

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Coteau Properties Company
Variance, Permit NACT-9101
Approval

Case No. RC-11-68

VARIANCE TO THE PERFORMANCE BOND LIABILITY
PERIOD OF A SURFACE COAL MINING PERMIT

September 20, 2011

Based on the application received on February 21, 2011, a variance from the Ten Year Performance Bond Liability Period for a portion of Surface Coal Mining Permit No. NACT-9101 is hereby granted to The Coteau Properties Company to combine the performance bond responsibility period for lands that were re-disturbed by the repair of a settling feature with that of the surrounding reclamation tract. The variance is approved for the following described areas:

Approximately 2.5 acres of previously reclaimed hayland that was re-disturbed in 2010 to repairing a settling feature and associated drainage improvement work. This area is located in the SE ¼ of Section 16, T145N, R86W, Mercer County.

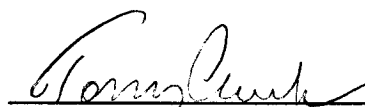
Based on the application for the variance to Permit Number NACT-9101 and all information and documentation contained therein, the North Dakota Public Service Commission finds that:

1. The Coteau Properties Company has affirmatively demonstrated that reclamation of the areas repaired in the fall of 2010 will provide equal or greater protection to the environment and to public health and safety;
2. The Commission has determined that all areas are reclaimed and vegetation is established as required by the approved reclamation plan; and
3. The Coteau Properties Company must satisfy all reclamation success standards described in NDAC Chapter 69-05.2-22 when final bond release is requested for the reclaimed tracts that contain the variance areas.

PUBLIC SERVICE COMMISSION



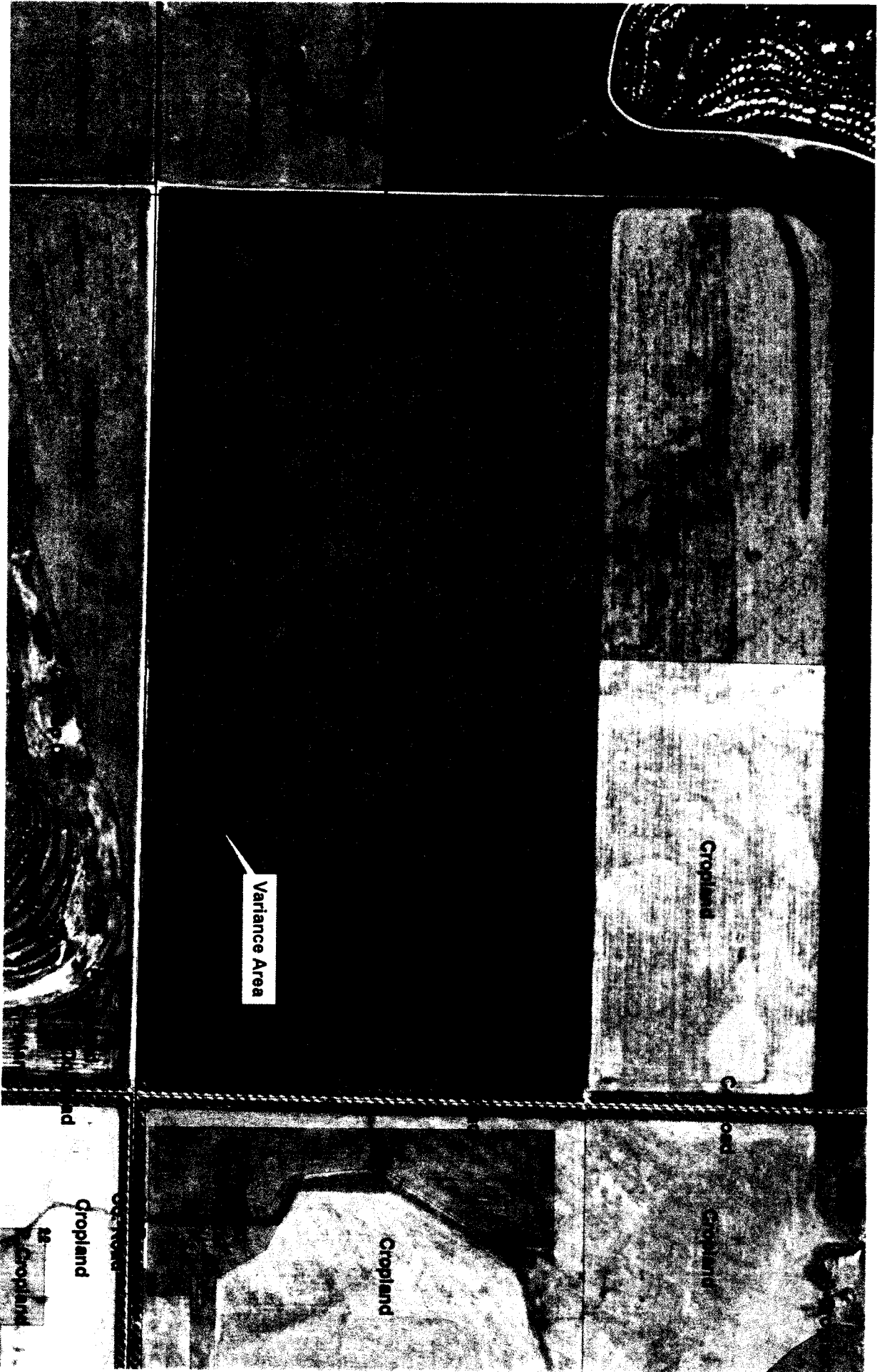
Kevin Cramer
Commissioner



Tony Clark
Chairman



Brian P. Kalk
Commissioner



Variance Area

Cropland

Cropland

Cropland

Cropland

Cropland