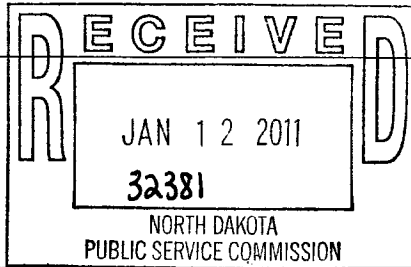


BASIN COOPERATIVE SERVICES

A BASIN ELECTRIC SUBSIDIARY

GLENHAROLD MINE
1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58501-0564
PHONE: 701/223-0441
FAX: 701/224-5322



1.12.11
GH-11-1-Submittal Hr (32381)

January 6, 2011

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

Mr. James R. Deutsch
Reclamation Director
Public Service Commission
600 East Boulevard
Bismarck, ND 58505-0480

Re: Bond Release No. 7- Permit BCGH-8204

Dear Mr. Deutsch:

Enclosed are 4 copies of bond release No. 7 for Basin Cooperative Services' Glenharold Mine. This application includes 5 tracts and totals 2378.7 acres. The total bond requested is \$4,455,299.12. Bond release 7 and bond release No. 8 include all the remaining permitted acreage in BCGH-8204.

A table of contents and a notarized application form SFN 19813 (1-2004) are provided at the front of each copy of the application.

If you have questions, please contact me at the following address.

Leland Olds Power Station
3901 Hwy 200 A
Stanton, North Dakota 58571-9417

Phone no: 701-745-7242
Email: dnilson@bepc.com

Sincerely,

David J. Nilson
Reclamation Administrator

Attachment

cc: Permit BCGH-8204
Mike Murray

1 RC-11-30 Filed: 1/13/2011 Pages: 9
Application for final bond release on 2,378.7 acres

Basin Cooperative Services

David Nilson



APPLICATION FOR FINAL RELEASE OF BOND FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS

PUBLIC SERVICE COMMISSION
RECLAMATION DIVISION
SFN 19813 (1-2004)

1.12.11
File BRL application (32381)

Date January 6, 2011	
Permit Number BCGH-8204	
State ND	Zip Code 58501-0564

Name of Permittee Basin Cooperative Services	Bond Release Number 7
Post Office Address 1717 East Interstate Avenue	City Bismarck

Pursuant to the provisions of NDCC 38-14.1-17, the above named Permittee hereby makes Application for Final Release of Bond for Surface Coal Mining and Reclamation Operations for the above Bond Release Number and Permit Number.

Final release of bond is requested for the tracts clearly delineated on the attached map, Attachment I, which are particularly described by the attached metes and bounds descriptions, Attachment II, and as follows:

TRACT NUMBER	ACRES	LOCATION			
		SEC.	TWP.	RANGE	COUNTY
Tracts 1 through 5	2378.7	See	Attached	Addendum	Mercer and Oliver Co
TOTAL ACRES	2378.7				

Final release of bond for the completion of all reclamation requirements set forth by NDCC Chapter 38-14.1 and NDAC Article 69-06.2 in the amount of \$ \$4,455,299.12 for the above-described tracts is requested for the following reasons (identify each tract number and provide separate reasons and the amount for each tract):

See Attached Addendum listing each Tract and Bond Amounts.

Final bond release on these tracts is being requested as all the regulatory requirements have been met.

Attached to this final bond release application is the following information:

- Attachment III** is a copy of the proposed advertisement required by NDCC 38-14.1-17(1)(a). (The affidavit of publication must be submitted within 30 days of this request.)
- Attachment IV** consists of copies of all letters sent pursuant to NDCC 38-14.1-17(1)(b).
- Attachment V** is an aerial photo based map (or other pre-approved map) that delineates and identifies each tract contained in the bond release application.
- Attachments VI through XII** _____, which contain the detailed information for each tract as listed on the Addendum to this application form. (Include separate attachments for each tract contained in the bond release application.)

VERIFICATION

Name of Official	David J. Nilson
------------------	-----------------

I, the above named official, am authorized to represent the Permittee for the foregoing bond release application, have read the complete application and certify that all applicable reclamation activities have been accomplished in accordance with North Dakota Administrative Code Article 69-05.2, North Dakota Century Code Chapter 38-14.1, and the approved reclamation plan. All statements contained in the bond release application and attachments are true and correct to the best of my knowledge and belief.

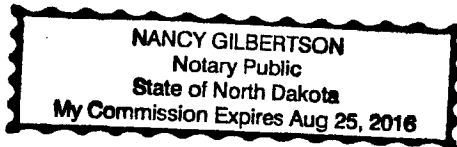
Dated and signed this 6th day of January, 20 11.

By <u>David Nilson</u>	Title <u>Reclamation Administrator</u>
------------------------	----------------------------------------

STATE OF N. Dakota)
 COUNTY OF Mercer) ss.

The foregoing instrument was acknowledged before me this 6th of January 2011 (date) by David J. Nilson
 known to me to be the Reclamation Admin. of Basin Electric
Power Cooperative a corporation, on behalf of the corporation.

(SEAL)



Nancy Gilbertson
 Notary Public

My Commission Expires _____

ADDENDUM TO FINAL BOND RELEASE APPLICATION

ATTACHMENT VI

Bond Release Number 7	Permit Number BCGH-8204	Tract Number 1
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Attached is the following information for the above Bond Release Tract Number (check applicable types of information that is attached):

- A brief history of the approximate dates of: a) initial mining related disturbance, b) coal removal, c) grading within the tract, and d) law liability period. If more than one law liability period occurs in a tract, delineate the different reclamation law liability lines on a map and refer to the attachment.
- A postmining topographic map of the tract (**attach a separate map or refer to the attachment containing this information**).
- An aerial photo based map (or other pre-approved map) that delineates the tract, ownership boundaries, reclamation site types, topsoil and subsoil respread thicknesses, sampling locations for data collection, and any reference areas with soil mapping units identified (**attach a separate map or refer to the attachment containing this information**).
- Dates of all seedings within the tract, including identification of the date of the last augmented seeding.
- Species seeded and rates.
- Complete history of all management on the tract, including:
- a) Fertilizer use - types, rates and date of application.
 - b) Herbicide and other pesticide use - types, rates and date of application.
 - c) Grazing history - number of head and dates grazed.
 - d) Breaking of pre-cropland grass/legume stand - date and type of equipment used.
 - e) Crops harvested - types of crops, dates harvested and yields.
- Soil test results from the reclaimed tract and any reference areas.
- Details of the procedures used to develop the revegetation success standards for the tract, including:
- a) Soils map of the premine area used to derive the standard that also includes premine land use and property ownership boundaries.
 - b) Acreages of soil mapping units or range sites and calculations used to derive the standard.
- Establishment and management history of any reference areas.
- Methods (sampling or entire tract harvest) used to obtain vegetation data for the tract and any reference areas, including the following if sampling was done:
- a) Location of samples and delineation of sample units (site types).
 - b) Method used for sampling (e.g., first hit, ten-point frame).
 - c) Number of samples taken.
 - d) Calculation of sample adequacy with supporting raw data.
- Required vegetation data (as appropriate for the postmining land use, yield, cover, seasonality, diversity, woody species density, etc.) and evaluations (statistical calculations) for demonstrating reclamation success for the postmining land use of the tract.
- For recreational, residential, and institutional and commercial land uses, a discussion that shows the land use has been implemented (refer to county land use zoning approvals, any other required permits, current construction and use, written commitments by the landowner, etc. that are included in the permit). If these documents have not been incorporated into the permit, copies must be included in the bond release application.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained for a tract containing a permanent impoundment, a discussion of how plans for sound future management of the impoundment have been implemented by the landowner or permittee as required by NDAC 69-05.2-12-12(7)(c). Include a written commitment from the landowner to follow a sound management plan for the impoundment.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained, documentation that suspended solids are not being contributed to stream flow or runoff outside the permit area in excess of that allowed by NDAC 69-05.2-16-04.
- If any premine developed water supplies (surface or ground water) existed on the tract, describe the premine water supply and provide evidence that the water supply has been replaced on this tract or on another, or refer to plans that show where it will be replaced in the future.
- If any permanent impoundments are located within the tract, a demonstration that the water quality is suitable for the intended use of the impoundment.

ADDENDUM TO FINAL BOND RELEASE APPLICATION

ATTACHMENT VI

Bond Release Number 7	Permit Number BCGH-8204	Tract Number 2
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Attached is the following information for the above Bond Release Tract Number (check applicable types of information that is attached):

- A brief history of the approximate dates of: a) initial mining related disturbance, b) coal removal, c) grading within the tract, and d) law liability period. If more than one law liability period occurs in a tract, delineate the different reclamation law liability lines on a map and refer to the attachment.
- A postmining topographic map of the tract (**attach a separate map or refer to the attachment containing this information**).
- An aerial photo based map (or other pre-approved map) that delineates the tract, ownership boundaries, reclamation site types, topsoil and subsoil respread thicknesses, sampling locations for data collection, and any reference areas with soil mapping units identified (**attach a separate map or refer to the attachment containing this information**).
- Dates of all seedings within the tract, including identification of the date of the last augmented seeding.
- Species seeded and rates.
- Complete history of all management on the tract, including:
 - a) Fertilizer use - types, rates and date of application.
 - b) Herbicide and other pesticide use - types, rates and date of application.
 - c) Grazing history - number of head and dates grazed.
 - d) Breaking of pre-cropland grass/legume stand - date and type of equipment used.
 - e) Crops harvested - types of crops, dates harvested and yields.
- Soil test results from the reclaimed tract and any reference areas.
- Details of the procedures used to develop the revegetation success standards for the tract, including:
 - a) Soils map of the premine area used to derive the standard that also includes premine land use and property ownership boundaries.
 - b) Acreages of soil mapping units or range sites and calculations used to derive the standard.
- Establishment and management history of any reference areas.
- Methods (sampling or entire tract harvest) used to obtain vegetation data for the tract and any reference areas, including the following if sampling was done:
 - a) Location of samples and delineation of sample units (site types).
 - b) Method used for sampling (e.g., first hit, ten-point frame).
 - c) Number of samples taken.
 - d) Calculation of sample adequacy with supporting raw data.
- Required vegetation data (as appropriate for the postmining land use, yield, cover, seasonality, diversity, woody species density, etc.) and evaluations (statistical calculations) for demonstrating reclamation success for the postmining land use of the tract.
- For recreational, residential, and institutional and commercial land uses, a discussion that shows the land use has been implemented (refer to county land use zoning approvals, any other required permits, current construction and use, written commitments by the landowner, etc. that are included in the permit). If these documents have not been incorporated into the permit, copies must be included in the bond release application.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained for a tract containing a permanent impoundment, a discussion of how plans for sound future management of the impoundment have been implemented by the landowner or permittee as required by NDAC 69-05.2-12-12(7)(c). Include a written commitment from the landowner to follow a sound management plan for the impoundment.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained, documentation that suspended solids are not being contributed to stream flow or runoff outside the permit area in excess of that allowed by NDAC 69-05.2-16-04.
- If any permine developed water supplies (surface or ground water) existed on the tract, describe the permine water supply and provide evidence that the water supply has been replaced on this tract or on another, or refer to plans that show where it will be replaced in the future.
- If any permanent impoundments are located within the tract, a demonstration that the water quality is suitable for the intended use of the impoundment.

ADDENDUM TO FINAL BOND RELEASE APPLICATION

ATTACHMENT VI

Bond Release Number 7	Permit Number BCGH-8204	Tract Number 3
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Attached is the following information for the above Bond Release Tract Number (check applicable types of information that is attached):

- A brief history of the approximate dates of: a) initial mining related disturbance, b) coal removal, c) grading within the tract, and d) law liability period. If more than one law liability period occurs in a tract, delineate the different reclamation law liability lines on a map and refer to the attachment.
- A postmining topographic map of the tract (**attach a separate map or refer to the attachment containing this information**).
- An aerial photo based map (or other pre-approved map) that delineates the tract, ownership boundaries, reclamation site types, topsoil and subsoil respread thicknesses, sampling locations for data collection, and any reference areas with soil mapping units identified (**attach a separate map or refer to the attachment containing this information**).
- Dates of all seedings within the tract, including identification of the date of the last augmented seeding.
- Species seeded and rates.
- Complete history of all management on the tract, including:
- a) Fertilizer use - types, rates and date of application.
 - b) Herbicide and other pesticide use - types, rates and date of application.
 - c) Grazing history - number of head and dates grazed.
 - d) Breaking of pre-cropland grass/legume stand - date and type of equipment used.
 - e) Crops harvested - types of crops, dates harvested and yields.
- Soil test results from the reclaimed tract and any reference areas.
- Details of the procedures used to develop the revegetation success standards for the tract, including:
- a) Soils map of the premine area used to derive the standard that also includes premine land use and property ownership boundaries.
 - b) Acreages of soil mapping units or range sites and calculations used to derive the standard.
- Establishment and management history of any reference areas.
- Methods (sampling or entire tract harvest) used to obtain vegetation data for the tract and any reference areas, including the following if sampling was done:
- a) Location of samples and delineation of sample units (site types).
 - b) Method used for sampling (e.g., first hit, ten-point frame).
 - c) Number of samples taken.
 - d) Calculation of sample adequacy with supporting raw data.
- Required vegetation data (as appropriate for the postmining land use, yield, cover, seasonality, diversity, woody species density, etc.) and evaluations (statistical calculations) for demonstrating reclamation success for the postmining land use of the tract.
- For recreational, residential, and institutional and commercial land uses, a discussion that shows the land use has been implemented (refer to county land use zoning approvals, any other required permits, current construction and use, written commitments by the landowner, etc. that are included in the permit). If these documents have not been incorporated into the permit, copies must be included in the bond release application.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained for a tract containing a permanent impoundment, a discussion of how plans for sound future management of the impoundment have been implemented by the landowner or permittee as required by NDAC 69-05.2-12-12(7)(c). Include a written commitment from the landowner to follow a sound management plan for the impoundment.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained, documentation that suspended solids are not being contributed to stream flow or runoff outside the permit area in excess of that allowed by NDAC 69-05.2-16-04.
- If any premine developed water supplies (surface or ground water) existed on the tract, describe the premine water supply and provide evidence that the water supply has been replaced on this tract or on another, or refer to plans that show where it will be replaced in the future.
- If any permanent impoundments are located within the tract, a demonstration that the water quality is suitable for the intended use of the impoundment.

ADDENDUM TO FINAL BOND RELEASE APPLICATION

ATTACHMENT VI

Bond Release Number 7	Permit Number BCGH-8204	Tract Number 4
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Attached is the following information for the above Bond Release Tract Number (check applicable types of information that is attached):

- A brief history of the approximate dates of: a) initial mining related disturbance, b) coal removal, c) grading within the tract, and d) law liability period. If more than one law liability period occurs in a tract, delineate the different reclamation law liability lines on a map and refer to the attachment.
- A postmining topographic map of the tract (**attach a separate map or refer to the attachment containing this information**).
- An aerial photo based map (or other pre-approved map) that delineates the tract, ownership boundaries, reclamation site types, topsoil and subsoil respread thicknesses, sampling locations for data collection, and any reference areas with soil mapping units identified (**attach a separate map or refer to the attachment containing this information**).
- Dates of all seedings within the tract, including identification of the date of the last augmented seeding.
- Species seeded and rates.
- Complete history of all management on the tract, including:
 - a) Fertilizer use - types, rates and date of application.
 - b) Herbicide and other pesticide use - types, rates and date of application.
 - c) Grazing history - number of head and dates grazed.
 - d) Breaking of pre-cropland grass/legume stand - date and type of equipment used.
 - e) Crops harvested - types of crops, dates harvested and yields.
- Soil test results from the reclaimed tract and any reference areas.
- Details of the procedures used to develop the revegetation success standards for the tract, including:
 - a) Soils map of the premine area used to derive the standard that also includes premine land use and property ownership boundaries.
 - b) Acreages of soil mapping units or range sites and calculations used to derive the standard.
- Establishment and management history of any reference areas.
- Methods (sampling or entire tract harvest) used to obtain vegetation data for the tract and any reference areas, including the following if sampling was done:
 - a) Location of samples and delineation of sample units (site types).
 - b) Method used for sampling (e.g., first hit, ten-point frame).
 - c) Number of samples taken.
 - d) Calculation of sample adequacy with supporting raw data.
- Required vegetation data (as appropriate for the postmining land use, yield, cover, seasonality, diversity, woody species density, etc.) and evaluations (statistical calculations) for demonstrating reclamation success for the postmining land use of the tract.
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- If any premine developed water supplies (surface or ground water) existed on the tract, describe the premine water supply and provide evidence that the water supply has been replaced on this tract or on another, or refer to plans that show where it will be replaced in the future.
- If any permanent impoundments are located within the tract, a demonstration that the water quality is suitable for the intended use of the impoundment.

ADDENDUM TO FINAL BOND RELEASE APPLICATION

ATTACHMENT VI

Bond Release Number 7	Permit Number BCGH-8204	Tract Number 5
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Attached is the following information for the above Bond Release Tract Number (check applicable types of information that is attached):

- A brief history of the approximate dates of: a) initial mining related disturbance, b) coal removal, c) grading within the tract, and d) law liability period. If more than one law liability period occurs in a tract, delineate the different reclamation law liability lines on a map and refer to the attachment.
- A postmining topographic map of the tract (**attach a separate map or refer to the attachment containing this information**).
- An aerial photo based map (or other pre-approved map) that delineates the tract, ownership boundaries, reclamation site types, topsoil and subsoil respread thicknesses, sampling locations for data collection, and any reference areas with soil mapping units identified (**attach a separate map or refer to the attachment containing this information**).
- Dates of all seedings within the tract, including identification of the date of the last augmented seeding.
- Species seeded and rates.
- Complete history of all management on the tract, including:
- a) Fertilizer use - types, rates and date of application.
 - b) Herbicide and other pesticide use - types, rates and date of application.
 - c) Grazing history - number of head and dates grazed.
 - d) Breaking of pre-cropland grass/legume stand - date and type of equipment used.
 - e) Crops harvested - types of crops, dates harvested and yields.
- Soil test results from the reclaimed tract and any reference areas.
- Details of the procedures used to develop the revegetation success standards for the tract, including:
- a) Soils map of the premine area used to derive the standard that also includes premine land use and property ownership boundaries.
 - b) Acreages of soil mapping units or range sites and calculations used to derive the standard.
- Establishment and management history of any reference areas.
- Methods (sampling or entire tract harvest) used to obtain vegetation data for the tract and any reference areas, including the following if sampling was done:
- a) Location of samples and delineation of sample units (site types).
 - b) Method used for sampling (e.g., first hit, ten-point frame).
 - c) Number of samples taken.
 - d) Calculation of sample adequacy with supporting raw data.
- Required vegetation data (as appropriate for the postmining land use, yield, cover, seasonality, diversity, woody species density, etc.) and evaluations (statistical calculations) for demonstrating reclamation success for the postmining land use of the tract.
- For recreational, residential, and institutional and commercial land uses, a discussion that shows the land use has been implemented (refer to county land use zoning approvals, any other required permits, current construction and use, written commitments by the landowner, etc. that are included in the permit). If these documents have not been incorporated into the permit, copies must be included in the bond release application.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained for a tract containing a permanent impoundment, a discussion of how plans for sound future management of the impoundment have been implemented by the landowner or permittee as required by NDAC 69-05.2-12-12(7)(c). Include a written commitment from the landowner to follow a sound management plan for the impoundment.
- If bond release for vegetation establishment (Stage 3) has not been previously obtained, documentation that suspended solids are not being contributed to stream flow or runoff outside the permit area in excess of that allowed by NDAC 69-05.2-16-04.
- If any premine developed water supplies (surface or ground water) existed on the tract, describe the premine water supply and provide evidence that the water supply has been replaced on this tract or on another, or refer to plans that show where it will be replaced in the future.
- If any permanent impoundments are located within the tract, a demonstration that the water quality is suitable for the intended use of the impoundment.

**Bond Release Tracts
and
Bond Calculations**

Bond Calculations for Bond Releases 7 & 8 (Final Bond Release) to BCGH-8204

Collateral Bond Remaining =	\$541,874.91
Self-Bond Remaining =	<u>\$4,876,874.24</u>
TOTAL	\$5,418,749.15

Total Acres Remaining (PSC) =	2703.80
Total Undisturbed ac Bond =	\$187,838.00
Total Disturbed ac Bond =	\$5,230,911.15

	<u>Disturbed</u>	<u>Undist.</u>
Bond amount/Acre =	\$2,964.46	\$200.00

<u>TRACT</u>	<u>Location</u>	<u>LANDOWNER</u>	<u>Reclaimed Acres</u>	<u>Undist. Acres</u>	<u>TOTAL Acres</u>	<u>Recl. Ac. Bond</u>	<u>Undist. Ac Bond</u>	<u>TOTAL BOND</u>
<u>Bond Release 8</u>								
	Sec 31	BCS	325.00			963,450.03		
	New Ash Pit			0	325.00		0.00	963,450.03
<u>Bond Release 7</u>								
1A	79 Law Mine Area I	BCS	290.09	170.05	460.14	\$859,961	\$34,010	\$893,971
1B	79 Law NE4, S14	Boeckel	119.39	31.86	151.25	\$353,927	\$6,372	\$360,299
1C	75 Law Sec 13 & 18	BCS	388.06	48.1	436.16	\$1,150,389	\$9,620	\$1,160,009
2	SE4, S21 Coal Dump	BCS	17.67	23.08	40.75	\$52,382	\$4,616	\$56,998
3	NE4, S27 Gravel Pit	BCS	13.76	3.23	16.99	\$40,791	\$646	\$41,437
4A	Sec 31 & 32 MA III & IV	BCS	131.50	233.68	365.18	\$389,827	\$46,736	\$436,563
4B	Sec 30 MA III & IV	Slinde	5.76	38.37	44.13	\$17,075	\$7,674	\$24,749
5	Sec 4 & 5 MA II	BCS	473.31	390.82	864.13	\$1,403,109	\$78,164	\$1,481,273
Totals - Bond Release 7			1439.5	939.2	2378.7	\$4,267,461.12	\$187,838.00	\$4,455,299.12
Totals - Bond Releases 7 & 8			1764.5	939.2	2703.7	\$5,230,911.15	\$187,838.00	\$5,418,749.15