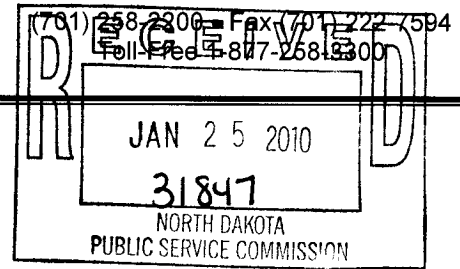


# THE FALKIRK MINING COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

LAND OFFICE

2000 Schafer Street, Suite D  
Bismarck, ND 58501-1204



January 22, 2010

HAND DELIVERY

Darrell Nitschke  
Executive Secretary  
North Dakota Public Service Commission  
State Capitol Building  
600 East Boulevard Avenue – Department 408  
Bismarck, North Dakota 58505-0480

Dear Mr. Nitschke:

Revision No. 18 to The Falkirk Mining Company's Permit No. NACT-9503 includes an update to the worst case reclamation cost estimate utilizing the revised variable costs provided annually by the Commission in accordance with Policy Memorandum No. 16, Reclamation Cost Estimating Guidelines. New minimum bond liability for Falkirk's consolidated bond area, including Permit Nos. NAFK-8405, NAFK-8705, and NAFK-9503, totals \$52,005,983.

Falkirk currently maintains Self-Bond No. SB-9503-1 guaranteed by Great River Energy and Collateral Bond No. CB-9503-2, which cover the entire consolidated area within Permit Nos. NAFK-8405, NAFK-8705, and NAFK-9503. Falkirk plans to reduce the bonds as follows:

CURRENT BOND	CURRENT AMOUNT	REDUCTION	NEW AMOUNT
SB-9503-1	\$51,255,000	\$4,404,600	\$46,850,400
CB-9503-2	5,695,000	489,400	5,205,600
TOTAL	\$56,950,000	\$4,894,000	\$52,056,000

Accordingly, enclosed are the following documents:

1. One original and three copies of Self-Bond Rider to Reduce Bond Area and Amount for Bond No. SB-9503-1, which has been executed by Falkirk and Great River Energy as third-party guarantor, and
2. Two originals and three copies of Collateral Bond Rider to Reduce Bond Area and Amount, which has been executed by Falkirk and requires execution by the Commission. Furthermore, as we discussed, the Bank of North Dakota, upon receiving confirmation of the approved reduction to CB-9503-2, will reduce the amount accordingly.

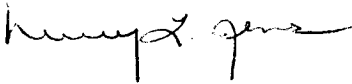
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Also included is a copy of the most recent Fitch bond rating for Great River Energy. This Fitch rating meets the qualification criteria for the self-bond guarantor and is provided in addition to the Moody's Investor Services rating previously filed with the Commission.

Commission acceptance of the foregoing reductions, which will result in contingency bonding of \$50,017, is respectfully requested. The second original of the Collateral Bond Rider may be provided to the Bank of North Dakota for its records.

Sincerely,

THE FALKIRK MINING COMPANY



Nancy L. Jensen  
Land Specialist

Enc.

cc: (w/o enc.)  
R. Crooke  
J. Eckroth  
M. Fagan  
W. Thompson