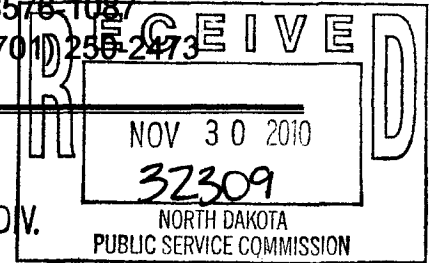


NORTH AMERICAN
COAL
CORPORATION
FALKIRK MINE

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: _____

Date: 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. 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

5. ***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 "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 REVISION OF PERMIT TO ENGAGE IN SURFACE COAL MINING AND RECLAMATION OPERATIONS

PUBLIC SERVICE COMMISSION
RECLAMATION DIVISION
SFN 10562 (1-2004)

11.30.10
Rev 21 - app (32309)

Date
November 23, 2010

Name of Company, Corporation, Partnership, or Individual The Falkirk Mining Company	Permit Number NAFK-9503	Revision Number 21	
Address 2801 1st Street SW	City Underwood	State ND	Zip Code 58576

The above named hereby makes application for the above Revision Number to: (include a brief description of the surface coal mining and reclamation operation being revised).

This revision updates legal information and operations plans for the required renewal to NAFK-9503 as well as updating the worst-case reclamation cost estimate for the stand-alone consolidated bond covering Permits NAFK-9503, -8405, and -8705.

Attached to this Permit Revision Application are a narrative describing the proposed permit revision, reasons for requesting the revision, and appropriate maps, cross-sections, graphs, construction details, revised reclamation plans and other data which demonstrate compliance with Chapter 38-14.1 of the North Dakota Century Code, Article 69-05.2 of the North Dakota Administrative Code, and the permit conditions of the approved permit. If an incidental boundary revision involving an acreage adjustment is being requested as part of the permit revision application, the following information shall be included (attach a copy of a metes and bounds description):

NAME OF MINE	ACRES	LOCATION			
		SEC.	TWP.	RANGE	COUNTY
The Falkirk Mine	-0-				
ADDRESS					
2801 1st Street SW					
Underwood, ND 58576					
TOTAL ACRES	-0-				

Based upon the proposed changes and any incidental boundary revisions to the permit as stated herein, a new or adjusted bond, or its equivalent, duly executed in accordance with Section 38-14.1-16 of the North Dakota Century Code and Chapter 69-05.2-12 of the North Dakota Administrative Code will be delivered to the Public Service Commission prior to issuance of the surface coal mining and reclamation operations permit herein requested. A check for filing fees, pursuant to Section 38-14.1-13 of the North Dakota Century Code, in the amount of \$ -0-, is included with the revision application.

Name of Official Authorized to Represent the Applicant
D. Randall Crooke, Environmental Manager

I, the above named, certify that:

1. All information and documents required by Sections 38-14.1-13, 38-14.1-14, and 38-14.1-15 of the North Dakota Century Code and Article 69-05.2 of the North Dakota Administrative Code, are submitted as part of this permit application;
2. Information and documentation contained in the permit application affirmatively demonstrate that:
 - a. The permit revision application is accurate and complete and all the requirements of Chapter 38-14.1 of the North Dakota Century Code and Article 69-05.2 of the North Dakota Administrative Code have been complied with;
 - b. Reclamation as required by Chapter 38-14.1 of the North Dakota Century Code and Article 69-05.2 of the North Dakota Administrative Code can be accomplished under the reclamation plan contained in this permit revision application;

- c. An assessment of the probable cumulative impact of all anticipated mining in the general area on the hydrologic balance as specified in subdivision o of subsection 1 of Section 38-14.1-14 has been made and the proposed operation has been designed to prevent material damage to the hydrologic balance both on and off the mine site;
 - d. The area proposed to be affected is not included within an area designated unsuitable for all or certain types of surface coal mining and is not within an area under study for such designation in an administrative proceeding;
 - e. The proposed surface coal mining operation will not interrupt, discontinue or preclude farming on alluvial valley floors that are irrigated or naturally subirrigated and will not materially damage the quantity or quality of water in surface or underground water systems that supply these alluvial valley floors; and
 - f. The permit revision applicant has the legal right to surface mine the land for which this permit revision application is made and all of the requirements of Chapter 38-18 of the North Dakota Century Code have been complied with.
3. The area proposed to be affected is not included within an area where mining is prohibited pursuant to Section 38-14.1-07 of the North Dakota Century Code; unless specifically allowed in accordance with the provisions of Section 69-05.2-04-01 of the North Dakota Administrative Code; and
4. The surface coal mining and reclamation operations contained in this permit revision application will be carried out at all times in a manner which ensures that all of the requirements of Chapter 38-14.1 of the North Dakota Century Code, Article 69-05.2 of the North Dakota Administrative Code, and any permit conditions attached thereto are complied with.

Signature of Official <i>D. Randall Crocker</i>	Title Environmental Manager
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VERIFICATION

I, Carroll L. Dewing, being first and duly sworn, verify that the information contained in this Permit Revision Application is true and correct to the best of my knowledge and belief.

Signature of Official <i>Carroll L. Dewing</i>	Title President
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STATE OF North Dakota,
COUNTY OF McLean)ss.

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

(SEAL)

Diana G. Edinger
Notary Public
My Commission Expires: Feb. 9, 2011

