

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

The Coteau Properties Company
Bond Release No. 2, Permit NACT-8503
Approval

Case No. RC-09-135

RELEASE OF BOND
FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

July 29, 2009

Based on the application for **Bond Release Number 2 for Surface Coal Mining Permit NACT-8503**, received on March 30, 2009 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 been filed and have been made part of the Application for Release of Bond. The last date of publication was May 28, 2009.
2. On April 29, 2009, the Commission conducted an inspection and evaluation of the reclamation work involved in this bond release as required by NDCC §38.14.1-17(3). The surface owners, agents, or lessees were given notice of the bond release inspection and had the opportunity to participate with the Commission in conducting the inspection of the bond release areas at the Freedom Mine.

In accordance with NDCC §38.14.1-17, Bond Release No. 2 for Surface Coal Mining Permit NACT-8503 is hereby granted to The Coteau Properties Company effective August 31, 2009, unless a formal hearing is requested. No monetary release is being requested since the current bond amount is based on the worst-case reclamation condition in a consolidated bond area that includes this permit and others at the Freedom Mine. The area is described by metes and bounds descriptions and is generally as follows:

**A portion of the SW¼ of Section 19, T145N, R87W, Mercer
County, releasing all reclamation liabilities on 73.13 acres.**

The decision to release all remaining bond on this acreage is made for the following reason:

An industrial post-mining land use for long-term waste disposal activities has been implemented in accordance with the approved reclamation plan and all other applicable reclamation requirements have been satisfied. The area will be used by the Dakota Gasification Company for the long-term disposal of gasifier ash under a waste disposal permit issued by the North Dakota Department of Health.

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