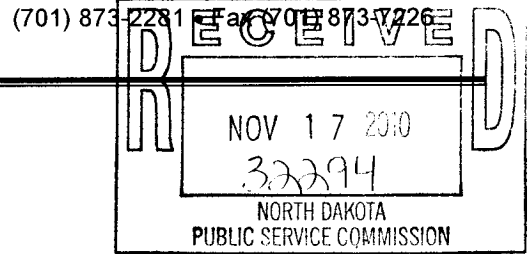


THE COTEAU
PROPERTIES COMPANY
A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

FREEDOM MINE
204 County Road 15
Beulah, North Dakota 58523-9475



November 16, 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 October 15, 2010 letter regarding technical review:

1. No changes were made. Fly ash is not scheduled to be used in this equipment pad.
2. See revised page 1 of Section 3.1.1.2, and the revised Pit Layout and Facilities Map (Sheet 1) of Section 3.1.3, which was revised to add the scoria pit near the area in question. The previous Pit Layout and Facilities Map only showed where we stockpiled the screened scoria. Please note that the area you questioned was not really a mining disturbance, but it was disturbed to remove scoria to support mining. We did not disturb additional land to build the overburden stockpile.
3. See revised Sheet 1 of the Post Mining Area Slope Map of Section 3.1.5, the Post-Mining Topography Development Map of Section 3.1.9, and the Post-Mining Topography and Land Use Map of Section 4.1.2.
4. The location and revised shape of seven post-mining wetlands to be constructed outside of the mining disturbance limit are shown on the revised Post-Mining Topography and Land Use Map (Sheet 1) of Section 4.1.2. The post-mining wetlands that have been revised for this submission include CW-W02-01, CW-W08-01, CW-W08-02, CW-W25-01, CW-W31-04, CW-W31-05, and CW-W32-01. The placement and shape for five of the seven post-mining wetlands, namely CW-W02-01, CW-W25-01, CW-W31-03, CW-W31-04, and CW-W32-01, was determined by the as-built topography associated with three existing sedimentation ponds. These three sedimentation ponds are P-W02-01, P-W25-01, and P-W32-02. The configuration of the proposed post-mining wetlands is dependent on the current configuration of the pond basins. Individual wetland basins will be created through the construction of shallow embankments and basin cuts and fills. The modification of pre-mining topography to accommodate the post-mining wetland basins has already occurred through the construction of the sedimentation ponds.

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The remaining two post-mining wetlands, CW-W08-01 and CW-W08-02, are located in an area adjacent to future mining operations. Wetlands CW-W08-01 and CW-W08-02 fall within the projected basin of proposed sedimentation pond P-W08-02, shown on the Surface Water Management Plan Map of Section 3.3.2. Therefore, similar to wetlands CW-W31-03, CW-W31-04, and CW-W32-01, the final configuration of wetlands CW-W08-01 and CW-W08-02 will be dependent on the constructed shape of the pond basin. Any modifications to pre-mining topography will occur as a result of sedimentation pond design and construction.

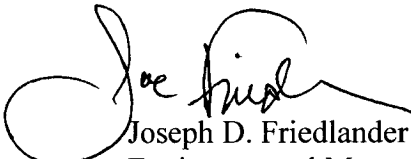
In addition, the following changes were made:

1. Sections 1.3.1, 1.3.2, and 1.3.3 were updated.
2. The Pit Layout and Facilities Map (Sheet 1) of Section 3.1.3 was revised to add an overburden stockpile in the SW $\frac{1}{4}$ Section 25. Since Sheet 1 of the Pit Layout and Facilities Map was revised, we did revise the font size relating to mined-out areas, as recommended in your last paragraph.
3. Page 2 of Section 3.1.1.2 was revised to add narrative relating to this overburden pile.

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY



Joseph D. Friedlander
Environmental Manager

JDF:lr
Enc.