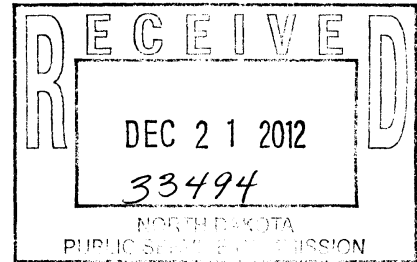




December 20, 2012



Mr. James R. Deutsch  
Reclamation Director  
ND State Public Service Commission  
600 East Boulevard, Dept. 408  
Bismarck, North Dakota 58505

**RE: Technical Review Responses for Revision 34 to Permit NAFK-8705**

Dear Mr. <sup>Jim</sup>Deutsch:

Falkirk submits the following responses to the technical review items listed in your November 20, 2012 letter required to be addressed prior to approval of the revision.

**General**

- 1. Please update the appropriate maps (Metes and Bounds, Surface and Coal Ownership, Pit Layout and Facilities, and Post-Mine Land Use at a minimum) to reflect the areas that were bond released with the approval of Bond Release No. 3 to Permit NAFK-8705. Other maps can be updated if other changes are being made. The bond related areas should be shaded or cross-hatched to show the bond release status on these maps. (BEB, MSK)***

Please see updated Sections 1.2.2, Metes and Bounds Description Map; 1.5.3, Surface and Coal Ownership Map; 3.1.5, Pit Layout and Facilities Map; and 4.1.2, Post-Mining Land Use Map.

- 2. As described in the attached October 25, 2012 letter from the State Water Commission to the PSC, please provide the necessary approval correspondence from the State Water Commission to the City of Underwood to add the area underlain by the French Drain as a "point of diversion" to Underwood's existing Water Permit No. 4198 or alternatively, provide the necessary approval correspondence from the State Water Commission to the City of Underwood for a new water permit for the French Drain area. (BEB)***

See the added language and attachment of the City's Notice of Application for Change in Point of Diversion in Section 3.6.11. The additional point of diversion is not yet fully approved by the State Water Commission, but will be forwarded to the PSC upon full approval.

**Section 1.2 - Legal Information**

- 3. Please update the summation of legal description acreages in the permit area and the metes and bounds description of the permit boundary in Section 1.2.1 to account for***

*the release of lands in the W<sup>1</sup>/<sub>2</sub> of Section 20 with Bond Release No. 3 to Permit NAFK-8705. The Metes and Bounds Description Map, Section 1.2.2, and a proposed Third Deletion Metes and Bounds Map and description (likely Section 1.2.2f) should be added to the permit at this time. (BEB, MSK)*

Please see updated Section 1.2.1, Legal Description of Permit Area.

**Section 1.3.2 - Names of Other Mines**

- 4. Please update Section 1.3.2 as necessary to reflect any updates to North American Coal Corporation operations identified in the Consolidated Legal information Report. (WTG)*

Please see updated Section 1.3.2.

**Section 2.6 - Surface Water Information and Monitoring Plan**

- 5. In the Surface Water Monitoring Plan, Section 2.6.7, the last sentence indicates one rain gauge is delineated on the Surface Water Features and Monitoring Sites Map, Section 2.6.4, but the map identifies two rain gauge locations. Perhaps the last sentence could be revised to indicate rain gauge locations are identified on the map. Please revise as appropriate. (RLK)*

Please see updated Section 2.6.7, Surface Water Monitoring Plan.

**Section 3.6 - Operations - Surface Water Management**

- 6. Please include a legend on the Total Water Management Plan Map, Section 3.6.3a. (MSK)*

A legend has been added to the Total Water Management Plan Map, Section 3.6.3a.

**Section 4.1 - Post-Mining Land Use and Revegetation**

- 7. In Section 4.1.2, Post-Mine Land Use, the topography around Wetlands R-28-03 and R-28-04 is different from what is shown in Section 5.2.2a - Wetland Details R-28-03 and R-28-04. Please correct these inconsistencies, and any others that may be altered to reflect the new post-mine topography. (MSK)*

Section 5.2.2a, Wetland Details R-28-03 and R-28-04 have been updated to reflect the post topo changes in Section 4.1.2, Post-Mining Land Use Map.

8. ***Please update Section 4.1.3, Pre- and Post-Mining Land Use Acreage Comparison Table, to reflect the land use acreage changes for the 217.5 acres of land included in Final Bond Release 3 to Permit NAFK-8705 which became effective August 13, 2012. (RLK)***

Please see updated Section 4.1.3.

9. ***Please update Section 4.1.3, Pre- and Post-Mining Land Use Acreage Comparison Table, to account for wetland R-31-02 which is being added with this revision. Please explain why this wetland is being added. (GAW)***

Wetland R-31-02 was added to account for the acres of wetlands that were supposed to be replaced in Section 31. Section 31 was short 3.1 acres of wetlands and newly added R-31-02 was added to make up those acres.

10. ***Please update Section 4.1.5, Revegetation Procedures and Establishment, to include the Recreational Land Use being proposed in this revision. (GAW, ZAT)***

Please see updated narrative in Section 4.1.5.

11. ***Please update Section 4.1.6, Sampling Methods and Success Standards, to include the Recreational Land Use being proposed in this revision. (GAW, ZAT)***

Please see updated narrative in Section 4.1.6.

**Other:**

12. ***The Reclamation Division also suggests that as part of this revision, Falkirk begins to update Section 4.1.6a, Revegetation Success Standards Map and Unadjusted Standards Tables, to add the information for the east portion of the permit area (Sections 4, 28, 29, 32 and 33) where mining has been completed and the limits of disturbance are known.***

Please see updated Section 4.1.6a.

13. Please see updated Section 3.1.6, Extended Mining Plan Topographic Map of Mine Phases.

Sincerely,

**THE FALKIRK MINING COMPANY**



D. Randall Crooke  
Environmental Manager