



KNIFE RIVER

CORPORATION

A Subsidiary of MDU Resources Group, Inc.

1150 West Century Avenue

Bismarck, ND 58503

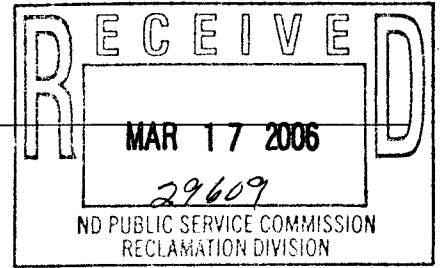
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January 27, 2006

Mr. James R. Deutsch
Director - Reclamation Division
Public Service Commission
600 E. Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

FILED IN RECLAMATION DIV.

Date: 3-20-06

Action: Dear

Info. Only: _____

Info. Permit KRGB-8101

RE: Application for Final Release of Bond
Bond Release No. 4
Permit No. KRGC-8101
Gascoyne Mine Area

Dear Mr. Deutsch:

Submitted herewith please find five copies of updated Bond Release No. 4 with specific revisions of text pages and maps in response to the comments contained in your Technical Review letter dated June 21, 2002. There have been numerous changes since the initial application, specifically the hydrologic assessment approval, Dakota Prairie Beef ownership, and Knife River Corporation personnel changes.

ITEM 1: Application & Summary Page

Page 3 to the bond release application form has been included.

ITEM 2: Application & Summary Page

The summary page has been revised and all references to incorporating the bond release application into the permit have been removed.

ITEM 3: Attachment 1

The existing map Attachment No. 1 was revised showing the current topography in Bond Release Tract 4-A. Also the wording under Final Grading has been corrected to reflect the revised map.

ITEM 4: Attachment 2

The typographical errors in the legal description for Tract #4D have been corrected.

ITEM 5: Attachment 4

One copy of each letter that was mailed to the surface and adjoining property owners in March 2002 has been provided.

ITEM 6: Attachment 6

The Ownership Map, Attachment 6, has been updated in response to the comments A, B, and C. Additional changes in ownership from initial submittal to present have also been addressed.

ITEM 7: Attachment 7 Tract BR4-B

The location of Tract BR4-B has been corrected to SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 26.

ITEM 8: Attachment 7 Tract BR4-B

A new Table BR#4-7.0 has been inserted into the supporting narrative addressing these issues, with the corresponding disturbed/undisturbed acreages shown on Attachment 9, Exhibit 9.2.

ITEM 9: Attachment 7 Tract BR4-B

A hydrologic assessment has been completed and approved, indicating the area does not contribute suspended solids to stream flow outside the permit area.

ITEM 10: Attachment 7 Tract BR4-B

A discussion addressing the final bond release standard and the achievement of these standards has been inserted into the supporting narrative.

ITEM 11: Attachment 7 Tract BR4-A

The third sentence in the second paragraph has been revised accordingly.

ITEM 12: Attachment 7 Tract BR4-A

A new Table BR#4-7.1 has been inserted into the supporting narrative addressing these issues, with the corresponding disturbed/undisturbed acreages shown on Attachment 9, Exhibit 9.1.

ITEM 13: Attachment 7 Tract BR4-A

A hydrologic assessment has been completed and approved, indicating the area does not contribute suspended solids to stream flow outside the permit area.

ITEM 14: Attachment 7 Tract BR4-A

A discussion addressing the final bond release standard and the achievement of these standards has been inserted into the supporting narrative.

ITEM 15: Attachment 7 Tract BR4-A

Permanent impoundment management commitments have been provided at the end of the supporting narrative.

ITEM 16: Attachment 7 Tract BR4-C

A discussion has been added indicating when the facilities area was initially disturbed.

ITEM 17: Attachment 7 Tract BR4-C

A hydrologic assessment has been completed and approved, indicating the area does not contribute suspended solids to stream flow outside the permit area.

ITEM 18: Attachment 7 Tract BR4-C

Pond 24 was reclaimed and a hydraulic evaluation of the drainage area was performed; therefore the discharge pipe that lies within this tract has been plugged.

ITEM 19: Attachment 7 Tract BR4-C

A discussion addressing the final bond release standard and the achievement of these standards has been inserted into the supporting narrative.

ITEM 20: Attachment 7 Tract BR4-D

A discussion addressing the final bond release standard and the achievement of these standards has been inserted into the supporting narrative.

ITEM 21: Attachment 7

The Respreading, Seeding and Vegetation Management narrative on page 2 has been deleted and details regarding these activities are addressed for each tract.

ITEM 22: Attachment 7

New map entitled Respread Tract and Depths Attachment 7.1 has been added showing the soil respread thickness for Tract No. BR4-A prior to construction of the feedlot. Also new maps Attachment 9, Exhibit 9.1 & 9.2 have been added showing the disturbance limits of the bond release tracts that were not disturbed.

ITEM 23: Attachment 9

The bond release computations in Attachment No. 9 have been revised to reflect the bond release amount of \$1,406.46 rather than \$1,422.67 per acre.

ITEM 24: Attachment 9


The beginning coordinates for Point 55 on Tract II has been revised on page III-3 in Attachment 9 to N 10,560 and W 2,030.6.

ITEM 25: Hydrological Assessment

An assessment was completed for the Gascoyne Mine by Knife River personnel, and approved by the PSC via Rev. 30 to permit KRGC-8101.

Should you or your staff have any questions on the information contained herein, please contact the Bismarck Office.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike J.", written in black ink.

Michael J. Fagerland

Encl.