



Public Service Commission

State of North Dakota

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January 23, 2015

Ms. Melody Smith
Environmental Supervisor
American Colloid Company
P.O. Box 2010
Belle Fourche, SD 57717

Dear Ms. Smith:

The Reclamation Division has reviewed American Colloid Company's January 5, 2015 response to our December 26, 2014 technical review items for Revision No. 7 to Permit ACPG-9701 for the Tompkins Mine Area addition at the American Colloid Mine near Gascoyne, ND. The following items were noted and must be addressed or corrected before the Reclamation Division will recommend Commission approval.

Section 4.0 – Reclamation Plans

1. Follow-up to item No. 6: Please remove the solid square in the 180 day variance column for Pit B-2 in Section 4.1.7(a)(1) to be consistent with the documentation in Section 4.1.7(a)(2) which indicates Pit B-2 only has an approved 3 year variance. Pit B-2 was reinserted to Section 4.1.7(a)(1) for this response and this may have been a copy/paste error. (ZAB)
2. Follow-up to item No. 6: In Section 4.1.7(a)(1), the phrase "approved with Revision 7" was added to the legend behind the previously approved variances (2009 and 2012). It appears the phrase was placed on the wrong line and should be moved to the Variance from the 3-year Requirements. (ZAB)
3. Follow-up to item No. 6: Please remove the 180 day variance symbol for Pit B-1 in Section 4.2.2(b) which appears to be a copy/paste error that occurred between the completeness and technical reviews. We apologize for not noticing this error earlier. (ZAB)

Ms. Melody Smith

January 23, 2015

Page 2 of 2

Section 4.2.4 – Reclamation Costs

4. Follow-up to item No. 8: Please review and correct the statement in the first paragraph of Section 4.2.4 which states that “860,988 cubic yards...is less than the 500,000 cubic yard requirement for a small operation”. It appears that ACC does not meet the “small operation” criteria. Also please delete or modify as necessary the added information in this section that states “2015: Tompkins (252,167 yds³) and (Perkins 75,642 yds³) that is displayed above the Page Mining Area Backfilling column. (FSE)

5. Follow up item No 8: Please clearly identify when the worst case scenario will occur for the entire permit area (we assume it will be in 2016) and account for all remaining reclamation for all pit/mine areas including ponds, roads, and stockpile areas. For example, Section 4.2.2(b) indicates that pits A-[^], A-7, A-8, and all C pits will be backfilled and respread with SPGM in 2016; however, costs are not included for all of these pit areas in Section 4.2.4. Please review and address as necessary to insure that all remaining reclamation activities at the time of the worst case scenario are included in the reclamation costs and that the details in the Reclamation Cost section are consistent with the other sections of the permit. (FSE)

If you have any questions, please contact this office.

Sincerely,



James R. Deutsch
Director
Reclamation Division