

PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

TO: Commissioners Kalk, Cramer and Fetch
Darrell Nitschke
Illona Jeffcoat-Sacco

From: Jim Deutsch, Director - AML Division

Date: September 19, 2012

Subject: Close-out of Contract No. AM-633-12 for AML's 2012 Exploratory Drilling Project

On March 21, 2012, the Commission approved the award of a contract to T & C Drilling, Inc. of Mandan for an exploratory drilling project at five or more sites with underground mine workings in southwestern North Dakota. About 32,500 feet of drilling was planned to locate underground mine voids on road right-of-ways and near homes and other buildings. The end date for this contract was initially July 6, 2012, but it was later extended to August 3rd. Work under this contract is complete and the contractor has been paid. Therefore, Contract No. AM-633-12 can now be closed out.

Work began on April 12th and was completed by July 31st. In addition to the drilling work, several dangerous sinkholes were filled at Scranton under the force account provisions of this contract. An issue during the project was the inadvertent damage to a residential septic system near Belfield by the drilling activities. The damage was repaired and cleaned up by the contractor and property owner. We reimbursed the contractor for the cost of repairs and cleanup because we determined the damages were unforeseeable with no fault or negligence on the contractor's part. Tim Oswald and Bill Dodd managed the project and Bill found the work was performed satisfactory and all invoices have been paid. The contract amount was \$170,500 and the total invoiced for the work performed was \$165,426.07.

Attached is a motion for the September 27, 2012, Commission meeting to close Contract AM-633-11.

Attachment

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