

April 30, 2014

Mr. James R. Deutsch  
Director, Reclamation Division  
Public Service Commission  
600 E Boulevard Ave, Dept 408  
Bismarck, ND 58505-0480

Dear Mr. Deutsch:

Re: Revision No. 27  
KRSB-8603

Per your letter of April 24, 2014, enclosed are three CD's in electronic format. Individual comments are set forth below followed by Dakota Westmoreland's responses and a list of the revised information.

**General Formatting - Table of Contents**

1. The hyperlinks for all Sections in Volumes 1 and 2 of the Table of Contents are inactive. Please repair the hyperlinks in the Table of Contents for these volumes so that all permit sections can be opened from the Table of Contents in the manner similar to the January 29, 2014 submittal. (BEB/GAW)
  - The hyperlinks in the table of contents were repaired.

**Section 1.1 - Application and Support Documents**

2. Please update Volume 1, Section 1.4 of the Revision Narrative and Cumulative Listing of Revised Information, to indicate that Exhibit 1.4.8 (Island Creek Settlement) was added to the permit with the April 11, 2014 technical response. (WTG)
  - The Cumulative Listing has been updated.
3. Please update Volume 1, Section 1.4 of the Revision Narrative and Cumulative Listing of Revised Information, to indicate that Exhibit 1.4.1 (Surface and Coal Ownership Map) was updated with the April 11, 2014 technical response (updated and corrected surface and coal ownership contiguous to the permit area in the E½E½ of Section 30). (WTG)
  - The Cumulative Listing has been updated.



### Section 2.3 – Groundwater Hydrology

4. Follow-up to item No. 29: Updated narrative on the top of page 2.3.34 describes the Revision No. 27 addition of Beulah-Zap ground water monitoring well 3033. However, this well number should be changed to 2033, as there is no monitoring well No. 3033. (BEB)
  - The well number was changed. The new page location for the typo in question is 2.3.36.
5. Follow-up to item No. 31: The bookmark for monitoring well 2022 is labeled as 2020. Please change the bookmark to well Completion Summary 2022. (BEB)
  - The bookmarks were corrected.
6. Follow-up to item No. 33: To provide clarification in the permit for all springs and seeps listed in revised Table 2.3.6, please add a note under the *Intake Depth* column to state whether or not the springs/seeps are, or were developed or naturally occurring. Simply noting either “Developed” or “Natural” in the column beneath the spring/seep designations is all that is required. As a reminder, all water quality and quantity is required for springs (developed and natural). In addition, we strongly encourage that all springs be certified. Please update the table. (BEB)
  - The springs in Table 2.3.6 were assigned either “Developed” or “Natural” as recommended. 4 springs within the permit boundary were added to the groundwater monitoring plan in Table 2.3.8. It was also noted on page 2.3.23 that the Martha Gunsch spring was mined through in 2011.

### Section 2.5 – Wildlife Inventory and Plan

7. Follow-up to Original Items No. 45 and 46: Please include bookmarks in Exhibits 2.6.13 and 2.6.14 so that specific information can be found without paging through the lengthy pdf documents. (GAW)
  - Bookmarks were added to Exhibits 2.6.13 and 2.6.14.

### Section 2.7 – Land Use

8. Follow-up to Item No. 52: Only one land owner preference statement is being added with Revision 27. Page 1 of Section 2.7.1, Land Use, states that preference letters have not been secured for the NE¼ of Section 19, E½ of the SW¼ of Section 22, W½ of the SW¼ of Section 22 or the W1/2 of Section 23. Please update Exhibit 2.7.2 if any preference statements have been received since the revision application has been filed and include copies of the letters sent to each of the surface owners showing that DWC solicited surface owner input regarding the postmine land use as required by NDAC 69-05.2-09-13(3). (GAW)
  - No preference statements have been received since the filing. We have added copies of letters and/or statements sent to the four landowners that did not respond.
9. Follow-up to Item No. 2: Please revise Exhibit 2.7.4, Pre-mining and Postmining Land Use Acres, to include the legal description of each tract, and a column with the total acres of each land use in the permit. The pre and postmine land use maps, Exhibits 2.6.9 and 2.7.1, do not identify tracts by surface ownership as listed in Exhibit 2.7.4, and the Surface Ownership Map, Exhibit 1.4.1, does not distinguish the Gunsch land as listed in Exhibit 2.7.4. Please revise to provide clarity. (GAW)
  - Exhibit 2.7.4 has been amended as requested.

10. Follow-up to Item No. 54: As previously requested, please revise Section 2.7 to discuss why a third stockpond is proposed in the SE1/4 of Section 18. (GAW)
- A sentence noting the landowner's request for retention of the pond has been added to the narrative.
11. Follow-up to Item No. 56: Please revise Section 2.7 to clearly discuss replacing affected pre-mine developed water resources located in the S1/2 of Section 17 and revise Exhibit 2.7.1, Post Mining Land Use Map, Exhibit 2.7.3, Alternative Postmining Land Uses, and Exhibit 2.7.4, Premining and Postmining Land Use Acres, accordingly. The disturbed pre-mine stockpond must be replaced as it is a necessary support facility for the postmine land use and as required by NDAC 69-05.2-16-17. The landowner preference statement sent to the surface owner did not list Developed Water Resources as a possible land use option and the landowner did not specifically request that this pre-mine stockpond not be replaced. (GAW)
- A dugout type of developed water resource in the vicinity of pond 93A has been added to Exhibit 2.7.1 and Exhibit 3.5.3. The Section 2.7 narrative and Exhibits 2.7.3 and 2.7.4 have been revised accordingly.
12. Follow-up to Item No. 74: Please revise the Postmine Land Use Map, Exhibit 2.7.1, to show the linear replacement wetland in the bottom of the newly designed drainage way located in the NW¼ of Section 22 rather than along the bottom of the drainage that existed prior to Revision 27 changes. Please also consider re-locating the wetland that is to be constructed in the southeast corner of the NW¼ of Section 22 in the bottom of the major drainage where wetlands were located prior to mining. DWC mentions in its response to Item No. 74 that the surface owner does not want any wetlands replaced on this tract. If this is the case, then DWC should consider replacing this wetland acreage on DWC owned land in Section 20. (GAW)
- The location of the linear mitigation wetland on Exhibit 2.7.1 has been adjusted to conform to the revised postmining topography. The pothole type wetland near the SE corner has been dropped since we have a replacement acreage surplus in this area; however we will continue to explore opportunities to create wetlands in other locations such as Section 20. Exhibits 2.7.3 and 2.7.4 have been modified accordingly.

### **Section 2.10 – Cultural Resources Inventory and Protection Plan**

13. Please address the following inconsistencies between the Cultural Resources Inventory table on pages 2.10.4 and 2.10.5 and the Cultural Resource Site Location Map, Exhibit 2.10.2: (BEB, DKM)
- a) The table describes 32ME446 as being located in Section 16; however, the map depicts this site as being located in Section 21; also, the map depicts sites 32MEX25 and 32ME438 as being located in Section 16; however, information regarding these sites are not provided on the table.
    - The listing of site 32ME446 in Section 16 is in error and has been struck through. Sites 32ME438 and 32MEX25 have been added to Section 16 of the table. No agency documentation existed for these sites previously. An email transmittal from the SHPO (4/30/2014) has been added to Exhibit 2.10.7 providing concurrence for the "Not Significant" determination.
  - b) In Section 19, site 32ME2227 appears to be located within the permit area and if that is correct, it should be added to the table. Because of the close proximity of several cultural resource sites to the permit boundary, please depict the permit boundary on the map.

- Site 32ME2227 has been added to the table. New Exhibit 2.10.14, Beulah Mine Road Relocation Survey (2009) has been added to the permit along with associated correspondence. Interstate Engineering is under contract with Mercer County performing duties as County Engineer. As the associated correspondence shows, the road relocation and associated responsibilities were handled by Interstate Engineering (Mercer County).

DWC is unable to depict the permit boundary on Exhibit 2.10.2. The map was produced by the University of North Dakota using ESRI ArcGIS 10 software. The data is based on various research reports pertaining to the Beulah Mine property as well as records searches conducted at the ND-SHPO, Archaeology and Historic Preservation Division, State Historical Society of ND.

- c) The listing for site 32ME831 in the Cultural Resources Inventory table indicates that the site was determined to not be significant in a letter from the SHPO dated July 9, 1986. However, this letter does not include a significance determination for this site. Please reference the correct significance determination for site 32ME831.
- Information regarding the “re-naming” of this site (and sites 32ME824 and 32ME825) was added to the first page of Section 2.10 with the April 11 submittal. Site 32ME831 is listed as 32ME819 on the July 9, 1986 letter from the State Historical Society. I have attached a copy of this letter, with my notes and the mapped page from the original cultural resource report (Exhibit 2.10.3, Appendix 1) indicating the changes. Recorded site 32ME819, as indicated in the letter, is actually in Section 14, T. 143N., R.88W., and permit KRSB-8802. The SHPO document date is correct.

14. In the Table of Contents, Narrative 2.10 and Section 2.10 that are provided as separate sections at the beginning and end of Section 2.10, Cultural Resources Inventory, appears to provide the same information. If that is the case, feel free to eliminate one of the duplicative sections. (BEB)

- The duplicate “Section 2.10” was removed.

### **Section 3.1 – General Mining Plan**

15. Cultural resource site 32ME2232 located in the SE1/4 of Section 20 has been deemed potentially significant and narrative on page 2.10.2 as well as the Cultural Resources Inventory listing on page 2.10.5 indicates the site will be preserved and avoided. The Pit Layout and Facilities map indicates the disturbance boundary with mining progression of Iron Pits 5 and 13 will come extremely close to this cultural resource site. Please depict and label this site location on the Pit Layout and Facilities Map, Exhibit 3.1.2, with an appropriate setback and address avoidance of this site on page 3.1.18 that is located in subsection F – General Compliance, which currently states the permit area is not connected with, in any manner, any public park or historic place needing protection. (BEB)

- The 75 foot buffer area for the site in question is shown on Exhibit 3.1.2. Also verbiage was added to page 3.1.18 to describe plans to maintain the integrity of the site.

### **Section 3.2 – Water Management Plan**

16. Please revise Exhibit 3.3.56, Wetland Design for the NW1/4 of Section 22, to show this created wetland in the bottom of the primary drainage way located in the NW1/4 of Section 22 where it existed prior to mining rather than on an upland area with a small watershed. (GAW)

- Exhibit 3.3.56 was removed. See response to item #12.

### Section 3.7 – Revegetation Plan

17. Follow-up to Item No. 74: With the change in the native grassland seed mixture proposed on page 3.7.4 of the revegetation plan, please make the appropriate update to Exhibit 3.7.10, Historical Seed Mix Information. (RLK)
- We would normally hold off on the revision of this exhibit until after revision approval, i.e., the next revision effort. However, the exhibit has been brought up-to-date as requested.
18. Please revise the prime and non-prime farmland narrative on page 12 of Section 3.7 that discusses demonstrating cropland revegetation success to clarify that a single combined standard will not be used. The prime farmland soils in the Revision 27 addition area, Arnegard A and B slopes, have a productivity index of 100% and 95% respectively, which is much higher than the average yield value listed for the fields containing prime farmland, Exhibit 3.7.4, and the ratio of non-prime to prime farmland acreage in the fields is too disproportionately high to allow a combined standard. Likewise, DWC has not demonstrated that the prime and non-prime yields for the NE1/4 of Section 22 are similar enough to allow combining. (GAW)
- Although a similar comment was made in the midterm list, we have modified the narrative and Exhibit 3.7.4 to address the concern at this time.

### Section 3.9 – Reclamation Cost Estimates and Performance Bond

19. Follow-up to Item No. 90: Table 3.9.5-Scraper & Truck-Loader Production for Soil Respreading: For mining area Iron Section 20 – Topsoil, the one-way haul distance is listed at 5500 feet. The Reclamation Division calculates this distance to be 6500 feet. Please correct. (BAJ)
- The one-way haul distance was corrected.

A copy of the Resource Recovery and Protection Plan as submitted to the Bureau of Land Management this same day is enclosed for your review.

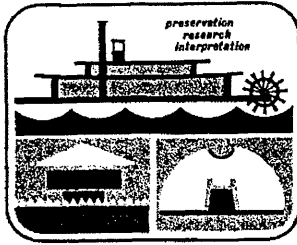
Please contact me at extension 3926 or Jeff Frohlich, extension 3908, if you have any questions.

Sincerely,



Paula Koble Gores  
Permit Coordinator  
Engineering and Environmental

/s/  
Enclosures



State Historical Society  
of North Dakota (State Historical Board)  
North Dakota Heritage Center, Bismarck, N.D. 58505  
Telephone 701-224-2666

IN RESPONSE PLEASE REFERENCE: 82-10(14)2.11

RECEIVED

July 9, 1986

JUL 14 1986

Gary Winbourn  
Knife River Coal Mining Co.  
1915 N Kavaney Drive  
Bismarck, ND 58501-1698

KNIFE RIVER COAL  
MINING COMPANY

RE: Evaluation of sites 32ME819, 32ME825 and 32ME834.

Dear Mr. Winbourn:

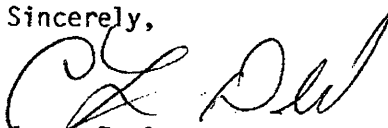
We have reviewed "An Evaluation of Archaeological Sites 32ME319 and 32ME834 on the Knife River Coal Company 'S-S' Tract and Site 32ME825 in the West Brush Creek Area, Mercer County, North Dakota" by Christensen and Kuehn (5/8/86). In our opinion the following sites are not significant in terms of the National Register of Historic Places or North Dakota State Historic Sites Registry:

32ME819 → 32ME831  
32ME825  
32ME834

We note that the survey report which included the first record of 32ME819 and 834 (UNDAR-W # 902, 3/19/86) also refers to site 32ME835. We have no evaluative data to review for site 32ME835, and cannot comment on that site's significance. We will be glad to review such documentation if Knife River plans to include site 32ME835 in future permit applications.

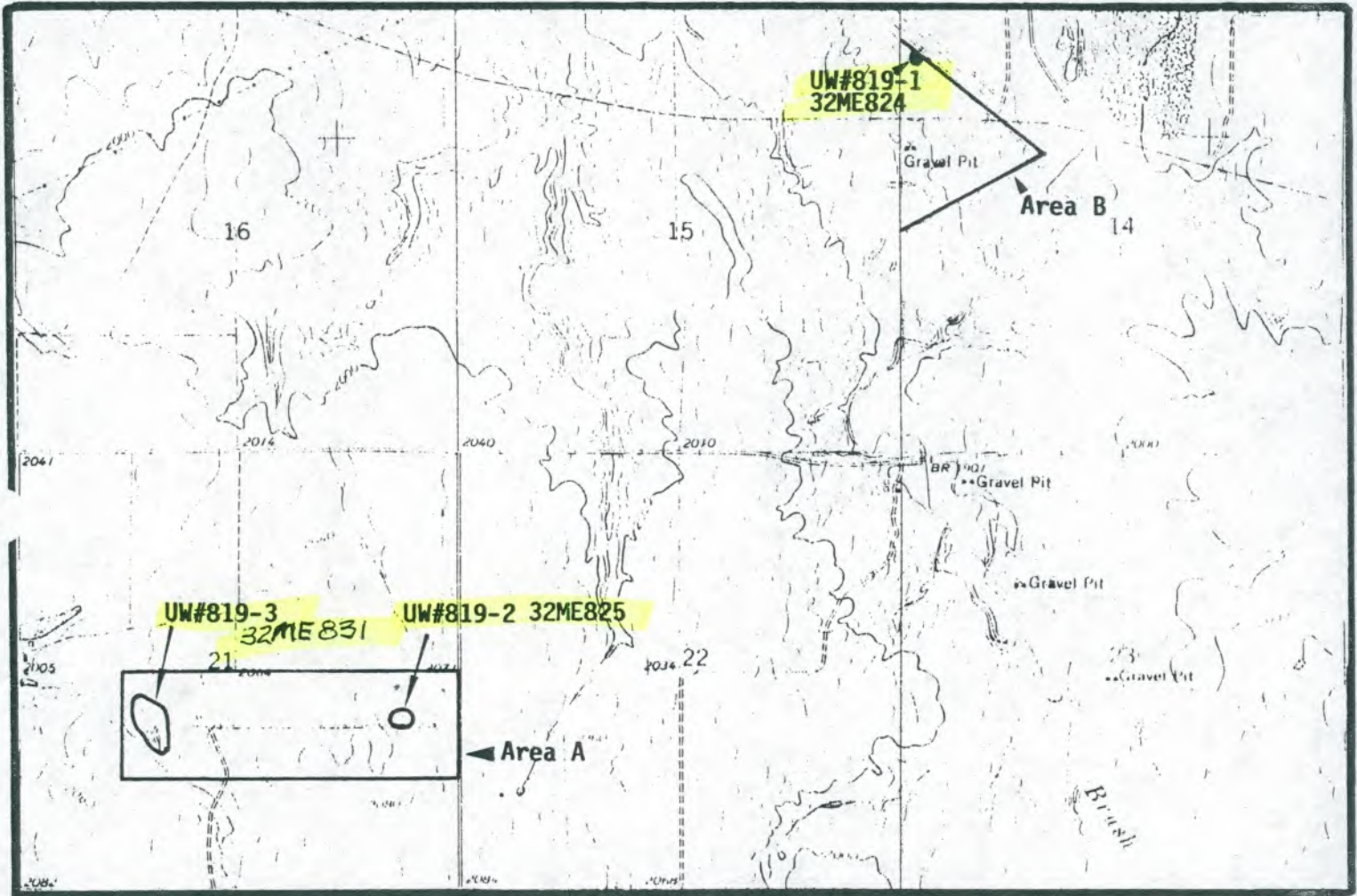
Thank you for providing us the opportunity to comment on this undertaking. If you have any questions regarding these comments, please feel free to contact Mr. C. L. Dill of our staff at (701)224-2672, or in writing.

Sincerely,

  
James E. Sperry  
State Historic Preservation Officer  
(North Dakota)

CLD/je

Exhibit 2.10.2  
Page 8  
Tech. Def.  
July 15, 1986



**Appendix 1.** Topographic coverage of proposed Knife River Coal Areas A and B. USGS 7.5' Series, Medicine Butte NE Quad, 1968, 20 ft contour interval. Legal: N $\frac{1}{2}$ S $\frac{1}{2}$ , Section 21, NW $\frac{1}{4}$ , Section 14, T143N, R88W, Mercer County, ND. U-W#819. Field Date: July and October, 1985.

## DAKOTA WESTMORELAND CORPORATION

Mine: Beulah Mine  
Permit Number: KR5B-8603  
Revision No.: 27  
Submittal Date: January 31, 2013<sup>1</sup>  
Completeness: December 10, 2013<sup>2</sup>, January 15, 2014<sup>3</sup>, January 28<sup>4</sup>, January 29, 2014<sup>5</sup>  
Technical: April 11, 2014<sup>6</sup>, April 29, 2014<sup>7</sup>

### Revision Narrative

Revision No. 27 adds 892.2 acres to permit KR5B-8603 for future mining in the Iron, Gold and Silver pit locations

### Cumulative Listing of Revised Information

<u>Volume</u>	<u>Section</u>	<u>Revised Information and Instructions</u>
TOC	TOC	Revised to reflect all additions for Revision 27 <sup>1, 6, 7</sup>
1	1.1	Add/Revised revision forms <sup>1, 2, 3, 5</sup>
1	1.3	Revised narrative (metes & bounds description) <sup>1</sup> Revised exhibit 1.3.1 <sup>1, 2, 3</sup>
1	1.4	Revised narrative <sup>1, 2, 3, 6</sup> Revised exhibit 1.4.1 <sup>1, 2, 6</sup> Revised exhibit 1.4.2 <sup>1, 2, 3</sup> Revised exhibit 1.4.3 <sup>1, 2, 3</sup> Revised exhibit 1.4.4 <sup>3</sup> Added exhibit 1.4.8 <sup>6</sup>
1	1.5	Revised narrative <sup>1, 2</sup>
1	1.6	Revised narrative <sup>1, 2, 4</sup>
2	2.1	Revised narrative <sup>1, 6</sup> Revised exhibit 2.1.1 <sup>1</sup> Revised exhibit 2.1.2 <sup>1</sup> Revised exhibit 2.1.3 <sup>1</sup> Revised exhibit 2.1.4 <sup>1, 6</sup> Revised exhibit 2.1.5a <sup>1</sup> Revised exhibit 2.1.5b <sup>1</sup> Revised exhibit 2.1.6 <sup>1</sup> Revised exhibit 2.1.7 <sup>1, 6</sup> Revised exhibit 2.1.8 <sup>1</sup>
2	2.2	Revised narrative <sup>1, 2, 6</sup> Revised exhibit 2.2.7 <sup>1, 2, 6</sup> Revised exhibit 2.2.9 <sup>1</sup>

2	2.3	Revised narrative 2.3 <sup>1, 2, 6, 7</sup> Revised exhibit 2.3.1 <sup>1</sup> Revised exhibit 2.3.2 <sup>1</sup> Revised exhibit 2.3.3 <sup>1</sup> Revised exhibit 2.3.4 <sup>1</sup> Revised exhibit 2.3.5 <sup>1</sup> Revised exhibit 2.3.6 <sup>1</sup> Revised exhibit 2.3.7 <sup>1, 6</sup> Revised exhibit 2.3.10 <sup>1</sup>
2	2.4	Revised narrative <sup>1, 2, 6</sup> Revised exhibit 2.4.2 <sup>2</sup> Revised exhibit 2.4.7 <sup>1, 6</sup> Revised exhibit 2.4.9 <sup>1, 6</sup> Added exhibit 2.4.10 <sup>1, 6</sup> Added exhibit 2.4.11 <sup>6</sup>
2	2.5	Revised narrative <sup>1, 2</sup> Revised exhibit 2.5.1a <sup>1, 2</sup> Revised exhibit 2.5.4a <sup>1</sup>
2	2.6	Revised narrative <sup>1, 2, 6</sup> Revised exhibit 2.6.1 <sup>1</sup> Revised exhibit 2.6.2 <sup>1</sup> Revised exhibit 2.6.3 <sup>1</sup> Revised exhibit 2.6.9 <sup>1, 2, 6</sup> Revised exhibit 2.6.11 <sup>1, 2</sup> Revised exhibit 2.6.12a <sup>1</sup> Revised exhibit 2.6.12b <sup>1</sup> Revised exhibit 2.6.13 <sup>1, 6</sup> Revised exhibit 2.6.14 <sup>1, 6</sup> Revised exhibit 2.6.16
2	2.7	Revised narrative <sup>1, 2, 7</sup> Revised exhibit 2.7.1 <sup>1, 2, 6, 7</sup> Revised exhibit 2.7.2 <sup>1, 6, 7</sup> Added and revised exhibit 2.7.3 <sup>1, 2, 6, 7</sup> Added and revised exhibit 2.7.4 <sup>2, 7</sup>
2	2.9	Revised exhibit 2.9.15 <sup>1</sup>
2	2.10	Revised narrative <sup>6, 7</sup> Added exhibit 2.10.2 <sup>6</sup> Revised exhibit 2.10.7 <sup>6, 7</sup> Added exhibit 2.10.11 <sup>1</sup> Added exhibit 2.10.12 <sup>1</sup> Added exhibit 2.10.13 <sup>6</sup> Added exhibit 2.10.14 <sup>7</sup>
3	3.1	Revised narrative 3.1 <sup>1, 2, 3, 6, 7</sup> Revised exhibit 3.1.1 <sup>1, 2, 3, 4</sup> Revised exhibit 3.1.2 <sup>1, 3, 4, 6, 7</sup> Revised exhibit 3.1.3 <sup>1</sup> Revised exhibit 3.1.6 <sup>1</sup> Revised exhibit 3.1.8 <sup>1, 2</sup>

3	3.2	Revised narrative <sup>1, 2, 3, 6</sup> Revised exhibit 3.2.1 <sup>1, 2, 3</sup> Revised exhibit 3.2.7 table <sup>3, 5</sup> Revised exhibit 3.2.20 table <sup>3</sup> Revised exhibit 3.2.29 <sup>1</sup> Revised exhibit 3.2.38 & table <sup>1, 6</sup> Added exhibit 3.2.42 & table <sup>1, 2</sup> Added exhibit 3.2.43 <sup>1</sup> Added exhibit 3.2.44 & table <sup>1, 2, 6</sup> Added exhibit 3.2.45 <sup>1, 2</sup> Added exhibit 3.2.46 & table <sup>1, 2</sup> Added exhibit 3.2.47 <sup>1, 2</sup> Added exhibit 3.2.48 & table <sup>1, 2</sup> Added exhibit 3.2.49 <sup>1, 2</sup> Added exhibit 3.2.50 & table <sup>1, 2</sup> Added exhibit 3.2.51 <sup>1</sup> Added exhibit 3.2.52 & table <sup>1</sup> Added exhibit 3.2.53 <sup>1</sup> Added exhibit 3.2.54 <sup>1</sup> Added exhibit 3.2.55 <sup>1</sup> Added exhibit 3.2.56 <sup>1</sup> Added exhibit 3.2.57 <sup>1</sup>
3	3.3	Revised narrative <sup>6, 7</sup> Revised exhibit 3.3.1 <sup>1, 2, 3, 6</sup> Deleted exhibit 3.3.56 <sup>7</sup>
3	3.4	Revised narrative <sup>1, 6</sup> Revised exhibit 3.4.1 <sup>1, 2</sup>
3	3.5	Revised narrative <sup>1, 2</sup> Revised exhibit 3.5.1a <sup>1</sup> Revised exhibit 3.5.1b <sup>1</sup> Revised exhibit 3.5.2a <sup>1</sup> Revised exhibit 3.5.2b <sup>1</sup> Added exhibit 3.5.2c <sup>1</sup> Revised exhibit 3.5.3 <sup>1</sup>
6		Revised exhibit 3.5.4a <sup>1</sup> Revised exhibit 3.5.4b <sup>1</sup>
3	3.7	Revised narrative <sup>1, 2, 6, 7</sup> Revised exhibit 3.7.2 <sup>1</sup> Revised exhibit 3.7.3 <sup>1, 2, 6, 7</sup> Revised exhibit 3.7.4 <sup>1, 6</sup> Revised exhibit 3.7.10 <sup>2, 7</sup>
3	3.8	Revised narrative 3.8 <sup>1, 2, 6</sup> Revised exhibit 3.8.2 <sup>1</sup>
3	3.9	Revised narrative <sup>1, 2, 3, 6, 7</sup> Revised exhibit 3.9.1 <sup>1</sup> Revised exhibit 3.9.2 <sup>1, 6</sup>