

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Knife River Corporation
Bond Release No. 5, Permit KRGC-8101
Approval

Case No. RC-07-653

RELEASE OF BOND
FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

January 14, 2009

Based on the application for **Bond Release Number 5 to Surface Mining Permit Number KRGC-8101**, received September 11, 2007 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 June 6, 2008.
2. On July 1, 2008, 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. 5 to Surface Mining Permit No. KRGC-8101 is hereby granted to Knife River Corporation effective February 16, 2009, unless a formal hearing is requested. Release in the amount of \$238,263.50 is approved. The area is described by the attached metes and bounds descriptions and as follows:

Portions of Sections 26, 27, 33, 34, and 35, T131N, R99W, in
Bowman County, releasing all reclamation liabilities on 418.2
acres.

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

The post-mining land uses of cropland, tame pastureland, developed water resources, and industrial/commercial have been implemented as approved in the reclamation plan, the applicable revegetation success standards have been met, and all other 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