

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Royal Oak Enterprises, Inc.
Bond Release No. 3 for Permit HKHK-8105
Approval

Case No. RC-04-409

RELEASE OF BOND
FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

March 11, 2009

Based on the application for **Bond Release Number 3 for Surface Mining Permit Number HKHK-8105**, received August 4, 2004 and as later modified, and all information and documentation contained therein, the North Dakota Public Service Commission finds that:

1. Attached to the Application for Release of Bond were copies of all letters sent by the Permittee as required by NDCC §38.14.1-17(1)(b). Affidavits of publication for the advertisement required by NDCC §38.14.1-17(1)(a) have now been filed and have been made part of the Application for Release of Bond. The last date of publication was September 2, 2004.
2. On September 1, 2004, the Commission conducted an inspection and evaluation of the reclamation work involved, as required by NDCC §38.14.1-17(3). The surface owner, agent, or lessee was given notice of the bond release inspection and had the opportunity to participate with the Commission in conducting the inspection.

In accordance with NDCC §38.14.1-17, Bond Release No. 3 for Surface Mining Permit No. HKHK-8105 is hereby granted to Royal Oak Enterprises, Inc. effective April 13, 2009, unless a formal hearing is requested. Release of \$228,070.95 is approved. The area is described by the following description:

**Portions of Sections 16 and 17, T139N, R95W, in Stark
County, releasing all remaining reclamation liabilities on
76.82 acres.**

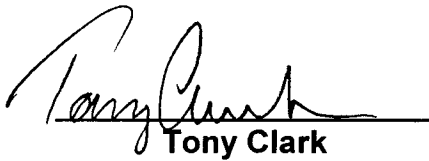
This decision to release all of the bond on this acreage is made for the following reason:

The post-mining land uses of tame pastureland and industrial/commercial have been implemented as approved under the reclamation plan in the mining permit and the requirements of the applicable laws and rules have been satisfied.

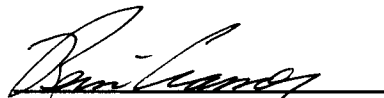
IMPORTANT – PLEASE READ

1. If bond release has been approved, actual release of bond shall not occur until the effective date of this decision. If a formal hearing is requested on this bond release decision by a person with a valid legal interest or by the head of any state or local government agency with appropriate jurisdiction, the actual release of bond may not occur until after a final decision is issued following the formal hearing. A request for formal hearing by any such person must be filed with the Public Service Commission within 30 days of this bond release decision.
2. If bond release has been disapproved or if you are unsatisfied with the amount of bond approved for release, you have the right to request a formal hearing regarding this decision by filing an application for a hearing with the Public Service Commission within 30 days of the date of this decision.

PUBLIC SERVICE COMMISSION



Tony Clark
Commissioner



Kevin Cramer
President



Brian P. Kalk
Commissioner

RECLAMTION DESCRIPTION

Royal Oak Enterprises, Inc.

HAUL ROAD NO. 1

A tract of land lying in the N1/2 of Section 17, Township 139 North, Range 95 West of the 5th Principal Meridian, Stark County, North Dakota being more specifically described as a strip of land 60 feet wide lying 30 feet on each side of the following described roadway centerline:

Commencing at a point west line of Permit No. 32 a distance of 95.35 feet North and 225.0 feet West of the southwest corner of the Northeast Quarter of said Section 17; thence in a northwesterly direction on a bearing of N45°00'W a distance of 42.4 feet; thence North a distance of 494.6 feet; thence northerly on a bearing of N0°30'E a distance of 465.2 feet; thence in a northwesterly direction on a bearing of N64°49'W a distance of 494.4 feet; thence in a northwesterly direction on a bearing of N73°31'W a distance of 86.4 feet to the Point of Beginning on the north line of the South Half of the Northwest Quarter of said Section 17; thence continuing in a northwesterly direction on a bearing of M73°31'W a distance of 218.9 feet; thence in a northwesterly direction on a bearing of N63°16'W a distance of 189.7 feet; thence in a northwesterly direction on a bearing of N33°36'W a distance of 800.9 feet; thence in a northeasterly direction on a bearing of N24°12'E a distance of 106.5 feet; thence in a northeasterly direction on a bearing of N82°01'E a distance of 461.0 feet; thence in a southeasterly direction on a bearing of S67°01'E a distance of 310.7 feet; thence in a southeasterly direction on a bearing of S80°03'E a distance of 357.4 feet; thence in a southeasterly direction on a bearing of S76°54'E a distance of 509.7 feet; thence in a northeasterly direction on a bearing of N80°01'E a distance of 885.2 feet; thence in a northeasterly direction on a bearing of N86°19'E a distance of 426.1 feet; thence in a southeasterly direction on a bearing of S50°51'E a distance of 205.5 feet; thence in a northeasterly direction on a bearing of N85°40'E a distance of 359.4 feet; thence in a southeasterly direction on a bearing of S85°55'E a distance of 516.5 feet; thence in a southeasterly direction on a bearing of S55°39'E a distance of 205.4 feet; thence in a southeasterly direction on a bearing of S28°46'E a distance of 214.4 feet to the ending point on the west line of Permit No. 35 a distance of 1753.4 feet north of the southeast corner of said North Half of Section 17.

Tract contains 7.94 acres more or less.

RECLAMATION DESCRIPTION

Royal Oak Enterprises, Inc.

AREA "B"

A tract of land located in the W1/2 of Section 16, Township 139 North, Range 95 West of the 5th Principal Meridian, Stark County, North Dakota and being described as follows.

Beginning at a point on the west line of said W1/2 of Section 16 a distance of 1315.0 feet south of the northwest corner of said W1/2 of Section 16; thence southeasterly on a bearing of South 54°49' East a distance 277.7 feet; thence East a distance of 440.0 feet; thence northeasterly on a bearing of North 42°43' East a distance of 88.5 feet; thence East a distance of 525.0 feet; thence northeasterly on a bearing of North 51°00' East a distance of 350.2 feet; thence southeasterly on a bearing of South 66°42'35" East a distance 525.9 feet; thence southeasterly on a bearing of South 36°30'11" East a distance of 622.5 feet; thence southerly on a bearing of South 11°14' East a distance of 751.5 feet; thence West along the south line of the NW1/4 of Section 16 a distance of 555.0 feet; thence northwesterly on a bearing of North 20°11' West a distance of 623.3 feet; thence West a distance of 1373.0 feet; thence southwesterly on a bearing of South 24°02' West a distance of 930.7 feet; to a point on the West line of said W1/2 of Section 16; thence north along said west line a distance of 1590.0 feet to the Point of Beginning.

Tract contains 46.15 Acres, more or less.

RECLAMATION DESCRIPTION

Royal Oak Enterprises, Inc.

AREA "C"

A Tract of land located in the NW1/4 of Section 16, Township 139 North, Range 95 West of the 5th Principal Meridian, Stark County, North Dakota and being described as follows:

Beginning at a point 1785.0 feet north and 1200.0 feet east of the southwest corner of said NW1/4 of Section 16; thence northeasterly on a bearing of North 49°00' East a distance of 223.0 feet; thence southeasterly on a bearing of South 48°00' East a distance of 849.6 feet; thence southerly on a bearing of South 02°37' East a distance of 124.6 feet; thence northwesterly on a bearing of North 66°42'35" West a distance of 876.9 feet; thence northerly a distance of 200.0 feet to the Point of Beginning.

Tract contains 5.16 Acres, more or less.

RECLAMATION DESCRIPTION

Royal Oak Enterprises, Inc.

AREA "D"

A tract of land located in the NW1/4 of Section 16, Township 139 North, Range 95 West of the 5th Principal Meridian, Stark County, North Dakota and being described as follows:

Beginning at a point on the west line of said NW1/4 of Section 16 a distance of 855.0 feet south of the northwest corner of said NW1/4 of Section 16; thence East a distance of 1200.0 feet; thence South a distance of 200.0 feet; thence southeasterly on a bearing of South 66°42'35" East a distance of 351.0 feet; thence southwesterly on a bearing of South 51°00' West a distance of 350.2 feet; thence West a distance of 525.0 feet; thence southwesterly on a bearing of South 42°43' West a distance of 88.5 feet; thence North a distance of 200.0 feet; thence East a distance of 110.0 feet; thence North a distance 200.0 feet; thence West a distance of 777.0 feet to a point on the west line of said NW1/4 of Section 16; thence North along said West line a distance of 225.0 feet to the Point of Beginning.

Tract contains 11.31 Acres, more or less.

RECLAMATION DESCRIPTION

Royal Oak Enterprises, Inc.

AREA "E"

A tract of land located in the NW1/4 of Section 16, Township 139 North, Range 95 West of the 5th Principal Meridian, Stark County, North Dakota and being described as follows:

Beginning at a point on the west line of said NW1/4 of Section 16 a distance of 1315.0 feet south of the northwest corner of said NW1/4 of Section 16; thence North along said west line a distance of 235.0 feet; thence East a distance of 777.0 feet; thence South a distance of 200.0 feet; thence West a distance of 110.0 feet; thence South a distance of 200.0 feet; thence West a distance of 440.0 feet; thence northwesterly on a bearing of North 54°49' West a distance of 277.7 feet to the Point of Beginning.

Tract contains 6.20 acres, more or less.

RECLAMATION DESCRIPTION

Royal Oak Enterprises, Inc.

“SUB-STATION AREA”

A tract of land lying in the NW¼ of Section 16; Township 139 North; Range 94 West of the 5th Principal Meridian, said tract being described as follows:

Beginning at a point 1785.0 feet north and 775.0 feet east of the southwest corner of said NW¼ of Section 16; thence north a distance of 50.0 feet; thence east a distance of 50.0 feet; thence south a distance of 50.0 feet; thence west a distance of 50.0 feet to the point of beginning.

Tract contains 0.06 acres, more or less.