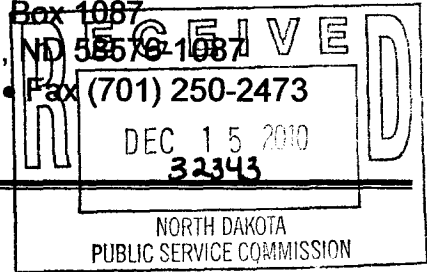


12-15-10  
PK 12-15-10-rsp-pre-renewal (32343)

**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) 250-2473



December 15, 2010

FROM DIRECTOR - RECLAMATION

Date: \_\_\_\_\_

Action: \_\_\_\_\_

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

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

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

**RE: Revision 27, Renewal #5 Pre-Renewal Review Responses to Permit NAFK-8405**

Dear Mr. <sup>JR</sup>Deutsch:

Falkirk submits the following responses to the pre-renewal review items noted in your October 18, 2010 letter to existing Permit NAFK-8405.

**Section 1.0 - Introductory Information**

1. ***Please update the Schedule of Violations in Section 1.1.6 to provide current information for mining permits held by North American Coal and affiliates. Because the Indian Head Mine operated by the Bellaire Corporation has been closed for more than 5 years, it does not need to be listed anymore. NDCC 38-14.1-14(1)(g). (BEB & SAS)***

Please see updated Section 1.1.6.

2. ***An updated Certificate of Liability form should be incorporated into Section 1.2.5 along with an endorsement/policy rider that indicates that the requirements of NDCC 38-14.1-14(3) have been met. (BEB)***

Please see updated Section 1.2.5.

3. ***If any changes have occurred since approval of Revision No. 25, please update the Ownership and Control Information in Section 1.3.1 as required by NDCC 38-14.1-14(1)(e). (BEB & SAS)***

Please see updated Section 1.3.1.

4. ***Please add the Otter Creek Mine to the list in Section 1.3.2 and remove the information for the Indian Head Mine. NDAC 69-05.2-06-02(1). (SAS)***

Indian Head Mine has been removed from Section 1.3.2 and Eagle Pass Mine and Five Forks Mine have been added. Otter Creek is not yet an approved permit; therefore, it has not been added to this section.

5. ***Please update the Current and Previous Permits and Permit Applications information in Section 1.3.3 to include updated information concerning the Otter Creek Mining Company and any other updates required for this section of the permit. Additionally, references to the Indian Head Mine which was operated by the Bellaire Corporation need not be listed because the 5-year reporting period has expired. NDCC 38-14.1-14(1)(f). (BEB & SAS)***

Please see updated Section 1.3.3.

6. ***If necessary, please update Other Licenses and Permits in Section 1.3.5 as required. (BEB)***

Section 1.3.5 has been updated.

7. ***Please update the ownership listing of the Permit Area Surface and Coal Interests of Section 1.5.1, and the Adjacent Surface and Coal Ownership and Leasehold Information of Section 1.5.2. Any changes to these sections should also be reflected in the Surface and Coal Ownership Map of Section 1.5.3. NDCC 38-14.1-14(1)(b) and NDAC 69-05.2-06-01(1)9a). (BEB & SAS)***

The introductory page and Certificate of Authenticity of Documents to Section 1.5, Identification of Interests and Rights of Entry, have been updated to reflect the current revision number and date.

The Tract Summary has been revised to include the addition of Tracts 7A.1, 10A, 13A, 15A, 22A, and 55A and description changes for Tracts 42, 58, and 59.

The following table identifies updates to individual Tracts.

Mr. James R. Deutsch

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Tract No.	Address change to surface and/or coal ownership	Corporate officers and/or registered agents change	Documentation added	Easement information updated	Leasehold status change	Note added	Ownership change to surface and/or coal	Tract added or tract description changed
1	X			X				
2				X				
3				X				
4				X				
5				X				
6	X			X				
6A	X			X				
7	X			X				
7A	X			X				
7A.1	X		X	X		X		
7B	X	X						
7C	X	X						
8	X			X			X	
9				X				
10			X			X		
10A				X				
11A			X			X		
13				X				
13A			X	X		X		
14			X			X	X	
15A			X			X		
16				X				
17				X				
20	X						X	
20A	X						X	
22	X							
22A	X		X			X		
23							X	
24	X						X	
26	X						X	
29	X			X				
31	X							
33				X				
35	X	X		X				
36	X	X		X				
37	X							
38	X						X	
39	X						X	
40				X				
41	X			X			X	
42	X			X			X	
44	X			X				X
45	X						X	
50	X			X			X	
53	X			X			X	
54	X			X			X	
55	X			X			X	
55A	X			X			X	
56	X			X			X	
57				X				
58				X				X
59				X				X
63	X							
64	X						X	
67	X						X	
68	X						X	
72							X	
75	X			X				
79	X							
80	X						X	
82	X			X			X	
83	X			X			X	

Section 1.5.2, Adjacent Surface and Coal Interests, was updated to reflect current ownership and leasehold information.

Section 1.5.3, Surface and Coal Ownership Map, was updated to reflect the changes noted in the sections above.

### **Section 2.0 - Environmental Resource Information**

8. ***Current information provided in the Underwood Coal Field Hydrology document indicates the presence of only one reclamation monitoring well nest within interior portions of Permit NAFK-8405. Considering that mining and reclamation operations are nearing completion in the permit area south of Highway 200, please discuss Falkirk's plans for installation of additional reclamation monitoring wells within interior portions of Sections 22 and 23 once mining and reclamation operations have been completed in the area. (BEB)***

This will be addressed in the stand-alone Underwood Groundwater Hydrology section which will be submitted with completeness responses.

### **Section 3.0 - Operation Plan**

9. ***In Section 3.1.1, Operations Description, please update the number of acres to be disturbed for next permit term and adjust the narrative accordingly. Also please update the narrative in Section 3.1.2 to clarify the status of the Cable Belt Conveyor and what the actual plans are for it. (MSK)***

Sections 3.1.1 and 3.1.2 have been updated.

10. ***Please identify the next 5-year coal removal area and update Section 3.1.5, Pit Layout and Facilities Map, to reflect the changes that have been made to the mine plan (especially in the area north of Highway 200) and any other anticipated changes. Also update any other maps, plans, time lines, etc. that are affected by the changes in the mining plan. (MSK & BEB)***

Section 3.1.5, Pit Layout and Facilities Map, has been updated to show the new mining pits and ponds.

11. ***If mining plans for the Figenskau Mine Area have been finalized, they may be incorporated into the revision at this time. (MSK)***

No plans have been finalized for Figenskau mine. Final plans will be included in a future revision.

- 12. *If necessary, please update the listing of Estimated and Total Production in Section 3.1.3. (BEB)***

Section 3.1.3 has been updated.

- 13. *If necessary, please update the List of Major Equipment in Section 3.1.4. (BEB & MSK)***

Please see updated Section 3.1.4.

- 14. *Please update the Extended Mining Plan Topographic Map of Mine Phases in Section 3.1.6. (BEB & MSK)***

Please see updated Section 3.1.6, Extended Mining Plan Map.

- 15. *If necessary, please update the Existing Structures Narrative of Section 3.2.1 and Existing Structures Map of Section 3.2.2. If the status of any of the farmsteads, dwellings or other buildings have changed since the last update, it should be noted as appropriate. (BEB)***

Please see updated Sections 3.2.1, and 3.2.2. Farmstead status in the SE¼ of Section 12 was updated as well as grain bin status in the SE¼ of Section 14.

### **Section 3.6 - Surface Water Management**

- 16. *Please label all watersheds & subwatersheds in the permit area on Section 3.6.1a, Total Water Management Plan Map. Also, indicate in the narrative the watershed that is associated with each pond similar to what has been done in the past. (MSK)***

Please see updated 3.6.1a, Total Water Management Plan Map. The pond designs in Section 3.6 describe the details of each associated watershed which simplifies finding each individual pond within the electronic permit.

### **Section 4.2 - Reclamation**

- 17. *Please update the Reclamation Schedule in Section 4.2.2 and the Grading Sequence Map in Section 4.2.3, as appropriate, to reflect changes to the mining plan. Also, if any changes to the approved Post-Mining Topographic Map are needed due to the mine plan revision, please make those changes as well. (JRD)***

Sections 4.2.2 and 4.2.3 have been updated.

**Section 4.2.4 - Reclamation Cost**

- 18. Please update the worst-case reclamation cost estimate for the consolidated bond area that covers this permit area using the July, 2010 Variable Costs. Please also account for changes in the mine plan and reclamation schedule for Permit NAFK-8405 and other permits in the consolidated bond area during the next 5-year permit term. All changes must be documented and explained as well as any assumptions used to determine the reclamation cost estimate. (MSK)**

The worst-case reclamation costs were updated in Revision 21 of NAFK-9503 and submitted on November 23, 2010.

**Other:**

- 19.** Page 27 has been added to Section 1.1.2, Revision Summary Pages.
- 20.** Pages 97 - 126 have been added to Section 1.2.4, Newspaper Publication Notice.
- 21.** Added Section 1.2.4i, Newspaper Publication Reference Map.
- 22.** Section 2.6.5, Probable Hydrologic Consequences, was updated.
- 23.** Section 2.6.5b, Post-Mining Watersheds Map - Probable Hydrologic Consequences, was updated to show the change in post mine topography in Sections 12 - 15.
- 24.** Section 2.6.5c, Surface Water Probable Hydrologic Consequences Data, was updated.
- 25.** Section 2.6.5d, Noncontributing Watersheds - Summary of Hydrologic Data, was updated.
- 26.** Section 2.8.7, Drill Hole Location, Overburden Characteristics, and Projected Respread Depths Map, was updated with the new terrain modification boundary.
- 27.** Section 3.3.2, Blasting Map, has been updated with the new mining pits and distances.
- 28.** Section 3.5.2, Transportation Facilities Map, has been updated with new post-mine topography.
- 29.** Section 3.5.21, Road Closing Map, has been updated with the new mining pits and updated the roads that have been closed.
- 30.** Added Section 3.6.50, Design of Sedimentation Pond P-E12-03.

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31. Added Section 3.6.51, Design of Sedimentation Pond P-E15-02.
32. Section 4.1.1, Post-Mining Land Use Narrative, has been updated.
33. Section 4.1.3, Pre- and Post-Mining Land Use Acreage Comparisons, has been updated.
34. Updated Section 4.1.2, Post-Mining Land Use Map:
  - Updated post-mine topography and the land uses within Sections 12-15;
  - There were no net acreage changes to the land uses except for the lands overlaying the Figenskau Mine. The wetland acres are the same. However, some had to be moved around due to the changes in post-mine topo. Also, the temporary wetland boundaries were added to the map.
35. Section 4.1.5, Revegetation Procedures and Establishment, has been updated.
36. Section 4.2.6, Post-Mining Topography Map Generation, has been updated.
37. Section 4.2.6b, Post-Mining Contour Map, has been updated.
38. Section 4.2.7a, Pre-Mining Area Slope Map, has been updated.
39. Section 4.2.7b, Post-Mining Area Slope Map, has been updated.

If you have any questions, please call me at 250-2403.

Sincerely,

**THE FALKIRK MINING COMPANY**



D. Randall Crooke  
Environmental Manager

DRC/dge  
Enc.



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

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

*12-15-10  
Ren 5-app (32343)*

Name of Permittee <b>The Falkirk Mining Company</b>		Date <b>December 15, 2010</b>	
Address <b>2801 1st Street SW</b>		Permit Number <b>NAFK-8405</b>	State <b>ND</b>
City <b>Underwood</b>		Zip Code <b>58576</b>	

The above named hereby makes application for Renewal Number 5 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 15, 2011 to April 15, 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.

LOCATION				ACRES
SECTION	TOWNSHIP	RANGE	COUNTY	
3	T145N	R82W	McLean	
6, 7, 18	T146N	R81W	McLean	
1,2,8,9,10,11,12 13,14,15,16,21,22 23,24,26,27,34,35	T146N	R82W	McLean	
<b>TOTAL ACRES</b>				<b>8,776.6</b>

Signature of Official <i>[Signature]</i>	Title <b>Environmental Manager</b>
---	---------------------------------------

**VERIFICATION**

Name of Official <b>Carroll L. Dewing</b>
--

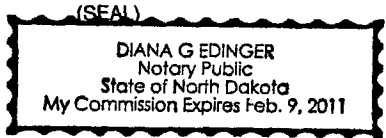
I, the above named, being first and duly sworn, verify that the information contained in the Permit Renewal Application is true and correct to the best of my knowledge and belief.

Signature of Official <i>Carroll L. Dewing</i>	Title <b>President</b>
---	---------------------------

STATE OF North Dakota )  
COUNTY OF McLean ) ss.

Subscribed and Sworn before me, this 15<sup>th</sup> day of December, 2010.

*[Signature]*  
Notary Public  
My Commission Expires: Feb. 9, 2011



**RENEWAL #5  
TO PERMIT NAFK-8405**

**December 15, 2010**

Application for Renewal #5 to Permit NAFK-8405 is made in order to continue to engage in surface coal mining and reclamation operations from the period April 15, 2011 to April 15, 2016.