

June 27, 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 (3) for Revision 30 to Permit NAFK-8405

Dear Mr. Deutsch:

Falkirk submits the following responses to the technical review items listed in your June 25, 2013 letter required to be satisfactorily addressed before the Reclamation Division will recommend Commission action on this application:

Section 1.5 - Identification of Interests and Rights of Entry: Follow-up to "Other" ownership changes

- 1. Ownership of Tract 76 was updated on the Ownership Map in Section 1.5.3 to depict Emanuel Schauer 100% surface and coal ownership. Please review Section 1.5.1 where only the coal ownership was updated for Emanuel Schauer because the surface ownership still lists Beatrice Schauer. Please review and correct this inconsistency. (ZAT, RLK)***

The surface ownership for Tract 76 in Section 1.5.1 was updated.

- 2. In Section 1.5.2, please update the coal ownership for the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 6 that is listed as Emanuel and Beatrice Schauer. (ZAT)***

The coal ownership for the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 6 in Section 1.5.2 was updated.

- 3. On the Ownership Map, Section 1.5.3, please review the name of Norman A. Oster listed as a surface owner for Tract 79. It appears the name should be Norma A. Oster. (ZAT)***

The surface ownership for Tract 79 on the Ownership Map, Section 1.5.3, was updated.

- 4. For Tract 28, the coal ownership list in Section 1.5.1 includes Robert Mann, Audrey Crum and Margaret Tollerud which are not listed on the ownership map in Section 1.5.3. The map includes Elaine Mann in the list of coal owners, but Elaine Mann does not appear on the list of coal owners for the tract in Section 1.5.1. Also for Tract 28,***

Lloyd E. Anderson, Limited Partnership, appears in the list of coal ownership in Section 1.5.1 while the map in Section 1.5.3 lists the coal ownership as Lloyd E. Anderson, Marital Trust 'A'. Please review and revise as appropriate. (RLK)

The coal ownership for Tract 28 on the Ownership Map, Section 1.5.3, was updated.

- 5. For Tracts 51 and 52, Ruby C. Britton is listed as a coal owner in Section 1.5.1, but is not listed on the ownership map in Section 1.5.3. Please review and revise as appropriate. (RLK)*

The red-lining for the coal ownership for Tracts 51 and 51 in Section 1.5.1 was updated.

Consolidated Bonding

- 6. Item No. 2 - Assumptions for Associated Disturbance, which is provided on page 3 of Section 4.2.4, Reclamation Costs, describes topsoil respread as approved in Falkirk's 1013 SPGM removal plan. Please correct the typographical error to state the year 2013 SPGM removal plan. (BEB)*

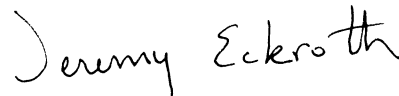
Please see the updated narrative in Section 4.2.4 - Reclamation Costs.

- 7. Please update Section 4.2.4a, Worst Case Pit Cross-Sections, for the Riverdale pits to comply with the requirement of Policy Memo 16 to Mine Operators that grading costs for the mining disturbance should include the area occupied by 4 spoil ridges from the open pit. The cross-sections shown for the Riverdale area included in Revision 30 to NAFK-8405 Consolidated Bonding show 3 spoil ridges. (BAJ)*

Please see the updated cross-section in 4.2.4a, Worst Case Pit Cross-Sections and the updated calculations in Section 4.2.4, Reclamation Costs.

Sincerely,

THE FALKIRK MINING COMPANY



for D. Randall Crooke
Environmental Manager