

THE COTEAU PROPERTIES COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

SCANNED

Date 7-14-08 (30951)

File CT-7-11-rsp-b-S-tech

CT-7-11-RevA-submittal

FREEDOM MINE

204 County Road 15
Beulah, North Dakota 58523-9475

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RECEIVED

July 11, 2008

Mr. James R. Deutsch
Director Reclamation Division
Public Service Commission
600 East Boulevard Avenue
Department 408
Bismarck, ND 58505-0480

Dear Mr. Deutsch:

Enclosed are three DVD's containing Revision 7 to Permit NACT-0401. Responses below refer to deficiencies in your June 5, 2008 letter regarding technical review of this revision:

1. See revised Sections 1.2.8 and 1.2.9. Please note the hearing opportunity for the ND Highway 1806 setback was included in the public notice for the revision.
2. See revised pages 1-2 of Section 1.2.2, and the revised Metes and Bounds Map for Entire Permit Area of Section 1.2.2.1.
3. See the revised Metes and Bounds Map for Entire Permit Area of Section 1.2.2.1.
4. See revised page 1 of Section 1.2.3, and the revised Metes and Bounds Map for Areas Added by Revision 7 of Section 1.2.3.2.
5. See revised Tract 44 (not 43) of revised Sections 1.5.1 and 1.5.3.
6. See revised page 3 of Section 2.1.2.
7. See revised page 4 of Section 2.2.3.
8. See revised pages 1 and 4 of Section 2.2.4.
9. See revised page 1 of Section 2.3.7, revised page 1 of Section 2.3.7.1, revised page 2 of Section 2.3.7.2, and revised pages 10-12 of Section 2.3.8. The well certification documents for the three Wayne Boeshans wells are currently included in the Consolidated Ground Water Monitoring Plan (Sections C-1 and C-3, and Appendix B).
10. See revised page 1 of Section 2.3.7, revised page 1 of Section 2.3.7.1, revised page 2 of Section 2.3.7.2, and revised pages 10-12 of Section 2.3.8.
11. See revised pages 1-2 of Section 2.4.1.
12. See revised pages 2-3 of Section 2.4.1.
13. See revised page 14 of Section 2.4.2.
14. See revised page 14 of Section 2.4.2.
15. See revised page 1 of Section 2.4.4, revised page 1 of Section 2.4.7, revised page 1 of Section 2.4.8, revised page 1 of Section 2.4.10.1, and pages 1-4 of Section 2.4.10.2.
16. See revised page 2 of Section 2.4.4, revised page 1 of Section 2.4.7, revised page 1 of Section 2.4.8, revised page 14 of Section 2.4.9.1, revised page 8 of Section 2.4.9.2, revised page 2 of Section 2.4.10.1, and revised pages 1-3 of Section 2.4.13.
17. See revised pages 1-2 of Section 2.4.10.2.

JUL 14 2008
30951
PUBLIC SERVICE COMMISSION

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

13 RC-08-100 Filed: 7/14/2008 Pages: 4
Response to the Technical Deficiency Letter Filed by
Coteau



Coteau Properties Company

Joe Friedlander

18. The original mapping of this area was done in a dry year in an annually tilled field. The tillage made hydric soil properties hard to distinguish, so wetland mapping based on soil properties was difficult. This also explains why the Order 1 soil survey did not identify hydric soils in this area. The dry year meant that the annual weedy vegetation that was present did not reflect the boundaries of the wetland that would be visible in a year with more moisture. Specifically, annual upland species were found within what the NWI map showed as a wetland, and water tolerant species were limited to a much smaller area. After this error became apparent in 2008, field inspections were conducted to review wetland delineations in cropland in Tracts 43, 44, and 45. June of 2008 received above average moisture, so the revised wetland delineations now reflect a more long-term picture of the area that would be inundated or saturated with the frequency and duration necessary to consider it a wetland. Changes were made to reflect the combination of seasonal wetlands W09-08-145-87 and W09-07-145-87. See revised page 14 of Section 2.4.2, page 2 of Section 2.4.4, page 2 of Section 2.4.10.1, page 1 of Section 2.4.10.2, page 1 of Section 4.1.3, the revised Pre-Mining Land Use and Vegetation Map of Section 2.4.3, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2. During the review of Tracts 43 and 44, two additional seasonal wetlands were found on the edge of the cropland in the W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 4. The appropriate sections listed above were changed to reflect the additional seasonal wetland acres. Also, a discussion was added to page 2 of Section 2.4.1 to address the issue of variances between NWI maps, NRCS surveys, the detailed soil survey, and what is actually mapped as a wetland.
19. See revised page 3 of Section 2.4.2.
20. Incorrectly, the dimensions of the entire shelterbelt SB21-1-146-87 were listed in the original permit submittal, even though only a portion was inside the permit boundary. Therefore, there was no increase in the dimensions when the remainder of the shelterbelt was added in Revision 7. The slight increase in length and width reflect rounding (see revised page 3 of Section 2.4.2). The acreage was corrected on page 4 of Section 2.4.13 and page 1 of Section 4.1.3. The acreage is correct on page 1 of Section 2.4.4, so no changes were made.
21. See revised page 1 of Section 2.5.1.
22. See revised pages 2-3 of Section 2.5.1.
23. See revised page 1 of Section 2.5.3.
24. See revised page 4 of Section 2.5.3.1.
25. See revised page 1 of Section 2.5.3.2.
26. See revised page 1 of Section 2.5.6.1.
27. See revised page 1 of Section 2.5.6.1 and revised page 1 of Section 2.5.6.2.
28. See revised page 2 of Section 2.5.6.2.
29. See revised page 10 of Section 2.5.7.
30. See revised page 40 of Section 2.7.2 for the results of the aerial surveys for the 2006-2007 study area. Habitat information provided is relevant to the 2006-2007 study area, so no additional narrative was added. Information is provided on the results of all Coteau studies in the permit area. The results of the 2006-2007 study area review for threatened and endangered species is already included.
31. See revised pages 2-3 of Section 3.1.1.6. We also referenced road closures near the old Ricky Scheid farmstead.
32. See revised page 2 of Section 3.2.5.
33. See the two new pages added to the end of Sections 3.3.11, 3.3.12, and 3.3.13.

34. See revised pages 3-4 of Section 3.3.3.
35. The farmstead will not be residential land use post-mining, and the lagoon will not be replaced. See revised page 8 of Section 2.4.2, revised page 2 of Section 4.1.1, revised page 1 of Section 4.1.3, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2. The narrative mentions that the lagoon is a permitted livestock facility, and therefore will be removed according to all applicable ND Department of Health requirements.
36. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
37. See revised page 1 of Section 4.1.3.
38. See revised page 1 of Section 4.1.3.
39. See revised page 1 of Section 4.2.2. This will clarify seeding plans for all land uses, and resolves introduced species concerns for wetland edges in native grassland, since reclaimed native grassland seed mixes do not include introduced species.
40. See revised page 1 of Section 4.1.3. None of the 3.64 acres of shelterbelts added in Revision 7 will be disturbed (see revised pages 1-2 of Section 4.2.3). The reduction in post-mining shelterbelt acres is because disturbance plans were changed, and planting styles were updated for shelterbelts in the already approved portions of the permit (refer to the changes made to pages 1-2 of Section 4.2.3). The portion of SB36-2-146-87 that was projected for disturbance was to originally be replaced with the same planting style and species as was present pre-mining, so it would tie into the remaining undisturbed portions. However, all of SB36-2-146-87 and SB36-3-146-87 are now projected to be disturbed. Because they will be replaced with a dense planting style, their replacement shelterbelts will now be half the pre-mining size, as is the standard approach for all new tree plantings at Coteau. The reduction in post-mining shelterbelt acres on page 1 of Section 4.1.3 reflects this change. However, the difference between pre- and post-mining shelterbelts was incorrect on this table because Tract 11 had not been updated to match the table on pages 1-2 of Section 4.2.3. On the table in Section 4.2.3, disturbed shelterbelt acres equal 26.2, while replacement shelterbelt acres equal 13.1, reflecting the 50% reduction that results from the dense planting style now used. This matches the 13.1 acre reduction of pre- to post-mining shelterbelts now listed on page 1 of Section 4.1.3.
41. See revised pages 1-2 of Section 4.2.3.
42. Information for Permit NACT-0401 will be added to the Consolidated Vegetation and Success Standards document by the end of 2009.
43. See revised page 2 of Section 4.4.1.
44. Neither of the reference areas will be destroyed, so no changes are necessary.
45. Reference areas in Section 4 have become dominated by *Poa* species, so Coteau intends to abandon these sites. An approved silty reference site is nearby in Section 13, and Coteau's proposed reference areas include an overflow and silty site that are in better ecological condition than the reference areas in Section 4. Because the Section 4 reference areas will be abandoned, information on them does not need to be updated.
46. The Consolidated Vegetation and Success Standards document will be revised in a separate revision later this summer. Sampling data will be provided at that time.
47. The Consolidated Vegetation and Success Standards document will be revised in a separate revision later this summer. Included in that revision will be a map for Permits NACT-0201 and NACT-0401 with the requested information.

Mr. James R. Deutsch
July 11, 2008
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In addition, the following changes were made:

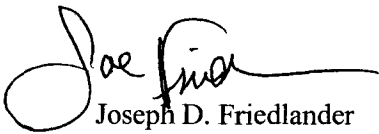
1. Section 1.3.5 was revised to address receipt of Mercer County Conditional Use Approval and U.S. Army Corps. of Engineers NWP21 Authorization for lands being added with Revision 7.
2. Pages 3-4 of Sections 2.7.3 and page 1 of Section 2.7.4 were revised in response to the U.S. Fish and Wildlife Service letter. Please note that the endangered species list is in the Consolidated Wildlife and Habitat Monitoring Plan, which is currently being updated with Revision 8 to Permit NACT-0401.
3. The Pit Layout and Facilities Map of Section 3.1.3 and the Surface Water Management Plan Map of Section 3.3.2 were revised to change the location of the equipment pad and one future haulroad.
4. The Post-Mining Topography and Land Use Map of Section 4.1.2 and page 1 of Section 4.1.3 were revised to change all pre-mining tame pastureland that is projected to be disturbed to native grassland post-mining.

The DVD's also contain finalized Revisions 5 and 6, and new Revision 9, which updates the Consolidated Ground Water Monitoring Plan to remove 66 ground water monitoring wells from Coteau's monitoring network. Three DVD's containing the Consolidated Ground Water Monitoring Plan and the original application form for Revision 9 are also enclosed.

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY


Joseph D. Friedlander
Environmental Manager

JDF:lr
Enc.

cc: Monte Erhardt, Mercer County Auditor (w/enc.)