



Public Service Commission

State of North Dakota

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August 14, 2008

Ms. Nancy Jensen
The Falkirk Mining Company
2000 Schafer Street, Suite D
Bismarck, ND 58501-1204

Dear Ms. Jensen:

This is to inform you of the Commission's approval of Self-Bond SB-9503-1 in the amount of \$41,611,898 and Collateral Bond CB-9503-1 in the amount of \$4,623,545 for the consolidated bond area that covers several permits at the Falkirk Mine. These bonds replace the three surety bonds (Travelers Bond No. 103824995, Safeco Bond No. 6217327 and Westchester Bond No. KO6909486) that previously covered this consolidated bond area.

The funds provided for the collateral bond have been placed in an escrow account at the Bank of North Dakota and a copy of the certificate of deposit that was purchased with the funds is enclosed. Also enclosed is a partially completed W-9 with Falkirk's taxpayer ID number that needs to be signed by a Falkirk official and sent to the Bank of North Dakota for their files.

In addition, enclosed are original signed copies of Stipulations to Reduce Surety Bond to reduce both the amount and bond area of the three surety bonds to zero. These stipulations effectively cancel Travelers Bond No. 103824995, Safeco Bond No. 6217327 and Westchester Bond No. KO6909486.

If you have any questions, please contact this office.

Sincerely,

James R. Deutsch
Director
Reclamation Division

Enclosures

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5 RC-08-420 Filed 08/14/2008 Pages: 1
Letter Sent to Falkirk on Bond Replacement
Approval
Public Service Commission
Jim Deutsch