

# THE COTEAU PROPERTIES COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

FREEDOM MINE

204 County Road 15  
Beulah, North Dakota 58523-9475

(701) 873-2281 • Fax (701) 873-7226

March 6, 2009

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

Dear Mr. Deutsch:

This is in response to your March 4, 2009 letter regarding Coteau's requests for liability period variances for reclaimed lands in the W½ Section 20 (Permits NACT-8203 and NACT-8503), submitted December 10, 2007, and in Section 22 (Permit NACT-9101), submitted July 16, 2008. You requested additional information to comply with the requirement in Policy Memo 20 "that the permittee must affirmatively demonstrate that reclamation carried out on the proposed variance area provides equal or greater protection to the environment and to public health and safety."

Land reclamation on the proposed variance areas was conducted using the same methods as surrounding reclaimed areas, and was conducted in a manner to tie all areas together, providing land tracts that can be safely and efficiently managed. This resulted in a stable landscape and seamless transition between older and newer reclaimed lands in the same tract. Proper drainage was accomplished during reclamation of the variance areas, including improving drainage in selected locations where standing water could have impeded fulfillment of the designated land use. By approving a liability variance to the described tracts, final bond release can be accomplished sooner, and the lands can be removed from the mine and returned to full control by a private landowner. This assures equal or greater protection to the environment and to public health and safety than if the entire area were delayed for several years to obtain final bond release.

We trust this information provides a sufficient demonstration to comply with Policy Memo 20. If this is acceptable language, we propose to use it in future liability period variance requests.

Sincerely,

THE COTEAU PROPERTIES COMPANY



Joseph D. Friedlander  
Environmental Manager  
JDF:lr

3 RC-08-576 Filed 03/09/2009 Pages: 1  
Additional Information Provided for the Variance Request  
Coteau Properties Company  
Joe Friedlander

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FROM DIRECTOR - RECLAMATION DIV.

Date: \_\_\_\_\_

Action: \_\_\_\_\_

Info. Only: \_\_\_\_\_

Info & File: \_\_\_\_\_