



December 27, 2010

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

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 Completeness Review Responses for Permit NAFK-9503

Dear Mr. Deutsch:

Falkirk submits the following responses to the completeness review items from your December 21, 2010 letter required to be addressed before the revision can be deemed complete.

Section 1.5.1 - Permit Area Surface and Coal Interests

- 1. Please provide documentation that the surface lease for Tract 3 has been or will be extended beyond the March 31, 2013 expiration term to at least the end of the new permit term. Also, please ensure that the documentation is a certified copy since the copy of the lease currently in the permit does not indicate that it has been recorded at the county courthouse. NDCC 38-14.1-14(1)(k). (SAS)***

The lands covered by the surface lease for Tract 3 are owned by Great River Energy (GRE) and contain facilities required by The Falkirk Mining Company (Falkirk) for its surface coal mining operations. Falkirk will extend the surface lease prior to its March 31, 2013 expiration date. The parties to the surface lease elected not to record the lease. The Corporate Secretary of Falkirk provided a certificate stating that the lease submitted in the permit is a complete and genuine copy of the original.

- 2. The copies of coal lease numbers 03332 and 03323 are not certified. Please provide certified copies. NDCC 38-14.1-14(1)(k). (SAS)***

Certified copies of Coal Lease 03332 and 03323 have been scanned and linked to Tracts 75, 76, 80, and 81.

3. ***Please include documentation that indicates the following leases have been extended beyond their initial term and are still valid since the qualifying conditions that would have automatically extended the lease term have not occurred or taken place:***
- a. ***Lease No. 03347 (Tracts 13, 14, 15, and 16);***
 - b. ***Lease No. 03363 (Tract 23);***
 - c. ***Lease No. 03339 (Tract 43);***
 - d. ***Lease No. 03330 (Tract 48);***
 - e. ***Lease No. 03320 (Tract 60);***
 - f. ***Lease No. 03313 (Tracts 65, 66, and 73);***
 - g. ***Lease No. 03343 (Tracts 67 and 68);***
 - h. ***Lease No. 03312 (Tract 74);***
 - i. ***Lease No. 03331 (Tract 79);***
 - j. ***Lease No. 03321 (Tract 82);***
 - k. ***Lease No. 03329 (Tracts 83 and 86); and,***
 - l. ***Lease No. 03316 (Tract 84). NDCC 38-14.1-14(1)(k). (SAS)***

Affidavits of Extension have been scanned and linked for the following leases:

- a. Lease No. 03347 (Tracts 13, 14, 15, and 16)
- b. Lease No. 03363 (Tract 23)
- c. Lease No. 03339 (Tract 43)
- d. Lease No. 03330 (Tract 48)
- e. Lease No. 03320 (Tract 60)
- f. Lease No. 03313 (Tracts 65, 66, and 73)
- g. Lease No. 03343 (Tracts 67 and 68)
- h. Lease No. 03312 (Tract 74)
- i. Lease No. 03331 (Tract 79)
- j. Lease No. 03321 (Tract 82)
- k. Lease No. 03329 (Tracts 83 and 86)
- l. Lease No. 03316 (Tract 84)

Section 1.2.4 - Newspaper Publication Notice

4. ***Please incorporate the Newspaper Publication Reference Map for Renewal #3 into Section 1.2.4. (SAS & BEB)***

The Newspaper Publication Reference Map for Renewal #3, Section 1.2.4i, has been incorporated into the Permit application.

5. ***Please revise the next to last paragraph to read "A copy Copies of the revision and renewal applications for a surface coal mining permit is NAFK-9503 are..." (SAS)***

Mr. James R. Deutsch
December 27, 2010
Page 3

Please see revised last page of Section 1.2.4.

If you have any questions, please contact me at 250-2403 or at randy.crooke@falkirk.com.

Sincerely,

THE FALKIRK MINING COMPANY



D. Randall Crooke
Environmental Manager

DRC/dge
Enc.