

V PERFORMANCE BOND



Ducks at the Vigo County Coal Company Cypress Creek Mine

After the Division approves an application, but before a permit is issued, the operator must provide a bond guaranteeing performance payable to the State of Indiana, Department of Natural Resources. The bond covers the area of land described in the permit upon which the operator will conduct surface mining and reclamation activities. The purpose of posting the bond is to ensure that if the permittee does not complete reclamation, the State will have sufficient funds available to complete the task.

The amount of bond posted is based on the estimated cost of reclaiming mined land to the proposed land use after mining.

The Division may order the forfeiture of all or part of a bond for a permit area if the permittee does not conduct reclamation operations in accordance with the applicable reclamation plan, or does not fulfill one or more of the conditions under which the bond was posted.

Any operator that forfeits a bond for non-compliance is banned by law from obtaining another permit to mine coal.