

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

American Colloid Company
Bond Release No. 2, Permit BDSU-8011
Approval

Case No. RC-09-214

RELEASE OF BOND
FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

December 31, 2009

Based on the application for **Bond Release Number 2 for Surface Coal Mining Permit BDSU-8011**, received May 27, 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 July 10, 2009.
2. On June 25, 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 Smith-Ullman Mine.

In accordance with NDCC §38.14.1-17, Bond Release No. 2 for Surface Coal Mining Permit BDSU-8011 is hereby granted to the American Colloid Company effective February 1, 2010, unless a formal hearing is requested. Release of bond in the amount of \$50,000.00 is approved. The area is described by the attached metes and bounds descriptions and is generally as follows:

A portion of Section 8, T129N, R94W, Adams County,
releasing all reclamation liabilities on 99.24 acres.

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

The American Colloid Company has met the requirements of the reclamation law and rules administered by the Commission for successfully reclaiming 50.04 acres of native grassland. The bond release area also includes 49.2 acres of land that were not affected by American Colloid Company surface mining activities. The vegetation success standards and all other applicable performance standards have been met to the satisfaction of the Commission. The acreage included in this bond release is subject to the 1979 reclamation law.

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
Chairman


Brian P. Kalk
Commissioner

METES AND BOUNDS DESCRIPTIONS

Tract I	=	117.190	acres	(permit boundary)
Tract II	=	<u>-17.950</u>	acres	(permit exclusion area)
Total	=	99.240	acres	

Tract I

Beginning at the Northwest corner of section 8, Township 129 North, Range 94 West at a found Aluminum Cap stamped with PLS #7766 located 2.6 feet West of a fence line running North and South. Thence: following the fence line S 01d31'03" W for a distance of 2186.39 feet along the section line between Section 8 and 7 to a point 20 feet North of the centerline of a dirt road running East and West. Said point being the point of beginning.

Thence S 80d43'31" E a distance of 235.49';

thence N 19d27'30" E a distance of 477.71';

thence N 47d54'39" E a distance of 642.47';

thence S 88d30'17" E a distance of 393.25';

thence N 03d28'30" E a distance of 1319.94';

thence S 88d34'52" E a distance of 684.16' along the section line between Section 8 and 5 to a fence corner;

thence S 00d55'16" W following a fence line a distance of 1308.97' to a fence corner;

thence S 88d24'14" E following a fence line a distance of 1319.23' to a fence corner;

thence S 01d14'21" W following a fence line a distance of 993.44' to a fence corner;

thence S 87d49'15" E following a fence line a distance of 656.92' to a fence corner;

thence S 01d16'33" W a distance of 330.11';

thence N 88d13'09" W a distance of 604.10';

thence S 00d44'37" W a distance of 161.08';

thence S 81d46'30" W a distance of 42.06';

thence S 00d30'12" W a distance of 161.64';

thence N 88d59'04" W a distance of 678.45' to a fence line running North and south;

thence N 01d26'32" E following a fence line a distance of 338.44' to a fence corner

thence N88d30'53" W a distance of 281.39';

thence N 88d30'53" W a distance of 1590.69';

thence N 03d28'21" W a distance of 237.85';

thence N 86d33'24" W a distance of 139.55';

thence N 68d51'47" W a distance of 413.17';

thence N 80d25'29" W a distance of 225.55';

thence N 01d31'03" E a distance of 39.11';

which is the point of beginning,

having an area of 5,104,812.2 square feet,

117.190 acres

Excluding portions of the SE¼ NW¼ and SW¼ NE¼ as described in Tract II

Tract I = 117.190 acres

Tract II – Exclusion = 17.950 acres

Tract I Total = 99.240 acres

Tract II

Beginning at the Northwest corner of section 8, Township 129 North, Range 94 West at a found Aluminum Cap stamped with PLS #7766 located 2.6 feet West of a fence line running North and South. Thence: following the fence line S 01d31'03" W for a distance of 2637.92 feet along the section line between Section 8 and 7 to a fence corner, which is the South West corner of the NW $\frac{1}{4}$; thence following the fence line S 88d30'53" E a distance of 2363.36' along the South line of the NW $\frac{1}{4}$ of Section 8. Thence N 27d37'13" W a distance of 237.02' to a point. Said point being the point of beginning.

thence N 27d37'13" W a distance of 570.22';

thence N 46d51'37" W a distance of 798.99';

thence N 53d22'10" E a distance of 249.88';

thence S 52d44'42" E a distance of 1856.35';

thence S 00d25'47" E a distance of 311.89';

thence N 88d22'14" W a distance of 332.86';

thence N 65d44'13" W a distance of 548.81';

which is the point of beginning,

having an area of

781,894.1 square feet,

Tract II Total = 17.950 acres