

THE COTEAU
PROPERTIES COMPANY
A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

FREEDOM MINE

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SEP 21 2010
32204
NORTH DAKOTA
PUBLIC SERVICE COMMISSION

September 20, 2010

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

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

Dear Mr. Deutsch:

Enclosed are three DVD's containing revised Revision 8 to Permit NACT-0201. Responses below refer to deficiencies in your July 28, 2010 letter regarding technical review:

1. See revised Section 1.3.3.
2. See revised Section 1.3.3.
3. See revised Tracts 72 and 81 of Section 1.5.1.
4. See the new paragraph at the bottom of revised page 14 of Section 2.2.4.
5. See new pages 18-22 of Section 2.2.4. The locations of the four segments of stream channel that were analyzed for stability have been added to the Post-Mining Probable Hydrologic Consequences Map of Section 2.2.6. A stream channel segment was selected in post-mining principal watersheds WAC-06, WAC-07, WAC-08, and WAC-09.
6. See revised page 1 of Section 2.2.7.
7. See revised pages 1-2 in Table 1 of Section 2.5.6.1.
8. See revised page 10 of Section 3.1.1.2, and the revised Pit Layout and Facilities Map of Section 3.1.3. Please note that the equipment pad was moved from Sections 31 and 36 to Section 25, and the water load-out facility was removed from the plans.
9. See revised page 2 of Section 3.1.1.3. Coteau did not request any additional variances, as we are not aware of any areas requiring a variance to the three year reclamation requirement. 2006 and 2007 mining is being used as a support facility for current mining.
10. As explained on page 5 of Section 3.1.1.3, the 5,212 acre polygon used for calculating the volumes and material balance is based on a "cookie-cut" method at the limit of coal removal. The 5,428 acre polygon used for area slope comparisons includes the backslopes of the pit endwalls and highwalls, which results in the additional acres of disturbance, and thus the difference in acres between the two polygons. No changes were made to the permit.

11. See revised page 1 of Section 3.1.1.5.
12. See the revised Pit Layout and Facilities Map of Section 3.1.3.
13. See the revised Pit Layout and Facilities Map of Section 3.1.3. The actual pits were shown, but were not very visible, so the line weights and text size were revised.
14. See the revised Pit Layout and Facilities Map of Section 3.1.3. The overburden pile in Section 33 was removed, as were the unnecessary 500 foot setbacks from the two cultural resource sites.
15. See the revised Pit Layout and Facilities Map of Section 3.1.3, which was revised to remove the overburden pile in Section 33, as addressed in deficiency #14. The overburden stockpiles in Sections 10, 14, and 22 are needed for box pit development. The overburden stockpile in Section 12 is needed to reclaim the final highwall where mining ceases at the boundary of federal coal not scheduled for mining. It was placed near the final highwall to minimize haul distance when the pile is built, and when it is removed.
16. See the note added above the title block on the revised Post-Mining Cross Sections of Section 3.1.6.
17. Timing will not allow us to do what you requested. Coteau does not intend to leave this overburden stockpile until well past 2030, when this section of haulroad is reclaimed. This section of haulroad in the NW¼ Section 31 is going to facilitate mining through 2030, and reclamation activities well past that. This section of haulroad will be built as steep as safety will allow. This section of haulroad will require 330,000 cubic yards to reclaim it to post-mining topography. We do not plan to leave an overburden stockpile to do this. We are planning to design and build the next one mile of haulroad to the south in a fill section, so it balances with this cut section when it is reclaimed. Coteau would prefer to leave this large drain, as it fits the landscape of the area. To address the concern of the overburden stockpile, we lowered the top portion of the stockpile as much as 24 feet in places. To maintain the material balance, grades were revised at the southwest corner of the overburden stockpile to make up for the volume lowered off the top of the stockpile. See the revised Post-Mining Area Slope Map of Section 3.1.5, the revised Post-Mining Topography Development Map of Section 3.1.9, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
18. Access to these same cropland areas was difficult prior to mining too, as the pre-mining slopes were even steeper than the post-mining slopes. However, to assist with farmer access, we revised the post-mining topography along the north-south section line between Sections 25 and 26. We also revised the post-mining topography along the east-west section line between Sections 3, 31, and 36 as you requested in deficiency #20. See the revised Post-Mining Area Slope Map of Section 3.1.5, the revised Post-Mining Topography Development Map of Section 3.1.9, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2.

19. See the revised Post-Mining Area Slope Map of Section 3.1.5 and the revised Post-Mining Topography Development Map of Section 3.1.9, which were revised to reflect the new accommodating post-mining topography. The Post-Mining Topography and Land Use Map of Section 4.1.2 was revised to show how the post-mining topography will accommodate the proposed created wetlands. Some post-mining wetlands to be constructed outside the described mining disturbance boundary, such as those in the S½ Section 31 and the NE¼ Section 8, cited in your deficiency, lie within a sedimentation pond footprint, or in disturbed drainages between mined areas and sedimentation ponds. We have evaluated these sites, and found that very little additional earthwork will be needed in these disturbed areas to create post-mining wetlands. The site-specific nature of their topography and their location relative to surrounding planned disturbance for water management, lends these sites well to creation of post-mining wetlands.
20. See the revised Post-Mining Area Slope Map of Section 3.1.5, the revised Post-Mining Topography Development Map of Section 3.1.9, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
21. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised page 1 of Section 4.1.3.
22. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
23. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised pages 1-2 of Section 4.4.2.1.
24. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. This land will not be in the residential category post-mining.
25. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. No changes were necessary to Section 4.1.3.
26. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
27. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. It should be noted that this symbol was not changed from what was previously approved.
28. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
29. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
30. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised page 1 of Section 4.1.3.
31. Thank you for this recommendation. It will be considered when rock check dams are constructed.

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In addition, the following changes were made:

1. Sections 1.3.1 and 1.3.2 were updated.
2. Because of post-mining topography changes, it was necessary to rerun the post-mining hydrology model for the affected watersheds. Therefore, page 1 of Sections 2.2.4.1, 2.2.4.2, and 2.2.4.3 have been updated. All of the post-mining topography changes were confined to watersheds WAC-01, WAC-03, WAC-08, WAC-09, and WAC-10-03. In addition, minor narrative changes were made on pages 14-15 of Section 2.2.4.
3. The post-mining topography changes also affected the watershed areas and design parameters associated with post-mining wetlands and stockponds. Therefore, pages 1-2 of Sections 4.4.2.2 and 4.5.2.1 have been updated.
4. Coteau also revised the post-mining topography in the northwest leg of the pits where the dragline operates in a two-pass, fully extended, bench method. This topography change is a result of applying a different digging method, resulting in a slightly different shift of material for the dragline operating in a two-pass method, as described in Sections 3.1.1.2 and 3.1.1.3. Most of the topography changes were in the S $\frac{1}{2}$ Section 25, SE $\frac{1}{4}$ Section 26, and NW $\frac{1}{4}$ Section 35, T145N, R88W. The Post-Mining Area Slope Map of Section 3.1.5, the revised Post-Mining Cross Sections Map of Section 3.1.6, the revised Post-Mining Topography Development Map of Section 3.1.9, and the revised Post-Mining Topography and Land Use Map of Section 4.1.2 were revised because of these changes to the post-mining topography. Pages 6 and 8 of Section 3.1.1.3 were also revised to address this different digging method and the resulting shift in material, as well as a slight adjustment to the material balance.

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY


Joseph D. Friedlander
Environmental Manager

JDF:lr
Enc.