



November 18, 2014

Mr. James R. Deutsch, Director
Reclamation Division
North Dakota Public Service Commission
600 E. Boulevard Ave.
Bismarck, ND 58505

PERMITTING & RECLAMATION DEPARTMENT
P.O. Box 2010 • Belle Fourche, South Dakota 57717
PH. (605) 892-6950 • FAX (605) 892-6979



RE: ND Permit ACPG-9701 Revision 7 Round 3 Technical Deficiency Comment (dated 10/28/2014) Response.

Dear Mr. Deutsch:

Please find enclosed two CDs providing American Colloid Company (ACC) Permit ACPG-9701 Revision 7 Round 3 Technical Review Comment Response to the Reclamation Division's October 28, 2014 Round 3 technical review comments. Revision No. 7 to ACPG-9701 proposes to add 149.28 acres to the permit through addition of the Tompkins Mine Area.

If problems with links appear to occur throughout a section, please check your browser. If you are using Google Chrome, please re-try with Internet Explorer, as earlier PSC problems with links seemed to be resolved by ACC changing from use of Google Chrome to Internet Explorer.

The Reclamation Division requires that the following items be addressed or corrected before the Reclamation Division will recommend Commission approval:

Section 1.1 – Introductory Information

1. New Item: Please revise the Revision No. 7 application form to mention the recent ownership changes that have occurred with American Colloid Company. It appears AMCOL international has been sold to Mineral Technologies Inc., and that the Board of Directors for American Colloid Company (ACC) has changed. (GAW)

The application form (Section 1.1.1.1(g)) has been updated as requested.

Section 1.1.2 – Revision Summary

2. New Item: Please revise the Revision 7 summary description to discuss the recent ownership changes that have occurred with American Colloid Company. It appears AMCOL International has been sold to Mineral Technologies Inc. and that the Board of Directors for American Colloid Company (ACC) has changed. (GAW)

Section 1.1.2 Revision Summary has been updated as requested, as well as to add a general summary of modifications/updates made to the Page/Perkins area permit in response to discussions with the Public Service Commission.

Section 1.3 – Business Entity/Compliance Information

3. New Item: Please revise Section 1.3.1, Names of Officers, Directors and Share Holders and Organizational Structure, to include a discussion about how Minerals Technologies Inc. is affiliated with American Colloid Company. Apparently, AMCOL International was purchased by Minerals Technologies Inc. This narrative should explain when this ownership transaction occurred and provide all of the information for the American Colloid Company, Minerals Technologies, Inc., and any other owner or controller as required by subsection 1 of NDAC 69-05.2-06-01 and 69-05.2-06-02. (GAW)

Section 1.3.1 has been updated to reflect current corporate structure as well as present the Minerals Technologies, Incorporated acquisition of American Colloid Company.

4. Follow-up to item No. 4: Other Licenses and Permits, Section 1.3.5, needs to be updated to note that a Conditional Water Use permit from the ND State Water Commission will either be applied for, is pending, or has been received. If the water use permit has not yet been secured from the State Water Commission, a statement must be added to Permit ACPG-9701 that the usage of retained evaporation pond water for dust suppression or any other activities will not be conducted until after the water use permit has been received. (BEB)

Section 1.3.5 has been updated to reflect that an annual, temporary water permit will be obtained prior to water use for dust suppression. Directive from the State Water Commission, emailed to the Public Service Commission on October 30, 2014 states that a Conditional Use Water Permit is not required for Permit ACPG-9701 and that the annual temporary water permit is sufficient to address needs.

Section 3.6.1 Surface Water Management has been updated to address annual temporary water use permitting through the State Engineer's Office.

Section 2.9 – Probable Hydrologic Consequences

5. We are still unable to open the links in the Section 2.9(a) narrative, provided for Section 3.6.1(c) Tompkins Surface Water Study and Erosion Control Plan and Section 2.9(b). Please review and repair these links as provided in the narrative. (RLK)

The links were checked and the Section 2.9(a) link is fictional; the Section 3.6.1(c) link appears to be functional part time. I have recreated the Section 2.9(a) and Section 3.6.1(c) PDFs, re-established the links, etc. and have been unable to find a consistent resolution ~ the error message indicates it is a problem with Adobe. The Section 2.9(a) Word document is included in the submittal; the links appear to function consistently in Word.

6. Follow-up to Item 27: In the narrative added to page 8 of Section 3.6.1(c), the last sentence states: "*The modeled flow rate for this event is 0.6 feet per second and non-erosive.*" The stated measurement units of feet per second indicate a velocity rather than flow rate which could be cubic feet per second. Please review and revise as appropriate. (RLK)

Section 3.6.1(c) has been modified as requested to reflect velocity.

7. Follow-up to Item 27: The drainage area used for Buffalo Creek Tributary Reach No. 1 referenced in Table 7, Premining and Postmining Contributions to Tributary of Buffalo Creek, is not depicted on a map included in the application. The other reaches referred to in Table 7 correspond with the drainage areas described and shown elsewhere in Section 3.6 of the application. Please revise or add information as appropriate to identify the drainage area for Reach No. 1, used in the hydrologic evaluation. (RLK)

Section 3.6.1(c) Figures 4b and 4c have been modified to show the east side premine drainage area via an inset map.

Section 3.1 – General Operation Plan

8. Follow-up to item No. 29: Please update the Pit Layout and Facility Map for the Tompkins Mine Area in Section 3.1.3(c), update the Reclamation Schedule (Tompkins Mine Area) in Section 4.2.2(c), and update the Annual Activities Chart in Section 4.2.9(c), as well as any other applicable sections of the permit if mining will not begin at the Tompkins Mine in 2014. (FSE)

The following sections have been updated to reflect a revised mining schedule with initiation of Tompkins area mining moved to 2015:

- 3.1.3(c) Pit Layout and Facilities Map (Tompkins Area)
- 4.1.5(b) Revegetation Procedures and Establishment (Perkins Area)
- 4.1.5(c) Revegetation Procedures and Establishment (Tompkins Area)
- 4.1.7(a)(1) Variance to Reclamation Schedule (Perkins Area)
- 4.1.7(b)(1) Variance to Reclamation Schedule (Tompkins Area)
- 4.2.2(b) Reclamation Schedule (Perkins Area)
- 4.2.2(c) Reclamation Schedule (Tompkins Area)
- 4.2.9(b) Annual Activities (Perkins Area)
- 4.2.9(c) Annual Activities (Tompkins Area)

The following sections were reviewed but do not require update to address the revised mining schedule:

- 3.1.3(b) Pit Layout and Facilities Map (Perkins Area)
- 3.1.5(b) Backfilling Calculation (Perkins Area)
- 3.1.5(c) Backfilling Calculations (Tompkins Area)
- 4.2.2(b) Reclamation Schedule (Perkins Area)

Section 4.1 – Post-Mining Land Use and Revegetation

9. Follow-up to item No. 41: This item requested that the Tompkins post-mining land use narrative, Section 4.1.1(c), be reinserted into the permit because it had inadvertently been replaced with the narrative. ACC responded by inserting the post-mine narrative into both Section 4.1.1(c) and Section 4.1.2(c) which deleted the Tompkins post-mining land use map. Please retain the Tompkins post-mine land use **narrative in Section 4.1.1c** and reinsert the Tompkins post-mine land use **map in Section 4.1.2c**. (ZAB)

Section 4.1.2(c) has been updated to reflect the post-mine landuse map as requested.

10. Follow-up to item No. 44: Please update the revised date at the bottom of the page in Section 4.1.7(b)(1) **to** 9/14 since changes were made to the seeding dates with the most recent submission. (ZAB)

The footer has been updated to reflect 11/2014 to accurately reflect modifications made in response to Item #8 above.

Section 4.2 – Reclamation - General

11. Follow-up to item No. 44: Please update the revised date at the bottom of Page 1 in Section 4.2.2(b) **to** 9/14 since changes were made to the seeding dates with the most recent submission. (ZAB)

The footer has been updated to reflect 11/2014 to accurately reflect modifications made in response to Item #8 above.

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Section 4.2.4 – Reclamation Costs (Bonding Calculations)

12. Follow-up to item No. 51: Since 2014 is nearly over and it is unlikely that mining of the Tompkins property will begin yet this year, it appears the mining sequence may need to be changed. Based on the updated planned mining sequence and the pit status in the Perkins Mine Area, please provide updated assumptions for the worst case scenario, including specific times and material quantities in the cost estimate. (FSE)

Section 4.2.4 was reviewed but no modifications were made; reclamation time frames are anticipated to remain as indicated (the only modification to planning was moving opening of the area from late 2014 into 2015).

As of today, October 28, 2014, the Commission has 75 days remaining from the extended 120 day review period as allowed by NDAC 69-05.2-05-01(4)(b). The review period will resume upon the submittal of American Colloid's response to all noted deficiencies.

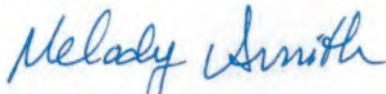
ADDED by ACC:

Section 1.2.5(a) was updated to reflect the current Certificate of Liability Insurance (also emailed to the Commission upon receipt).

Section 2.2.3 Water Sampling Results Summary was updated to reflect 2014 surface water (stormwater) sampling, and lab reports were added as Section 2.2.3(j) Water Sampling Lab Reports.

If you have any questions, please contact me at 605-892-7178 or melody.smith@colloid.com.

Sincerely,



Melody Smith
Environmental Specialist
American Colloid Company
A Mineral Technologies Company