

June 5, 2014

NOTICE OF DEPARTMENT ACTION

The Department of Environment and Natural Resources is informing you that the following Temporary Cessation request has been approved in accordance with SDCL 45-6B and ARSD 74:29:09:06.

Date of Action: June 5, 2014

Applicant: American Colloid Company

Address: PO Box 2010, Belle Fourche, SD 57717-2010

Permit: 475

Legal Description: Portions of Sections 3, 4, 9, & 10; T11N-R2E, Butte County

General Location: Approximately 17.5 miles north of Belle Fourche, South Dakota

Mineral: Bentonite

Narrative: American Colloid Company has temporarily ceased mining activities under Mine Permit 475 due to low demand for the grade of bentonite mined at the site and current economic conditions. Once demand increases for the grade of bentonite at this location and economic conditions improve, American Colloid Company will re-commence mining operations. American Colloid Company will perform site maintenance during the period of temporary cessation.

In accordance with SDCL 45-6B-3(8)(c), American Colloid Company must resume production within five years unless the Board of Minerals and Environment grants a 5-year extension. If production does not resume within the required time period, American Colloid Company must reclaim the area pursuant to the reclamation plan in Mine Permit 475.

If you have any questions regarding the temporary cessation, please feel free to contact Eric Holm, Minerals and Mining Program at (605) 773-4201.

Sincerely,

\S/

Steven M. Pirner
Secretary

Department of Environment & Natural Resources