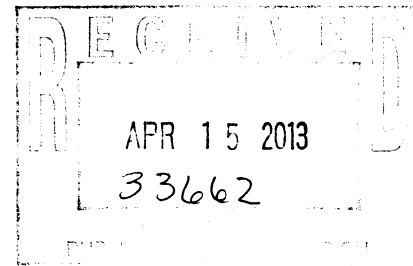




April 12, 2013



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 30 to Permit NAFK-8405

Dear Mr. Deutsch:

Falkirk submits the following responses to the technical review items listed in your December 11, 2012 letter required to be satisfactorily addressed before the Reclamation Division will recommend Commission action on this application:

Section 1.1 - Introductory Information

- 1. Please update item #20 of the List of Changes for Revision No. 30 in Section 1.1.3 to eliminate reference to Sump S-E01-01 because the design (and details) of Sump S-E01-01 was previously approved with Revision No. 29 to NAFK-8405 on February 15, 2012. (BEB)***

Item #20 of the List of Changes has been updated to eliminate the reference to Sump S-E1-01.

Section 2.1 - Cultural and Historic Resources

- 2. The Summary of Cultural Sites located within NAFK-8405, Section 2.1.3, should be revised on page 4 of that section to provide current information regarding Cultural Resource Site 32ML823. (BEB)***

Please see updated Section 2.1.3.

- 3. In Section 2.1.4, Current Status of Cultural Resource Site Inventory, please incorporate a signed copy of the interim mitigation report from Ethnoscience to the State Historical Society. The letter currently provided in the permit appears to be an unsigned/electronic transmittal copy. (BEB)***

Please see updated interim mitigation report in Section 2.1.4.

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Response to the technical deficiency letter filed by the applicant
Falkirk Mining Company
R. Crooke

Section 2.3 - Geology

4. *For consistency in depicting acres within the permit that have been mined, please update the Structural Contour Map, Overburden and Interburden Thickness Isopach Maps, and the Drill Hole Location and Cross-Section Reference Map, Sections 2.3.11, 2.3.12, 2.3.13, and 2.3.14, respectively, to display those areas that have been “mined out” since 2008. (BEB)*

Please see updated Sections 2.3.11, 2.3.12, 2.3.13, and 2.3.14.

Section 2.6 - Surface Water Information and Monitoring Plan

5. *Please strengthen the green permit boundary line on the Surface Water Features and Monitoring Sites Map, Section 2.6.4, and remove labels from around several areas of the permit boundary that denotes the NAFK-8405 Rev. 23 Permit Boundary. (BEB)*

Please see updated Section 2.6.4, Surface Water Features and Monitoring Site Map.

6. *Please remove the Revision 23 Sixth Addition label from the footer at the bottom of pages 1, 2, and 3 in Section 2.6.7, Surface Water Monitoring Plan. (BEB)*

The Revision 23 Sixth Addition stamps have been deleted from the footers at the bottom of Pages 1, 2, and 3 in Section 2.6.7.

Section 3.1 - Operations Plan - General

7. *In Section 3.1.1, Operations Narrative, the hyperlinks provided on page 3 through the end of the section do not function. Please activate or repair the hyperlinks as necessary. (RLK)*

All hyperlinks in Section 3.1.1 have been repaired.

8. *The second sentence describing proposed operations within the Figenskau Underground Mine Area on the last page of the Operations Description, Section 3.1.1, states that surface mining operations will recover the remaining coal and reclaim the entire mine area; however, the Pit Layout and Facilities and Extended Mine Plan Maps show (at least for now) that a substantial portion of the southern limits of the Figenskau Mine nearest Highway 200 will not be mined and reclaimed in the near future. Please update the narrative regarding this and provide whatever information that you can at this time describing that the remaining southern workings of the Figenskau Mine are planned for mining and reclamation in the future, assuming that remains Falkirk’s tentative plan. (BEB)*

Please see updated narrative in Section 3.1.1.

9. *Now that mitigation work is completed on Cultural Resource Site 32ML823, please update the Pit Layout and Facilities Map in Section 3.1.5 by removing the “Do Not Disturb” language and boundary line surrounding the archeological site. (BEB)*

Please see updated Section 3.1.5 - Pit Layout and Facilities Map.

10. *A small portion of the 2013 Hitachi Pit as shown on the Pit Layout and Facilities Map falls outside of the Terrain Modification Boundary that is depicted in Section 4.2.6b. Please review and make any necessary corrections to one map or the other so that these boundaries correspond with each other. (BEB)*

Please see updated Section 3.1.5 - Pit Layout and Facilities Map.

11. *Please review the Extended Mine Plan Map, Section 3.1.6, because it appears that the pit sequence to be mined in 2012 does not align correctly with what was removed in 2011. Basically, the map shows an unmined pit sequence in both the NW¼ of Section 13 and the S½ of Section 14 between the 2011 and 2012 time periods. Please provide the current information on the map. (BEB)*

Please see updated Section 3.1.6 - Extended Mine Plan Map.

Section 3.6 - Operations - Surface Water Management

12. *In the Table of Contents for Section 3.6, Operations - Surface Water Management, please correct the title for Section 3.6.56 which appears to incorrectly identify the sump to be added as S-E01-01 instead of S-E13-05. (RLK)*

The Title for Section 3.6.56 in the 3.6 Table of Contents has been corrected to identify the sump as S-E13-05 instead of S-E01-01.

13. *Please review and correct the narrative that is provided in Section 3.6.56 regarding Sump S-E01-01 and Pond P-E13-05. Sump S-E01-01 is labeled as being S-E13-05 in all three of the paragraphs provided in this section. (BEB, RLK)*

The narrative for Section 3.6.56 has been corrected.

14. *Please indicate the surface water controls that are planned for the east side of the Figenskau mine area outside the drainage area for Pond P-E13-05 on the Total Water Management Plan Map or in the narrative of Section 3.6.1. (RLK)*

Sections 3.6.57, Design of Sump S-E13-07 and 3.6.57a. Details of Sump S-E13-07, have been added to the Permit. Section 3.6.1a, Total Water Management Plan Map, and Section 3.1.5, Pit Layout and Facilities Map, have been updated to reflect the addition.

- 15. Please update the Pond Reclamation and Construction Schedule, Section 3.6.1d, to reflect the planned construction of pond P-E13-05. (RLK)**

Section 3.6.1d has been updated to reflect the planned construction of Ponds P-E13-05 and P-E13-07.

Section 4.1 - Post-Mining Land Use and Revegetation

- 16. The hyperlink to the Post-Mining Land Use Map, Section 4.1.2, does not function on the directory page for Section 4.1, Post-Mining Land Use and Revegetation. Please activate or repair the hyperlink. (BEB, RLK)**

The hyperlink to Section 4.1.2 from the directory page for Section 4.1 has been repaired.

Consolidated Bonding

- 17. Please include the width of the Figenskau Pit in the calculations on page 2 of Section 4.2.4, Reclamation Costs (Worst Case). (MDB)**

Please see updated narrative on page 2 of Section 4.2.4 - Reclamation Costs.

- 18. The assumptions in Section 4.2.4 list the average pit widths as 180' for NAFK-9503, 180' for NAFK-9503 South, and 160' for NAFK-8405. When comparing these dimensions with those in Section 4.2.4a, Worst Case Pits Cross-Sections, the pit widths do not correspond. Section 4.2.4a shows the pit widths as 170' for NAFK-9503, 110' for NAFK-9503 South, and 170' for NAFK-8405. Please address as necessary to ensure these sections correspond with each other as well as the actual field conditions. (MDB)**

Please see updated narrative on page 2 of Section 4.2.4 - Reclamation Costs.

- 19. Throughout the narrative and bonding calculation, it is stated that a 992G loader will be used. This was updated several years ago to a 993K loader, so we ask that you please reflect this change throughout Section 4.2.4. (MDB)**

Please see updated Section 4.2.4 - Reclamation Costs, specifically pages 1-5, 11-12, and 21.

- 20. Section 4.2.4 lists average pit width for the Tavis Pit in Permit NAFK-9503 as 450 feet, but with a change in mining sequence, the Tavis Pit will no longer be mined in this time period. Please remove this reference from Section 4.2.4. (MDB)**

Please see updated narrative on page 2 of Section 4.2.4 - Reclamation Costs.

21. *In Section 4.2.4a, Worst Case Pits Cross-Sections, please label the cut and fill areas with the square footage of material and include the length of the pit or the distance between cross-sections if more than one cross-section is shown for the pit. These values are needed to calculate pit volumes and to assure adequate backfill material is available. Yardage calculations, push distances, haul distances, production values and operation hours were not reviewed at this time due to the lack of this information. Therefore, additional deficiencies may be noted once this information is received. (MDB)*

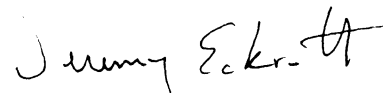
Please see updated Section 4.2.4a - Worst Case Pit Cross-Sections.

Other:

22. Section 3.5.2, Transportation Facilities Map, has been revised.
23. Section 4.1.1, Post-Mining Land Use Narrative, has been revised to state that this Revision contains the plans for the re-mining of the Figenskau underground mine area and also to address the construction of a microwave tower on reclaimed land by Basin Electric Cooperative.
24. Section 4.1.2, Post-Mining Land Use Map, has been updated.
25. Section 4.1.3, Pre- and Post-Mining Land Use Acreage Comparison Table, has been revised to show the land use change in the SW¼ of Section 22 as a result of the construction of a microwave tower by Basin Electric.
26. Updated Section 4.2.3, Grading Sequence Map.
27. Section 4.2.6b, Post-Mining Contour Map, has been revised.
28. Section 4.2.7b, Post-Mining Area Slope Map, has been revised.

Sincerely,

THE FALKIRK MINING COMPANY



for D. Randall Crooke
Environmental Manager