing right only
confers an exception from the prohibitions of AS 27.21.260, 11 AAC 90.121, and 30 U.S.C.
1272(e). A person seeking to exercise a valid existing right must comply with all other pertinent
requirements of AS 27.21 and this chapter.

(b) Except as provided in this section, a person claiming a valid existing right must
demonstrate that a legally binding conveyance, lease, deed, contract or other document vests that
person, or a predecessor in interest, with the right to conduct the type of surface coal mining
operation intended. This right must exist at the time that the land came under the protection of
AS 27.21.260 or 11 AAC 90.121. State law will govern the interpretation of a document relied
upon to establish a property right, unless federal law provides otherwise. If no applicable state
law exists, custom and generally accepted usage at the time and place that the document came
into existence will govern the interpretation.

(c) Except as provided in (f) of this section, a person claiming a valid existing right must
demonstrate compliance with one of the following:

(1) before the land came under the protection of AS 27.21.260 or 11 AAC 90.121, the
person obtained all necessary permits and authorizations required to conduct surface coal
mining operations or made a good faith effort to obtain all necessary permits and authorizations;
at a minimum, the person must have submitted an application for at least one permit required
under 11 AAC 90.007; or

(2) the land is needed for and immediately adjacent to a surface coal mining
operation, before the land came under the protection of AS 27.21.260 or 11 AAC 90.121 the
person obtained all necessary permits and authorizations required to conduct surface coal mining
operations, or made a good faith attempt to obtain all permits and authorizations, and the person
successfully demonstrates need under (d) of this section.

(d) A person claiming the land is needed for and immediately adjacent to a surface coal
mining operation under (c)(2) of this section must demonstrate that prohibiting expansion of the
operation onto the adjacent land would unfairly impact the viability of the operation as planned
before the land came under the protection of AS 27.21.260 or 11 AAC 90.121. Except for
operations in existence before August 3, 1977, or for which a good faith effort to obtain all
necessary permits had been made before August 3, 1977, this standard does not apply to lands
already under the protection of AS 27.21.260 or 11 AAC 90.121 when the regulatory authority approved the permit for the original operation or when the good faith effort to obtain all necessary permits for the original operation was made.

(e) In evaluating whether a person meets this standard under (d) of this section, the commissioner in making this determination may consider

(1) the extent to which a coal supply contract or other legal or business commitment that predates the time that the land came under the protection of AS 27.21.260 or 11 AAC 90.121 depend upon use of that land for a surface coal mining operation;

(2) the extent to which a plan used to obtain financing for the operation before the land came under the protection of AS 27.21.260 or 11 AAC 90.121 relies upon use of that land for a surface coal mining operation;

(3) the extent to which investments in the operation before the land came under the protection of AS 27.21.260 or 11 AAC 90.121 rely upon use of that land for surface coal mining operations; and

(4) whether the land lies within the area identified on the life-of-mine map submitted under 11 AAC 90.021(f) or 11 AAC 90.063(3) before the land came under the protection of AS 27.21.260 or 11 AAC 90.121.

(f) A person who claims a valid existing right to use or construct a road across the surface of land protected by AS 27.21.260 or 11 AAC 90.121 and the road meet the definition of "surface mining activities" in 11 AAC 90.911 must demonstrate that one or more of the following circumstances exist:

(1) the road existed when the land upon which it is located came under the protection of AS 27.21.260 or 11 AAC 90.121 and the person has a legal right to use the road for surface coal mining activities;
(2) a properly recorded right-of-way or easement for a road in that location existed when the land came under the protection of AS 27.21.260 or 11 AAC 90.121 and the person has a legal right to use or construct a road across the right-of-way or easement for surface coal mining activities under the document creating subsequent conveyances;

(3) a valid permit for use or construction of a road for surface coal mining operations in that location that existed when the land came under the protection of AS 27.21.260 or 11 AAC 90.121; or

(4) the of land protected by AS 27.21.260 or 11 AAC 90.121 has a valid existing right exists under (a) and (b) of this section. (Eff. 5/2/83, Register 84; am ___/___/___, Register____)

Authority:  AS 27.21.030  AS 27.21.260

Editor's note: As of Register ____ (__________, 20____), this section is transferred from material adopted by reference in 11 AAC 90.001(a) to the Alaska Administrative Code (AAC) by repeal and readoption.

11 AAC 90 is amended by adding a new section to read:

11 AAC 90.124. Processing a request for valid existing rights. (a) A person seeking a valid existing rights determination for federal lands described in AS 27.21.260(d)(1), or National Forests shall be submitted directly to the Secretary of the Interior. Requests for determinations on non-federal lands may be submitted to the commissioner of the Department of Natural Resources.

(b) When the commissioner makes a valid existing rights determination on non-federal lands the procedures under (c) - (h) of this section apply.

(c) The applicant or permittee must submit a request for a valid existing rights
determination to the department if the applicant or permittee intends to conduct surface coal mining operations on the basis of a valid existing right under 11 AAC 90.121 or is seeking to confirm the right to do so. A person may submit a request for a valid existing rights determination before preparing and submitting an application for a permit or boundary revision for the land. A person submitting a request for a valid existing rights determination under 11 AAC 90.123(c) and this section must provide

(1) a property rights demonstration under 11 AAC 90.123(c)(1) if the person successfully obtained all permits and authorizations required to conduct surface coal mining on the land or under 11 AAC 90.123(c)(2) if the person successfully obtained all permits and authorizations to conduct surface coal mining on immediately adjacent land and the land is needed for the use of the permitted property; this demonstration must include the following items:

(A) a legal description of the land at issue;

(B) complete documentation of the character and extent of the current interests in the surface and mineral estates of the land at issue;

(C) a complete chain of title for the surface and mineral estates of the land to which the request pertains;

(D) a description of the nature and effect of each title instrument that forms the basis for the request, including any provision pertaining to the type or method of mining or mining-related surface disturbances and facilities;

(E) a description of the type and extent of surface coal mining operations that the applicant or permittee claims the right to conduct under previous authorizations, including the method of mining, any mining-related surface activities and facilities, and an explanation of how those operations would be consistent with state property law;
(F) complete documentation of the nature and ownership, as of the date
that the land came under the protection of AS 27.21.260 and 11 AAC 90.121, of all
property rights for the surface and mineral estates of the land to which the request
pertains;

(G) names and addresses of the current owners of the surface and mineral
estates of the land to which the request pertains;

(H) if the coal interests have been severed from other property interests,
documentation that the owners of other property interests in the land to which the request
pertains have been notified and provided reasonable opportunity to comment on the
validity of the applicant’s or permittee’s property rights claims; and

(I) any comments received in response to the notification provided under
(b)(1)(H) of this section;

(2) for a request under 11 AAC 90.123(c), when a person made a good faith effort
to obtain all necessary permits and authorizations, a person must provide the information
required under (c)(1) of this section and

(A) the approval and issuance dates and identification number for a
permit, license, or authorization that the applicant, permittee, or predecessor in interest
obtained before the land came under the protection of statute;

(B) the application date and identification number for a permit, license, or
authorization for which the applicant, permittee, or a predecessor in interest submitted an
application before the land came under the protection of statute; and

(C) an explanation of other good faith effort that the applicant, permittee,
or a predecessor in interest made to obtain the necessary permit, license, or authorization
as of the date that the land came under the protection of AS 27.21.260 and 11 AAC
(3) for a request under 11 AAC 90.123(c)(2), when the land is needed for and immediately adjacent to a surface coal mining operation, the information required under (c)(1) of this section and an explanation regarding how and why the land is needed for and immediately adjacent to the operation upon which the request is based, including a demonstration that prohibiting expansion of the operation onto that land would unfairly impact the viability of the operation as originally planned before the land came under the protection of statute; or

(4) for a request under 11 AAC 90.123(e) relating to road use or construction, satisfactory documentation showing that

   (A) a road existed when the land upon which it is located came under the protection of AS 27.21.260 and the applicant or permittee has a legal right to use the road for a surface coal mining operation;

   (B) a properly recorded right-of-way or easement for a road in the location existed when the land came under the protection of statute, and, under the document creating the right-of-way or easement and under any subsequent conveyances, the applicant or permittee has a legal right to use or construct a road across that right of way or easement to conduct surface coal mining operations; or

   (C) a valid permit for use or construction of a road in that location for surface coal mining operations existed when the land came under the protection of 11 AAC 90.121 or 11 AAC 90.122.

(d) For an initial review of a request for a valid existing rights determination, the commissioner will first determine whether the request includes all applicable components required under (c) of this section. An initial review pertains only to the completeness of the request, not to the legal or technical adequacy of the materials submitted. If the commissioner
determines that the request does not include all applicable components required under (c) of this section, the commissioner will provide notice to the physical or electronic address provided of the deficiency to the applicant and establish a reasonable time for the applicant to submit the missing information. The commissioner may extend the time to submit missing information as is reasonably necessary. Once a request includes all applicable components under (c) of this section, the commissioner will provide for public notice and comment under (e) of this section. If an applicant does not provide the information that the commissioner requests under this subsection within the time specified or as subsequently extended, the commissioner will issue a determination that the applicant or permittee has not demonstrated a valid existing right, as provided in (e)(4) of this section.

(e) The commissioner will make a completed request available to the public in accordance with 11 AAC 90.907(b) and provide notice of the request as provided in 11 AAC 90.907(d), including at least one publication in a newspaper general circulation in the area in which the land is located. The public notice must include

(1) a physical or electronic mail address to submit comment on the request;

(2) the location of the land to which the request pertains;

(3) a description of the type of surface coal mining operations planned;

(4) a reference to and brief description of the applicable standards under the definition of valid existing rights in 11 AAC 90.123 and,

(A) if the request relies on 11 AAC 90.123(c)(1) or 11 AAC 90.123(c)(2), a description of the property rights that are claimed and the basis for such a claim;

(B) if the request relies on 11 AAC 90.123(f)(1), a description of the basis for the applicant's or permittee's claim that the road existed when the land came under the protection of statute and a description of the basis for the applicant's or permittee's claim
that it has a legal right to use that road for surface coal mining operations; or

   (C) if the request relies on 11 AAC 90.123(f), a description of the basis for
the claim that a properly recorded right of way or easement for a road in that location
existed when the land came under the protection of statute and a description of the basis
for the claim that, under the document creating the right-of-way or easement and under any
subsequent conveyances, the applicant or permittee has a legal right to use or construct a
road across the right-of-way or easement to conduct surface coal mining operations;

(5) if the request relies upon 11 AAC 90.123(c), (f)(1), or (f)(2), the notice must
include a statement that the commissioner will not make a decision on the merits of the request if,
by the close of the comment period under this notice, a person with a legal interest in the land
initiates appropriate legal action in the proper venue to resolve any differences concerning the
validity or interpretation of the deed, lease, easement, or other document that forms the basis of
the applicant or permittee's claim;

(6) a description of the procedures in this section that the commissioner will follow
in processing the request;

(7) the closing date of the comment period;

(8) a statement that interested persons may obtain a 30 day extension of the
comment period upon request; and

(9) the name and address of the department's office where a copy of the request is
available for public inspection;

(f) The commissioner shall promptly provide a copy of the notice required under (e)
of this section to:

(1) all owners of surface and mineral estates in the land included in the request
who the commissioner can reasonably locate;
(2) the owner of the land or feature causing the land to come under the protection of AS27.21.260, and, when applicable, the agency with primary jurisdiction over the feature with respect to the values causing the land to come under the protection of statute; and

(g) The commissioner shall provide a 30-day comment period, starting from the date of service of the notice; the commissioner may grant an additional 30-day comment period for good cause upon request.

(h) The commissioner shall review the materials submitted under (c) of this section, comments received under (e) of this section, and any other relevant, reasonably available information to determine whether the record is sufficiently complete to support a decision on the merits of the request; if not, the commissioner shall notify the applicant or permittee in writing and request that the applicant or permittee submit, within a specified reasonable time, any additional information that the commissioner deems necessary.

(i) Once the record is complete, the commissioner will make a determination, in writing, as to whether the applicant or permittee has demonstrated a valid existing right. The commissioner will include findings of fact and explain how the applicable elements of 11 AAC 90.123 are or are not satisfied, the commissioner may not determine that a valid existing right exists if the commissioner has not received information that the commissioner requested under (d)(2) or (i) of this section within the time specified or as subsequently extended.

(j) When making a determination under (i) of this section that relies on one or more of the reason in 11 AAC 90.123(c), (f)(1), or (f)(2), the commissioner shall consider impact of a property rights disagreement.

(1) if a property rights claim is the subject of pending litigation in a court or administrative body with jurisdiction over the property rights in question, on or before the close
of the comment period, the commissioner will issue a determination that the applicant or permittee has not demonstrated a valid existing right because they are the subject of pending litigation; and that this determination is made without prejudice and the applicant or permittee may refile the request once the property rights dispute is finally adjudicated; and

(2) if a disagreement about a property right is not the subject of pending litigation in a court or administrative agency of competent jurisdiction, the commissioner will evaluate the merits of the information in the record, determine whether the applicant or permittee has demonstrated that the requisite property rights exist under 11 AAC 90.123, and issue a written decision in accordance with (i) of this section.

(k) After making a determination of a valid existing right, the commissioner will:

(1) provide a copy of the determination, together with an explanation of appeal rights and procedures, to the applicant or permittee, to the owner or owners of the land to which the determination applies, to the owner of the feature causing the land to come under the protection of statute, and, when applicable, to the agency with primary jurisdiction over the feature with respect to the values that caused the land to come under the protection of statute; and

(2) publish notice of the determination in a newspaper of general circulation in the area which the land is located;

(i) A determination by the commissioner that an applicant or permittee has or does not have valid existing rights is a final decision subject to administrative and judicial review under AS 27.21.150.

(j) The commissioner shall make a copy of all records associated with a request for a valid existing right subject to notice and comment under (h)(2) of this section, available to the public in the same manner as the department must make permit applications available to the
11 AAC 90.163 is readopted and further amended to read:

**11 AAC 90.163. Exploration that substantially disturbs the natural land surface or occurs in an area designated unsuitable for surface coal mining.** (a) (a) A person who intends to conduct coal exploration that will substantially disturb the natural land surface or that will take place in an area designated unsuitable for surface mining under AS 27.21.260 or 11 AAC 90.121 shall file an application in the format required by 11 AAC 90.021. The application must include

1. the information required under 11 AAC 90.161(a)(1), (a)(2), and (a)(5); and
2. an exploration and reclamation plan of operations, that includes:
   (A) a brief description of the proposed area, cross-referenced to the map required under (4) of this subsection, including available information on surface topography; geologic, surface water, and other physical features; vegetative cover; and important habitat for fish, wildlife, and plants, including any endangered or threatened species listed under [16 U.S.C. 1531 – 1543](https://www.law.cornell.edu/uscode/text/16/1531) (Endangered Species Act of 1973), AS AMENDED (16 U.S.C. 1531 – 1543);
   (B) a description of known cultural or historic resources listed or eligible for listing on the National Register of Historic Places and known archaeological features within the proposed exploration area. The commissioner will, in the commissioner's discretion, require additional information regarding known or unknown historic or archeological resources if these resources are likely to be affected by activities under this section;
(C) a description of the methods to be used to conduct coal exploration and reclamation, including, types and uses of equipment, drilling, blasting, road or other transportation facility construction, and earth and debris disposal areas;

(D) an estimated timetable for each phase of exploration and reclamation;

(E) the estimated amounts of coal to be removed and a description of the methods to be used to determine those amounts;

(F) the documentation required under (b) and (c) of this section if the applicant proposes to remove more than 250 tons of coal; and

(G) a description of how the exploration activities will comply with 11 AAC 90.167;

(3) the names and addresses of all owners and leaseholders of record of the surface land and the mineral estate in the area to be explored;

(4) a map of the 1:63,360 scale series enlarged at least 2.5 times showing, based on available information, the area to be disturbed by the proposed exploration and reclamation activities, including existing roads, structures, pipelines, and the proposed location of trenches, roads, rights-of-way and other access routes, land excavations to be conducted, water or coal exploratory holes and wells to be drilled or altered, earth or debris disposal areas, bodies of water, historic, archeological and cultural features, topographic and drainage features, and the habitats of endangered or threatened species identified in (2)(A) of this section; [AND]

(5) a statement as to whether coal exploration is proposed for [AN AREA DESIGNATED UNSUITABLE FOR MINING] lands under the protection of AS 27.21.260 or 11 AAC 90.121, and a demonstration that, to the extent technologically and economically feasible, the proposed exploration activities are designed to minimize interference with the values for which those lands were designated as unsuitable for coal mining and reclamation.
(6) documentation of consultation with the owner, agency, or both about a feature causing the land to come under the protection of AS 27.21.260(d) and 11 AAC 90.121, and, when applicable, with the agency with primary jurisdiction over the feature with respect to the values that caused the land to come under the protection of AS 27.21.260(d) or 11 AAC 90.121.

(b) Extraction of more than 250 tons of coal under an exploration permit is allowed only with the commissioner's prior written approval, based on a demonstration by the applicant that:

(1) coal testing is necessary for the development of a surface coal mining and reclamation operation for which a permit application will be submitted in the near future;

(2) any sale or commercial use of the coal is for testing purposes only; and

(3) the amount of coal proposed to be extracted is the minimum necessary for testing.

(c) The demonstration required in (b) of this section must also include:

(1) the location where the coal will be tested;

(2) the name of the testing firm;

(3) a statement from the testing firm, intended end user of the coal, or, if applicable, the agent or broker handling the transaction, that describes:

(A) the specific tests that will be conducted and the amount of coal necessary for these tests; and

(B) the reason for testing, including, if applicable, that the coal may differ from the user's other coal supplies.
(4) evidence that sufficient reserves of coal are available to the applicant for future commercial use or sale to the intended end user to demonstrate that the amount of coal to be removed is a sample of a larger reserve and not the total reserve; and

(5) an explanation of why other means of exploration are not adequate to determine the quality of the coal or the feasibility of developing a surface coal mining operation.

(d) The commissioner’s determination under 11 AAC 90.002(b) must be made in writing. The commissioner shall base the determination on a demonstration by the applicant that includes the information required under (c) of this section and:

(1) evidence that sufficient coal reserves are available to demonstrate that the amount of coal to be removed is not the total reserve, but is a sampling of a larger reserve; and

(2) an explanation of why other means of exploration are not adequate to determine the quality of the coal or the feasibility of developing a surface coal mining operation.

(e) Before authorizing surface coal mining activities on any lands protected under AS 27.21.260 or 11 AAC 90.121, the commissioner must find that exploration activities will be conducted to minimize interference, to the extent technologically and economically feasible, with the values for which those lands were designated as unsuitable for surface coal mining operations. Before making this finding, the commissioner will provide a reasonable opportunity for the owner of, and, when applicable, the agency with primary jurisdiction over, the feature causing the land to come under the protection of AS 27.21.260, to comment on whether the finding is appropriate. (Eff. 5/2/83, Register 84; am 11/18/94, Register 132; am 7/29/98, Register 147; readopt/am __/__/____, Register ___)

Authority: AS 27.21.030 AS 27.21.200
Editor's note: As of Register ____ (__________, 20____), this section is transferred from material adopted by reference in 11 AAC 90.001(a) to the Alaska Administrative Code (AAC) by readoption and amendment.