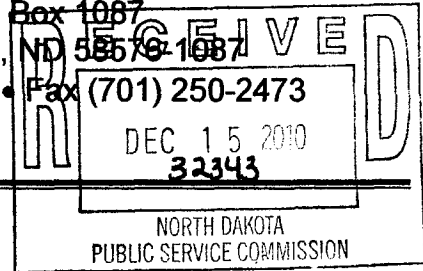


12-15-10
12-15-10-rsp - pre-renewal (32343)



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. ^{JR}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	X
44	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 REVISION OF PERMIT TO ENGAGE IN SURFACE COAL MINING AND RECLAMATION OPERATIONS

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

12.15.10
Rev 27 app (32343)

Date	December 15, 2010
Revision Number	27
State	ND
Zip Code	58576

Name of Company, Corporation, Partnership, or Individual The Falkirk Mining Company	Permit Number NAFK-8405	Revision Number 27
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, rights of entry, post-mining land use, geohydrology, operations and reclamation plans, and worst-case reclamation bond costs for the required renewal to NAFK-8405

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 	Title Environmental Manager
--	--------------------------------

VERIFICATION

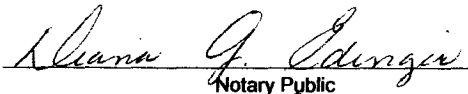
I, Carroll L. Dewing, being first and duly sworn, verify that the information contained in this Permit Revision Application is true and correct to the best of my knowledge and belief.

Signature of Official 	Title President
--	--------------------

STATE OF North Dakota)
 COUNTY OF McLean) ss.

Subscribed and Sworn before me, this 15th day of December, 2010.

(SEAL)


 Notary Public

My Commission Expires: Feb. 9, 2011

