



Public Service Commission

State of North Dakota

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May 13, 2014

Mr. Jeff Frohlich
Manager, Engineering & Environment
Dakota Westmoreland Corporation
Beulah Mine
P.O. Box 39
Beulah, ND 58523-0039

Dear Mr. Frohlich:

The Reclamation Division has reviewed DWC's April 30th response to our second technical deficiency letter dated April 24, 2014 on the application for Revision 27 to Permit KR5B-8603. The following items must be satisfactorily addressed before the Reclamation Division recommends Commission approval;

Section 2.10 – Cultural Resources Inventory and Protection Plan

1. Follow-up to Item No. 13(a): Your response states that cultural resource site No. 32ME446 was struck from the Cultural Resources Inventory listing in Section 16; however, that site is still listed as being in Section 16, in addition to being located in Section 21. Please remove site 32ME446 from the other listed site locations in Section 16. (BEB)

Section 3.1 – General Mining Plan

2. Please revise the Intermittent Stream Buffer Disturbance and Signs and Markers narratives in Section 3.1 to discuss how buffer zone boundaries that are not to be disturbed will be marked in the field as required by NDAC 69-05.3-2-16-20 and NDAC 69-05.2-13-04. The Reclamation Division recommends that intermittent stream buffer zones be marked in the field in all areas where mining activities are planned to occur within ¼ mile of an intermittent stream. (GAW)

As stated in our second technical review letter dated April 24th, the cultural resource survey and inventory for the S1/2S1/2 of Section 21 must be filed with the SHPO and the necessary information incorporated into Revision 27 before this revision can be approved.

The Reclamation Division is anticipating approval of this revision application at the May 28th Commission meeting. DWC must update the Ownership and Control (business entity compliance information), or provide a statement that the current information is still valid. Any updated information will be subject to a query on OSM's Application Violator System before approval of the revision application. This information must be provided by May 21st, 2014.

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Also, mentioned in our April 24, 2014 technical review letter, the Reclamation Division has determined that the current bond amount (\$8,168,895.00) is adequate for Revision 27 but a Stipulation to Increase the Bond Area to reflect the area being added with Revision 27 must be filed prior to revision approval.

Once all the required changes have been made (and accepted) we will need four final copies of DVD's incorporating the changes made with Revision 27 so that copies can be sent to other agencies upon approval. The yellow highlights and lined-through language will need to be removed and all hyperlinks in the final version need to work.

If you have any questions, please contact this office.

Sincerely,



James R. Deutsch
Director
Reclamation Division

cc: Mercer County Auditor

Minedata/Beulah/Permits/KRSB-8603/Revisions/No.27/Rev27_tech3_rvw_ltr_5-13-14