

Jangula, Esther A.

From: Deutsch, James R.
Sent: Friday, June 15, 2012 7:56 AM
To: Jangula, Esther A.; Gunnerson, Bill T.
Subject: FW: Updated Violations Report to Address Proposed PSC Coteau Permit Revision and Renewal Approval
Attachments: image001.jpg; 2012 June 0003.pdf; ATT00001.txt

Esther - please login Joe's message and save it and the pdf document to the folder for Rev. 30 to Permit NACT-9101. Thanks!

-----Original Message-----

From: Friedlander, Joe [<mailto:Joe.Friedlander@nacoal.com>]
Sent: Thursday, June 14, 2012 11:38 PM
To: Moos, Dean K.; Deutsch, James R.
Cc: Steffen, Donn; Ryan, Lisa; Trouart, Joel; Coleman, Belinda; Neumann, John
Subject: Updated Violations Report to Address Proposed PSC Coteau Permit Revision and Renewal Approval

Dear Mr. Moos & Mr. Deutsch,

Attached is the updated Violations Report for The North American Coal Corporation, in response to your June 11 request, to address an upcoming PSC approval of The Coteau Properties Company Permit NACT-9101 Revision 30 and Renewal Number 4 applications.

We're providing you here all the latest new information currently available to allow for timely processing of Coteau's permit revision and renewal applications. There are no updates or other changes to the other two parts of the Legal Information package currently on file at your office (Ownership and Control and Permits).

With your acceptance of the attached we will submit complete updated Legal Information disks to you, our North Dakota mining operations, and county auditors next week. Please let me know if this is acceptable and we will start preparing the disks immediately.

Thank you for your consideration.

Sincerely,

Mr. Joseph Friedlander
Director of Environmental and Regulatory Affairs The North American Coal Corporation
5340 Legacy Drive
Building 1, Suite 300
Plano, TX 75024-3141
Direct: 972/448-5458
Cell: 469/563-7014

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SCHEDULE OF VIOLATIONS FOR THE NORTH AMERICAN COAL CORPORATION AND ITS AFFILIATES AS OF JUNE 13, 2012

Report for the three-year prior period

Violation Identification	Permit Identification	Date of Issuance	Issuing Regulatory Agency	Description of Violation	Location	Type of Administrative or Judicial Proceedings	Current Status of Proceedings & Notice (and final resolution)	Actions Taken to Abate the Violation
Name of Mine Operator:	Caddo Creek Resources Company, L.L.C., a Nevada limited liability company (a wholly-owned subsidiary of The North American Coal Corporation)							
	P.O. Box 449 Hallsville, Texas 75650 5340 Legacy Dr., Bldg. 1, Ste. 300 Plano, Texas 75024-3141 Telephone No. (972) 448-5400							
Employer I.D.:	27-0789229							
Name of Permittee Receiving Violation:	Marshall Mine, L.L.C. 3200 University Avenue Marshall, Texas 75670							
Mine:	Marshall Mine							
MSHA I.D.:	Harrison County, Marshall, Texas 41-04864							

RCT - Railroad Commission of Texas
TCEQ - Texas Commission on Environmental Quality

No NOV's issued to Caddo Creek Resources Company, L.L.C., as Operator in the past 3 years.

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<p>Name of Mine Operator: Camino Real Fuels, L.L.C., a Nevada limited liability company (a wholly-owned subsidiary of The North American Coal Corporation) 5340 Legacy Dr., Bldg. 1, Ste. 300 Plano, Texas 75024-3141 Telephone No. (972) 448-5400</p> <p>Employer I.D.: 26-1242961</p> <p>Name of Permittee Receiving Violation: Dos Republicas Coal Partnership, a Texas partnership 5150 N. Loop 1604 W San Antonio, Texas 78249-1325</p> <p>Mine: Eagle Pass Mine Maverick County, Eagle Pass, Texas</p> <p>MSHA I.D.: MSHA 41-03739; Issued 9/1/92 - has been temporarily idle</p> <p align="center">RCT - Railroad Commission of Texas TCEQ - Texas Commission on Environmental Quality</p>								
108A	42A	5/17/2012	RCT	Liability Insurance document did not contain specific endorsement language required by regulation	RCT	Penalty Assessment Pending	Terminated 6/6/2012	Updated endorsement to contain specific endorsement language required by regulation

No NOV's issued to Camino Real Fuels, L.L.C., as Operator in the past 3 years.

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<p>Name of Permittee/ Operator Receiving Violation: <i>The Coteau Properties Company, an Ohio corporation (a wholly-owned subsidiary of The North American Coal Corporation)</i> Employer I.D.: <i>204 County Road 15 Beulah, North Dakota 58523 Telephone No. (701) 873-2281</i></p> <p>Mine: <i>Freedom Mine Beulah, North Dakota 58523</i> MSHA I.D.: <i>MSHA 32-00595; Issued 01/16/78</i></p>								
			NDPSC - North Dakota Public Service Commission					
1003	NACT-0401	07/08/10	NDPSC	Failure to have an energy dissipator at the outlet of a water discharge pipe located outside the permit area	NDPSC	Penalty Assessed at \$1,000	NOV terminated 7/22/10.	Placed an energy dissipator at the outlet of the discharge pipe and moved it inside the permit area.

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<p>Name of Mine Operator: <i>Demery Resources Company, L.L.C., a Nevada limited liability company (a wholly-owned subsidiary of The North American Coal Corporation)</i> 839 Five Forks Road Saline, Louisiana 71070 Telephone No. (318) 875-5000</p> <p>Employer I.D.: <i>26-4801405</i></p> <p>Name of Permittee Receiving Violation: <i>Five Forks Mining, LLC, a Delaware limited liability company</i> 201 Red River Mine Road Coushatta, Louisiana 71019</p> <p>Mine: <i>Five Forks Mine</i> Natchitoches Parish, Louisiana</p> <p>MSHA I.D.: <i>MSHA 16-01499; Issued 12/29/09</i></p>								
			LOC - Louisiana Office of Conservation					
10-01-01	DOP-7	7/9/2010	LOC	Conducted development and reclamation operations outside of lands specifically designated on the maps submitted under Section 2111 of the Regulations	LOC	No penalty assessed	Terminated 07/23/10	All corrective actions were completed within the time for abatement

No NOV's issued to Demery Resources Company, L.L.C., as Operator in the past 3 years.

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Name of Permittee/Operator Receiving Violation: Employer I.D.: *The Falkirk Mining Company, an Ohio corporation (a wholly-owned subsidiary of The North American Coal Corporation)
2801 First Street, Southwest
P.O. Box 1087
Underwood, North Dakota 58576-1087
Telephone No. (701) 442-5751
34-1150894*

Mine: *Falkirk Mine
Underwood, North Dakota 58576*
MSHA I.D.: *MSHA 32-00491; Issued
07/31/75*

NDPSC - North Dakota Public Service Commission

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Name of Permittee/Operator Receiving Violation Employer I.D.: *Liberty Fuels Company, L.L.C., a Nevada limited liability company (a wholly-owned subsidiary of The North American Coal Corporation)*
86 Willie Glass Road
Bailey Mississippi 39320
Telephone No. (601) 737-7000
Employer I.D.: *26-3815854*

Mine: *Liberty Mine*
Kemper County, Dekalb, Mississippi 39328
MSHA I.D.: *MSHA 22-00803; Issued 12/08/10*

MDEQ - Department of Environmental Quality in Mississippi

No NOV's issued to Liberty Fuels Company, L.L.C. in the past 3 years.

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<p>Name of Permittee/ Operator Receiving Violation: <i>Mississippi Lignite Mining Company, a joint venture organized under Texas law (a subsidiary of The North American Coal Corporation)</i></p> <p>Employer I.D.: <i>75-2724822</i></p> <p>Mine: <i>Red Hills Mine</i></p> <p>MSHA I.D.: <i>MSHA 22-00690; Issued 08/26/97</i></p>								
<p align="center">MDEQ - Department of Environmental Quality in Mississippi</p>								
2011-MS-01(TV2)	MS-002 Renewal 1	06/01/11	MDEQ	Failure to construct appropriate sediment control measures; operating within stream buffer zone without specific written approval of MDEQ	MDEQ	Penalty Assessed at \$4,400	Terminated 06/20/11	Grading, seeding, mulching, installation of BMP's; buffer zone sign installation

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Name of Permittee/Operator Receiving Violation: *Employer I.D.:* **26-2756612**
Operator *Employer I.D.:* **26-2756612**
Receiving Violation: *Employer I.D.:* **26-2756612**
Employer I.D.: **26-2756612**

Mine: *MSHA I.D.:* **Pending**
MSHA I.D.: **Pending**

NDPSC - North Dakota Public Service Commission

No NOV's issued in the past 3 years.

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Former Permittee/Operator Receiving Violation: *Red River Mining Company (formerly a Texas joint venture and subsidiary of The North American Coal Corporation) ceased to exist on December 31, 2011*
Employer I.D.: *5340 Legacy Dr., Bldg. 1, Ste. 300*
Plano, Texas 75024-3141

Employer I.D.: 72-1129219

Surface Mining and Reclamation Permit LSM-1A was transferred by Red River Mining Company to CLECO Power L.L.C. and Southwestern Electric Power Company as of December 29, 2009. Red River Mining Company ceased operating the Oxbow Mine as of December 29, 2009. The Oxbow Mine is now operated by Dolet Hills Lignite Company, L.L.C.

Mine: *Oxbow Lignite Surface Mine*
Coushatta, Louisiana 71019

MSHA I.D.: *MSHA 18-01164; Issued 06/28/88*

LOC - Louisiana Office of Conservation

No NOV's issued in the past 3 years.

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<p>Name of Permittee/Operator Receiving Violation: <i>The Sabine Mining Company, a Nevada corporation (a wholly-owned subsidiary of The North American Coal Corporation)</i> Employer I.D.: <i>6501 Farm Road 968 West Hallsville, Texas 75650-7413 Telephone No. (903) 660-4200</i> <i>31-1005293</i></p> <p>Mine: <i>South Hallsville No. 1 Mine Hallsville, Texas 75650</i> MSHA I.D.: <i>MSHA 41-03101; Issued 11/02/81</i></p> <p style="text-align: center;">RCT - Railroad Commission of Texas TCEQ - Texas Commission on Environmental Quality</p>								
300T	No. 55	1/19/2012	RCT	The permittee caused siltation in a stream channel for which it is not authorized to conduct surface coal mining operations.	RCT	Penalty Assessed at \$1,100	Terminated 2/13/2012	Sediment removed from stream channel.
302T	No. 33H	5/17/2012	RCT	Liability Insurance document did not contain specific endorsement language required by regulation	RCT	Penalty Assessment Pending	Terminated 6/6/2012	Updated endorsement to contain specific endorsement language required by regulation
303T	No. 55	5/17/2012	RCT	Liability Insurance document did not contain specific endorsement language required by regulation	RCT	Penalty Assessment Pending	Terminated 6/6/2012	Updated endorsement to contain specific endorsement language required by regulation
304T	No. 33H	6/12/2012	RCT	Soil stockpile location incorrectly depicted on bonding map	RCT	In process	Submitted materials under review	New map and bond calculation information submitted

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Former Mine Operator: *The North American Coal Corporation, a Delaware corporation*
5340 Legacy Dr., Bldg. 1, Ste. 300
Plano, Texas 75024-3141
Telephone No. (972)448-5400

Employer I.D.: *34-1554846*

The North American Coal Corporation ceased operating the San Miguel Mine as of December 31, 2010. As of January 1, 2011, Kiewit Mining Group Inc. is the operator of the San Miguel Mine.

Name of Permittee Receiving Violation: *San Miguel Electric Cooperative, Inc.*
P.O. Box 280
Jourdanton, Texas 78026
Telephone No. (830) 784-3411

Mine: *San Miguel Mine*
Atascosa County, Christine, Texas 78012

Permittee's MSHA I.D.: *MSHA 4102840; Issued 1/1/79*

RCT - Railroad Commission of Texas
TCEQ - Texas Commission on Environmental Quality

No NOV's issued to The North American Coal Corporation, as the previous Operator in the past 3 years.