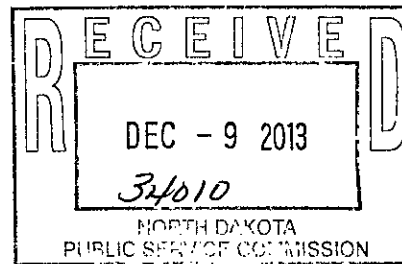




THE FALKIRK MINING COMPANY



December 6, 2013

Mr. James R. Deutsch
Reclamation Director
ND State Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505

RE: Revision 23 Mid-Term Review Responses for Permit NAFK-9503

Dear Mr. ~~Deutsch~~:

Falkirk submits the following responses to the mid-term review items listed in your October 18, 2013 letter required to be updated through the permit revision process:

Section 1.0 - Introductory, Legal, Financial, Compliance, and Related Information

- 1. Please update the Consolidated Legal Information Report covering Sections 1.1.6, 1.3.1, and 1.3.3 referenced in Permit NAFK-9503 if there have been any changes to ownership and control information, the list of current or previous coal mining permits held during the past five years, or the schedule of violation notices in the past three years since the most recent Consolidated Legal Information Report dated May 29, 2013 was submitted. (BEB/ZAB)***

The most recent update to the Consolidated Legal Information Report covering Sections 1.1.6, 1.3.1, and 1.3.3 dated November 12, 2013 is on file at your office and at the mine site.

- 2. The short one-sentence narrative in Section 1.2.7, Filing With County Auditor, States that once the permit application is complete, a copy of the permit application will be filed with the County Auditor and this language can now be revised. Since the original permit was deemed complete many years ago, please add to this narrative by stating that as the permit is revised, copies of the most recently approved revision to the permit will be filed with the County Auditor. (BEB)***

Please see updated Section 1.2.7, Filing With County Auditor.

- 3. Please update Section 1.3.2 - Names of Other Mines, if changes have occurred since approval of Revision 19 in 2010. (BEB)***

Section 1.3.2, Names of Other Mines, has been updated.

4. If necessary, please update Section 1.3.5, Other Licenses and Permits, if new or revised information is available. (BEB/ZAB)

Please see updated Section 1.3.5, Other Licenses and Permits.

5. If necessary, please update the surface and coal ownership interests listed in Section 1.5.1 and 1.5.2. Any changes to either of these sections should also be reflected on the Surface and Coal Ownership Map in Section 1.5.3. NDAC 69-05.2-06-01(1) and NDCC 38-14.1-14 (c) and (d) (BEB/ZAB)

Certificate of Authenticity of Documents in Section 1.5, Identification of Interests and Rights of Entry, has been updated to reflect the inclusion of additional documents to the permit; Section 1.5.1, Permit Area Surface and Coal Interests, has been updated according to the following table:

Tract No.	Address change to surface and/or coal ownership	Corporate officers and/or registered agents change	Documentation added Leases, WD, AOE	Easement information updated	Leasehold status change	Note added	Ownership change to surface and/or coal	Tract added or tract description changed
1		X						
2		X						
3		X						
4	X	X						
5	X	X						
6	X	X						
10	X							
11	X		X					
12	X		X					
13							X	
17	X							
22	X						X	
23	X							
24	X							
25	X		X					
26	X		X				X	
27	X	X						
28	X		X				X	
29					X	X		
30					X	X		
31	X	X			X	X		
32	X	X				X		
33					X	X		
34	X							
35	X							
36					X			
37					X	X		
38	X							
39					X	X		
41	X							
42							X	
43	X						X	
44	X						X	

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Tract No.	Address change to surface and/or coal ownership	Corporate officers and/or registered agents change	Documentation added Leases, WD, AOE	Easement information updated	Leasehold status change	Note added	Ownership change to surface and/or coal	Tract added or tract description changed
113	X		X				X	
114	X		X					
115	X			X				
116				X				
118	X		X					
121			X				X	
122	X	X	X					
123		X	X				X	
124	X	X	X				X	
125	X						X	
126	X		X				X	
127			X				X	
128			X				X	
129	X							
130	X	X	X	X			X	
131				X				
132	X			X			X	
133	X			X				
134	X							
135	X						X	
136	X		X	X			X	
137			X					
139	X							
140							X	
141	X			X			X	
142	X		X					
143	X			X			X	
144	X						X	
145			X				X	
146	X							
147	X							
148	X	X					X	
149							X	
150						X		
151	X						X	
152							X	
153			X					
154	X							
155			X					
156			X					
157				X				
159							X	
160	X							
161			X					
163				X				
164	X		X					
165			X					
168	X						X	
170			X					
172	X							
173	X		X				X	
174	X		X				X	
175	X							
175A	X							
180			X					

Section 1.5.2, Adjacent Surface and Coal Interests, has been updated to reflect current ownership and leasehold information; and Section 1.5.3, Surface and Coal Ownership Map, was updated to reflect the changes noted in Sections 1.5.1 and 1.5.2.

Section 2.2 - Ground Water Hydrology

- 6. Please update all relevant hydrology sections of the permit such as the monitoring schedule of the ground water monitoring plan, monitoring well location maps, etc., to account for decommissioning of nested reclamation monitoring Wells RP-335-1 and RP-335-2 that were removed to facilitate the County Road 20 overpass construction project in Section 25. Please advise the Reclamation Division regarding Falkirk's commitment to replacement of those monitoring wells in 2013. Additionally, please update all relevant sections of the permit regarding any new monitoring well installations and any other monitoring wells that have been mined through or destroyed in the Riverdale Permit. (BEB)***

The following sections have been updated to reflect the changes in the ground water monitoring well network: Sections 2.2.6, Ground Water Monitoring Plan; 2.2.16, Monitoring Well Information; 2.2.17, Lithologic Logs; 2.2.18, Well Completion Reports; 2.2.19, Geophysical Logs; 2.2.20a, Location of Monitoring Wells; 2.2.20b, Construction Details of Monitoring Wells; 2.2.21, Current Monitoring Wells Location Map, and 2.2.22, Reclamation Monitoring Wells Location Map.

- 7. If any new operational wells have been certified, or previously documented operational wells have been recertified, please input that data and information into the relevant ground water sections of the permit. (BEB)***

No new or existing well certifications have been completed since the last revision; well recertifications are scheduled for 2015.

2.8 - Soil Resources

- 8. Soils narrative in the fourth full paragraph on page 3 of Section 2.8.1 describes that "After the spoil material has been regarded and the topography approved by the PSC, sampling will be conducted to evaluate the physical and chemical characteristics of the regarded spoil and the required soil replacement depth." Subsequent narrative in the paragraph describes that spoil properties analytical results will be submitted to the PSC with the grade approval request, which accurately describes the grade approval and SPGM respread process at Falkirk. Please re-word the italicized narrative above to accurately state the timing of the regrade approval and spoil sampling protocol that is practiced. (BEB)***

Please see updated Section 2.8.1, Soils and Prime Farmland Narrative.

3.1 - Operations Plan - General

- 9. If necessary, please update the number of anticipated acres of land that will be disturbed as discussed on page 1 of Section 3.1.1. (BEB)**

Please see updated Section 3.1.1, Operations Description.

- 10. If significant changes have occurred or will occur in the future, please update, if necessary, page 1 of Section 3.1.3 to reflect the estimated production from the permit area and the estimated total mine production. (BEB/BAJ/ZAB)**

Please see updated Section 3.1.3, Estimated and Total Production.

- 11. Please update Section 3.1.4, List of Equipment, as required by NDCC 38-14.1-14(1) (1). (BEB/BAJ)**

Section 3.1.4, List of Equipment, has been updated.

- 12. Please update the Pit Layout and Facilities Map, Section 3.1.5, to show the most recently approved 101 dragline deadhead route from Section 27 to the 103 pits in Section 35 and also reflect areas mined through 2013. (BEB)**

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

- 13. If construction and certification of sediment pond P-R28-01 is completed prior to submission of your revision response to this review, please update the pond symbology on the Pit Layout and Facilities Map to reflect construction of the pond. (BEB/RLK)**

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

3.3 - Operations - Blasting

- 14. Please update, if necessary, pages 3, 4, and 5 of Section 3.3.1 listing the parties who receive a blasting notice and the listing of landowners located within one mile of the permit boundary who will be notified of their right to a pre-blast survey and a copy of the blasting schedule. (BAJ)**

Please see revised Section 3.3.1.

3.6 - Operations - Surface Water Management

- 15. Please update Section 3.6.1d - Pond and Diversion Construction and Reclamation Schedule, as some changes are evident regarding estimated construction dates of ponds. Also, the table of contents for Section 3.6 labels this section as "Pond Reclamation and Construction and Reclamation Schedule" which appears to be a repetitive/typographical error. (BEB)**

Section 3.6.1d has been updated and the Table of Contents for Section 6 has been revised, labeling Section 3.6.1d correctly.

- 16. Please update the Total Water Management Plan Map, Section 3.6.1a, to indicate that pond P-R28-01 has been built and to reflect any other changes as appropriate. (RLK)**

Section 3.6.1a, Total Water Management Plan Map, has been updated.

3.5 - Operations - Transportation Facilities

- 17. Please update the Revision 22 Deadhead Route Narrative in Section 3.5.30 to accurately describe the new dragline route that was most recently approved and constructed. (BEB)**

Please see updated Section 3.5.30.

4.0 - Reclamation Plans

- 18. Please update Section 4.2.2, Reclamation Schedule, and Section 4.2.3, Grading Sequence Map, to reflect the current mining activity and plans. In particular the reclamation schedule and grading map do not reflect the current mining activity in the S½ of Section 21, T145N, R83W and in Section 28, T145N, R83W. (RLK/ZAB)**

Please see updated Sections 4.2.2 and 4.2.3.

Other:

- 19. As previously discussed by phone, any other mining plan changes to the permit or proposed changes to Falkirk's Consolidated Bond may be added to the revision that addresses the items in this mid-term review letter. Additionally, changes to the worst case reclamation cost estimate for bonding (and 2013 Annual Mine Map) will now require a detailed accounting of overburden stockpile volumes. This requirement applies primarily to Permit NAFK-8405 where Falkirk has several large overburden stockpiles. (BEB/BAJ)**

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Please see updated Section 4.2.4b - Worst Case Bonding Plan Map. The overburden pile volumes were added to the map. These are the volumes projected for 2017, the worst case year. They were used to calculate the worst case bond totals. Falkirk will provide yearly updates to the OB pile volumes in the Annual Mine Map submittals.

Sincerely,

THE FALKIRK MINING COMPANY



D. Randall Crooke
Environmental Manager

DRC/dge