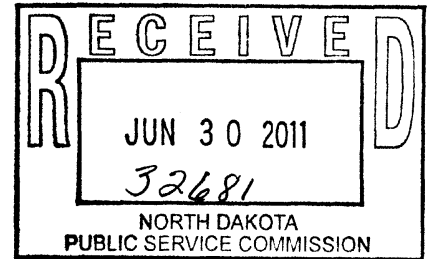


Dakota Westmoreland Corporation

Beulah Mine - P.O. Box 39 • Beulah, North Dakota 58523-0039

Phone: (701) 873-4333 • Fax: (701) 873-7784



June 28, 2011

Mr. James R. Deutsch
Director, Reclamation Division
Public Service Commission
600 E Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

Dear Mr. Deutsch:

Re: Revision No. 24 and Renewal No. 5
Permit KRSB-8603

The following information is submitted in response to the technical review letter of June 23. Individual comments are set forth below followed by Dakota Westmoreland's response and a list of the revised information. Three CD copies of the permit are enclosed.

Section 1.1 - Application and Support Documents

1. Please update Section 1.1 to include the application for Renewal 5 and the attachment providing the renewal request narrative, bond narrative, and liability insurance narrative. Please also update Section 1.1 to include the application for Revision 24, the revision summary, the revision list of changes. (WTG)
 - The application for Renewal 5 and application for Revision 24 have been added to the permit as requested.

Section 1.3 - Legal Description of Property

2. Please review the metes and bounds description that was revised to correct a previous error. Our review of the revised metes and bounds description indicates that it does not close by approximately 4 feet, and the total acreage inside the described area is 0.258 acres more than what is currently permitted. (MDB)
 - When the direction in the following line was corrected from "N" to "S", the end direction should have also been changed from "W" to "E".

thence SN0°09'58"EW a distance of 313.7 feet to corner No. 682;



3. Please remove pages 1.3.4 through 1.3.8 because these areas are included in the metes and bounds on the previous pages. (MDB)
 - Per telephone conversation today with Mike Berg, pages 1.3.4 through 1.3.8 will not be removed from the permit as they track information provided on exhibit 1.3.1. DWC has added a page to the metes and bounds narrative with the following statement; *“The following metes and bounds, for areas added to the permit by way of permit revision applications, remain in the permit for historical and tracking information.”*

Section 1.4 - Business Entity Information

4. Please update the address for Martha Gunsch to list her address in care of Ronald Gunsch. (WTG)
 - The address has been corrected as requested.
5. Please revise the coal ownership and other mineral owners in Section 15 to list the ownership correctly. The coal ownership listed for Section 17 is correct; the incorrect coal ownership listed for Section 15 should be replaced with the identical coal ownership listed for Section 17. The two incorrect listings for Section 15 are as follows: (1) Priscilla Keogh is listed as a trustee, but the Robert A. Keogh Mineral Trust should be listed instead, and (2) the Faye L. Keogh Trust is listed, but the Faye Keogh Revocable Trust should be listed instead. (WTG)
 - The coal and mineral ownerships for Section 15 have been corrected.
6. Please revise Exhibit 1.4.1 - Surface and Coal Ownership Map, to depict the permit boundary as one contiguous area (including removing the “interior” permit boundary lines) rather than three separate areas depicting the permit boundary prior to Revision 22, and the acreage added with Revision 22. (WTG)
 - Exhibit 1.4.1 has been revised as requested.
7. In response to an inquiry during the June 9, 2011 PSC inspection, you indicated DWC had recently renegotiated the lease with Casey Voigt for the NE¼ of Section 19 that required coal to be produced from the tract by June 25, 2011. Please update Exhibit 1.4.2 to include the new lease. (MDB,WTG)
 - Three additional lease documents have been added to Exhibit 1.4.2 regarding the Voigt property. In addition, we have added the “Coal Lease Readjustment” for federal coal lease NDM 041765 effective August 1, 2011.

Section 3.1 - General Mining Plan

8. Please update Exhibit 3.1.2 - Pit Layout and Facilities Map, to correctly describe the pipeline crossing the permits as a crude oil pipeline rather than a gas pipeline, and please also correct the spelling for Tesoro in the legend. (WTG)
 - Exhibit 3.1.2 has been revised to indicate the pipeline crossing the permit is a crude oil pipeline. Tesoro is now spelled correctly.

Section 3.5 - Backfilling and Grading


9. DWC is depicting significant postmine topographic changes beyond the coal removal boundary in the N½S½ and the S½NW¼ of Section 20 on Exhibit 3.5.3. Please justify why the postmine topography is being changed in these areas where coal will not be removed. NDAC 69-05.2-13-05 requires that disturbances be minimized on lands where coal is not removed. If proper justification cannot be provided, then the original premine topography must be retained on these areas. (GAW)
- The boundary shown for the postmine topography changes correspond with the six sedimentation ponds and the drainage diversions associated with these ponds. Topsoil and subsoil need to be removed for these water management features. DWC feels that this plan does minimize the disturbance on non-mined lands based on the buffers needed for mining.

<u>Section</u>	<u>Revised Information and Instructions</u>
1.1	Added additional applications
1.3	Replaced entire narrative
1.4	Replaced pages 14 and 17 Replaced exhibit 1.4.1 Revised exhibit 1.4.2 cover page and added 4 lease documents to exhibit 1.4.2
3.1	Replaced exhibit 3.1.2

(Highlighting and strikethrough designations from the past submittals have been removed for this submittal.)

Copies of the affidavits of publication are also enclosed. If you have any questions, please contact this office.

Sincerely,



Jeff P. Frohlich
Manager
Engineering and Environmental

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Encl/