

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

GeoResources, Inc.
Bond Release No. 3, Permit GRGR-8403
Approval

Case No. RC-08-712

RELEASE OF BOND
FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

December 17, 2008

Based on the application for **Bond Release Number 3 for Surface Mining Permit Number GRGR-8403**, received August 26, 2008 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 October 2, 2008.
2. On September 23, 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. 3 for Surface Mining Permit No. GRGR-8403 is hereby granted to GeoResources, Inc. effective January 20, 2009, unless a formal hearing is requested. A monetary release of \$180,000 is approved. The area is described by the attached metes and bounds description and as follows:

Portions of Sections 8 and 17, T154N, R100W, in Williams
County, releasing all reclamation liabilities on 50 acres.

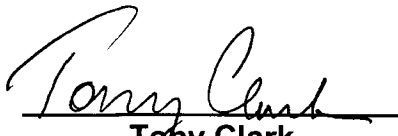


This decision to release all of the bond on this acreage is made for the following reasons:

The post-mining land use of industrial/commercial has been implemented as approved in the reclamation plan 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	Susan E. Wefald President	Kevin Cramer Commissioner

Metes and Bounds Description for Bond Release No. 3, Permit GRGR-8403

W $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 8, T154N, R100W; and

W $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 17, T154N, R100W; all in Williams County, North Dakota.

The above described tracts of land contain 50.0 acres, more or less.