



# United States Department of the Interior

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## OFFICE OF SURFACE MINING

Reclamation and Enforcement  
Casper Field Office  
150 East "B" Street, Rm 1018  
Casper, Wyoming 82601

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PUBLIC SERVICE COMMISSION

IN REPLY REFER TO:

December 24, 2008

Jim Deutsch, Director  
Reclamation Division  
State of North Dakota  
Public Service Commission  
600 E. Boulevard Ave. Dept. 0408  
Bismarck, North Dakota 58505-0408

RE: Phase III Final 100% Bond Release No. 5, Knife River Corporation, Gascoyne Mine, Permit #KRG-C-8101.

Dear Mr. Deutsch:

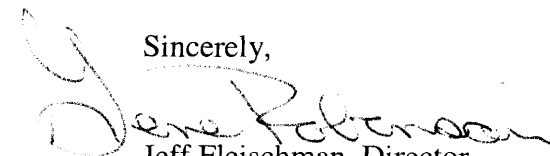
Casper Field Office has received Bond Release Application No. 5 for Phase III 100% Bond Release. This bond release application includes Federal Lands therefore; Office of Surface Mining (OSM) concurrence will be needed.

The Reclamation Division and the Casper Field Office inspected the requested bond release area on August 6, 2008. The Reclamation Division has completed its review of the application for bond release and has documented that all required items have been addressed.

The CFO reviewed the bond release application for compliance with all other non-SMCRA Federal requirements. There are no unfulfilled requirements that would preclude the release of bond. OSM concurs with the recommendation for approval of the bond release application.

If you have any questions, please contact Gene Robinson of the Casper Field Office at 307/261-6540.

Sincerely,

  
Jeff Fleischman, Director  
Casper Field Office