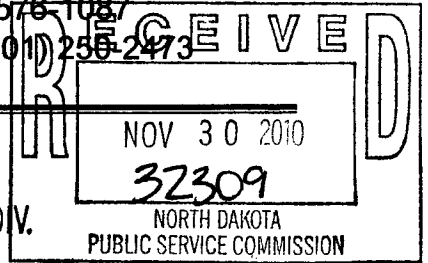


**NORTH AMERICAN**  
**COAL**  
CORPORATION  
**FALKIRK MINE**

THE FALKIRK MINING COMPANY  
2801 1st St. SW  
P.O. Box 1087  
Underwood, ND 58576-1087  
(701) 442-5751 • Fax (701) 256-2473



November 23, 2010

FROM DIRECTOR - RECLAMATION DIV.

Date: 11-30-10

Action: Steve

Info. Only: \_\_\_\_\_

Info & File: \_\_\_\_\_

11.30.10  
File: FK-11-23-10\_rsp-preren (32309)

Mr. James R. Deutsch  
Reclamation Director  
ND State Public Service Commission  
600 East Boulevard, Dept. 408  
Bismarck, North Dakota 58505

**RE: Revision 21, Renewal #3 Pre-Renewal Review Responses for Permit NAFK-9503**

Dear Mr. J. Deutsch:

Falkirk submits the following responses to the review items from your October 18, 2010 letter required to be addressed to renew the NAFK-9503 Permit which expires April 15, 2011.

**Section 1.1.6 - Introductory Information**

1. ***Please update the listings of violations that have occurred during the 3-year period preceding the date of the upcoming renewal application for all mines operated by North American Coal Corporation or its subsidiaries. NDAC 69-05.2-06-02(3). (SAS)***

Please see updated Section 1.1.6.

**Section 1.3.1 - Names of Officers, Directors, and Share Holders, and Organizational Structure**

2. ***Please update the listings of the officers, directors, and etc. in this subsection if necessary. NDAC 69-05.2-06-01(e). (SAS)***

Please see updated Section 1.3.1.

**Section 1.3.5 - Other Licenses and Permits**

3. ***If changes or additions are necessary, please update the listing of other licenses and permits. NDAC 69-05.2-06-04. (SAS)***

There was no change to the existing licenses or permits.

4. ***If any changes have occurred, please update the listings of the surface and subsurface ownerships within the permitted area with any changes also made to the Ownership Map in Section 1.5.3. NDCC 38-14.1-14(1)(c)(2). (SAS)***

Section 1.5, Identification of Interests and Rights of Entry has been updated to reflect the current revision number and date.

Section 1.5.1, Permit Area Surface and Coal Interests, has been updated as follows:

Tract No.	Address change to surface and/or coal ownership	Leasehold status change	Ownership change to surface and/or coal
8			X
14			X
15			X
16			X
24	X		
26	X		
29		X	
30		X	
31		X	
32		X	
34	X		
42	X		X
43	X		
44	X		
46	X		X
52			X
53			X
57	X		X
63	X		X
66	X		
67	X		X
68	X		X
69	X		
73	X		X
82	X		
83	X		
86	X		

**Section 1.5.2 - Adjacent Surface and Coal Interests**

- If any changes have occurred, please update the listings of the surface and subsurface ownerships within ¼ mile of the permitted area with any changes also made to the Ownership Map in Section 1.5.3. NDAC 69-05.2-06-01(1)(a). (SAS)***

Section 1.5.2, Adjacent Surface and Coal Interests, has been updated to reflect current ownership and leasehold information, and Section 15.3, Surface and Coal Ownership Map, has been updated to reflect the changes noted in the sections above.

**Section 3.0 - Operations Plan**

6. ***Please clearly identify the boundaries of the areas that will be mined during the next 5-year permit term. NDAC 69-05.2-05-08 and 69-05.2-06-01(1)(a). (SAS)***

The mining boundaries submitted and approved in Revision 19, Section 3.1.5, Pit Layout and Facilities Map, are the current proposed pits for the next 5-year permit term.

7. ***Please update the Extended Mine Plan Map, Section 3.1.6, to show the current extended mining plans for the Falkirk Mine. (SAS)***

Please see updated Section 3.1.6, Extended Mine Plan Map.

8. ***If the anticipated number of acres to be disturbed during the next permit term will change significantly from the figures currently listed in Section 3.1.1 on page 1, please revise accordingly. (SAS)***

Please see updated Section 3.1.1.

9. ***Please review and update page 1 of Section 3.1.3, if necessary, to reflect the anticipated production from Permit NAFK-9503 and the total mine production. NDAC 69-05.2-09-09(1). (SAS)***

Please see updated Section 3.1.3.

10. ***If necessary, please update the equipment listing to reflect that currently being used. NDAC 69-05.2-09-01(1). (SAS)***

Please see updated Section 3.1.4.

11. ***If any changes are necessary, please update the Reclamation Schedules Table on page 5 in Section 4.2.2. (SAS)***

No changes.

**Other:**

12. Pages 78 - 98 have been added to Section 1.2.4, Newspaper Publication Notice, for Revision 21, Renewal #3.

13. Please see updated 3.1.5 and 3.6.1a. Falkirk added the 6" headerline for the 103 Dragline Pit.

Mr. James R. Deutsch  
November 23, 2010  
Page 4

14. Falkirk updated the Worst-Case Bonding document.

Sincerely,

**THE FALKIRK MINING COMPANY**

A handwritten signature in black ink that reads "D. Randall Crooke". The signature is written in a cursive style with a long horizontal flourish at the end.

D. Randall Crooke  
Environmental Manager

DRC/dge



APPLICATION FOR RENEWAL OF PERMIT TO ENGAGE IN SURFACE COAL MINING AND RECLAMATION OPERATIONS

PUBLIC SERVICE COMMISSION
RECLAMATION DIVISION
SFN 10566 (1-2004)

11:30:10
File Ren3-app (32309)

Date: November 23, 2010
Permit Number: NAFK-9503
State: ND
Zip Code: 58576

Name of Permittee: The Falkirk Mining Company
Address: 2801 1st Street SW
City: Underwood

The above named hereby makes application for Renewal Number 3 of the above Permit Number in order to continue to engage in surface coal mining and reclamation operations within the area described below in the permit during the period from April 17, 2011 to April 17, 2016.

The reasons for requesting the renewal is attached and any changes to the matters set forth in the approved Permit are particularly described in the accompanying revision application.

The applicable public notice provisions of Section 38-14.1-18 of the North Dakota Century Code have been complied with. A copy of the advertisement is attached and affidavits of publications will be furnished to the Commission prior to issuance of the Permit Renewal.

Bond for surface coal mining and reclamation operations and liability insurance will be provided for the proposed period of renewal. Attached is a statement evidencing that the bond is sufficient and will continue in full force for the renewal period and that liability insurance will be provided for the renewal period.

Table with columns: SECTION, TOWNSHIP, RANGE, COUNTY, ACRES. Rows include sections 7,8,18,19,&30; 10,11,13,14,15,21,22,23,24,25,26,27,28,33,34,35,&36; 4,5,&9; and a TOTAL ACRES row with value 12,386.4.

Signature of Official: DRandall Crossler
Title: Environmental Manager

VERIFICATION

Name of Official: Carroll L. Dewing, President

I, the above named, being first and duly sworn, verify that the information contained in the Permit Renewal Application is true and correct to the best of my knowledge and belief.

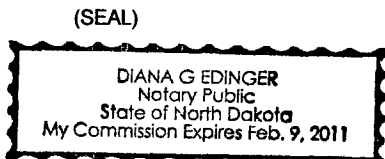
Signature of Official: Carroll L. Dewing
Title: President

STATE OF North Dakota
COUNTY OF McLean

Subscribed and Sworn before me, this 23rd day of November, 2010.

Signature of Notary Public: Diana G. Edinger

My Commission Expires: Feb. 9, 2011



**RENEWAL #3  
TO PERMIT NAFK-9503**

**November 23, 2010**

Application for Renewal #3 to Permit NAFK-9503 is made in order to continue to engage in surface coal mining and reclamation operations from the period April 17, 2011 to April 17, 2016.