

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Knife River Corporation**  
**Bond Release No. 6, Permit KRGC-8101**  
**Approval**

**Case No. RC-12-736**

**RELEASE OF BOND**  
**FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS**

**July 30, 2013**

Based on the application for **Bond Release Number 6 for Surface Coal Mining Permit KRGC-8101**, received September 4, 2012 and all information and documentation contained therein, the North Dakota Public Service Commission finds that:

1. Attached to the Application for Release of Bond were copies of all letters sent by the Permittee as required by NDCC §38.14.1-17(1)(b). Affidavits of publication for the advertisement required by NDCC §38.14.1-17(1)(a) have been filed and have been made part of the Application for Release of Bond. The last date of publication was December 22, 2012.
2. On September 27<sup>th</sup>, 2012, the Commission conducted an inspection and evaluation of the reclamation work involved in this bond release as required by NDCC §38.14.1-17(3). The surface owners, agents, or lessees were given notice of the bond release inspection and had the opportunity to participate with the Commission in conducting the inspection of the bond release areas at the Gascoyne Mine.

In accordance with NDCC §38.14.1-17, Bond Release No. 6 for Surface Coal Mining Permit No. KRGC-8101 is hereby granted to Knife River Corporation effective August 30, 2013, unless a formal hearing is requested. Release in the amount of \$133,089.73 is approved. The area is described by a metes and bounds description and as follows:

**Portions of Sections 27 and 34, T131N, R99W, and Section 3,  
T130N, R99W, Bowman County, releasing all reclamation  
liabilities on 134.2 acres.**

The decision to release all of the bond on this acreage is made for the following reasons:

The Knife River Corporation has met the requirements of applicable reclamation laws and rules administered by the Commission for successfully

implementing industrial/commercial and fish and wildlife habitat post-mine land uses as approved in the reclamation plan. The industrial/commercial land use on 98.1 acres of the land includes the former mine office and shop buildings, equipment storage and access roads which continue to be used by other another company for other industrial/commercial purposes. The 23.4 acres of reclaimed fish and wildlife habitat grassland in the bond release area was initially disturbed prior to the effective date of North Dakota's 1969 reclamation law. In addition, the bond release area includes 12.7 acres that were not disturbed by mining activities.

**IMPORTANT – PLEASE READ**

1. If bond release has been approved, actual release of bond shall not occur until the effective date of this decision. If a formal hearing is requested on this bond release decision by a person with a valid legal interest or by the head of any state or local government agency with appropriate jurisdiction, the actual release of bond may not occur until after a final decision is issued following the formal hearing. A request for formal hearing by any such person must be filed with the Public Service Commission within 30 days of this bond release decision.
2. If bond release has been disapproved or if you are unsatisfied with the amount of bond approved for release, you have the right to request a formal hearing regarding this decision by filing an application for a hearing with the Public Service Commission within 30 days of the date of this decision.

**PUBLIC SERVICE COMMISSION**

  
**Randy Christmann**  
Commissioner

  
**Brian P. Kalk**  
Chairman

  
**Julie Fedorchak**  
Commissioner