



# Public Service Commission

## State of North Dakota

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December 10, 2015

Mr. Jeff Fleischman, Chief  
Denver Field Division  
Office of Surface Mining  
P.O. Box 11018  
Casper WY 82602-5004

**RE: Closeout of North Dakota's 2014-2017 AML Construction Grant**

Dear Mr. Fleischman:

Enclosed is the closeout report for the "construction" portion of North Dakota's 2014-2017 Abandoned Mine Lands Grant No. GR407380. This is also the final report for this grant since the "administrative" portion was closed out earlier this year. The total amount spent under the construction portion of the grant was \$3,127,599.63. The sub-accounts used for the construction portion of Grant No. GR407380 are S14AF20015-0002-SS03, S14AF20015-0003-HC03, S14AF20015-0004-HU03, and S14AF20015-0005-SS03.

This closeout report covers AML construction related costs from the period that began March 1, 2014 and ended on October 31, 2015. All funds from the construction portion of Grant GR407380 were spent by October 31, 2015 and the final drawdown occurred mid-November. Enclosed are the Financial Status Report, SF 425, for closing out the construction grant and Form OSM-51 that summarizes AML projects that were fully or partially funded with this grant.

The original amount awarded for North Dakota's 2014-17 construction grant was \$3,007,356.31. However, this amount was later increased by \$120,243.32 when we closed out the administrative portion. The balance that remained in the administrative portion was transferred to the construction portion and those funds were put in sub-account S14AF20015-0005-SS03.

All allowable, allocable and reasonable costs have been paid and all grant funds have been expended. OSM is released from all obligations under or arising from AML Grant No. GR407380, subject to final audit, if any.

If you or others have any questions about the closeout documents, please contact me.

Sincerely,

James Deutsch  
Director – AML Division

### Attachments

cc: Steve Trujillo  
John Sieving

# FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted  Office of Surface Mining	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)  2014-2017 AML Construction - GR407380 Subgrant Account Numbers S14AF20015-0002-SS03, S14AF20015-0003-HC03, S14AF20015-0004-HU03, and S14AF20015-0006-SS03	Page  1	of  1  pages
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3. Recipient Organization (Name and complete address including Zip code) AML Division, Public Service Commission, 600 East Boulevard Ave., Dept. 408, Bismarck, ND 58505-0480
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4a. DUNS Number  802-744-946	4b. EIN  45-0309764	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)  GR407380	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting  <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 3/01/2014	To: (Month, Day, Year) 11/30/2015	9. Reporting Period End Date (Month, Day, Year) 11/30/2015
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10. Transactions	Cumulative
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*(Use lines a-c for single or multiple grant reporting)*

**Federal Cash (To report multiple grants, also use FFR Attachment):**

a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand (line a minus b)	

*(Use lines d-o for single grant reporting)*

**Federal Expenditures and Unobligated Balance:**

d. Total Federal funds authorized	\$3,127,599.63
e. Federal share of expenditures	\$3,127,599.63
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$3,127,599.63
h. Unobligated balance of Federal funds (line d minus g)	\$0.00

**Recipient Share:**

i. Total recipient share required	\$0.00
j. Recipient share of expenditures	\$0.00
k. Remaining recipient share to be provided (line i minus j)	\$0.00

**Program Income:**

l. Total Federal program income earned	\$0.00
m. Program income expended in accordance with the deduction alternative	\$0.00
n. Program income expended in accordance with the addition alternative	\$0.00
o. Unexpended program income (line l minus line m or line n)	\$0.00

11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Approved	31.35%	3/01/2014	6/30/2015	\$ 287,846.99	\$90,240.04	\$90,240.04
g. Totals:					\$ 287,846.99	\$90,240.04	\$90,240.04

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)

a. Typed or Printed Name and Title of Authorized Certifying Official  James R. Deutsch, Director AML Division	c. Telephone (Area code, number and extension) (701) 328-2251  d. Email address jdeutsch@nd.gov
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b. Signature of Authorized Certifying Official  	e. Date Report Submitted (Month, Day, Year) December 10, 2015
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14. Agency use only:

Standard Form 425  
 OMB Approval Number: 0348-0061  
 Expiration Date: 10/31/2011

**Paperwork Burden Statement**  
 According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project ( 0348-0060), Washington, DC 20503.

**U.S. DEPARTMENT OF THE INTERIOR**  
**Office of Surface Mining**  
**Washington, DC 20240**

Performance Report

Program Narrative Statement

1. Type of Program (Check Appropriate Box)			
<input checked="" type="checkbox"/> Abandoned Mine Land Program		<input type="checkbox"/> State and Federal Program	
2. Grant Recipient	Type of Report	Reporting Period	Control Number(s)
NORTH DAKOTA PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	Grant Closeout Report	March 1, 2014 to November 30, 2015	GR407380
3. Project Title/Program			
2014-17 Abandoned Mine Lands Reclamation Grant (Construction Portion)			
4. Performing Organization			
North Dakota Public Service Commission			
5. Program Narrative			
Please see the attached narrative for the closeout report for the construction portion of North Dakota's 2014-2017 construction grant.			

OSM-51(12/80)

**Paperwork Reduction Act Statement**

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501) requires us to inform you that: Federal Agencies may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. This information is being collected to review, administer and evaluate the States/Tribes grants for program development and administration and enforcement to meet the requirements of the Surface Mining Control Reclamation and Enforcement Act. The obligation to respond is required to obtain a benefit.

Public reporting burden for this form is estimated to average 10 hours per response, including time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Office of Surface Mining Reclamation and Enforcement, Room 203 SIB, 1951 Constitution Ave., NW, Washington, D.C. 20240.

## North Dakota's 2014-2017 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2014-17 AML grant was used by the Public Service Commission (PSC) for Abandoned Mine Lands Reclamation construction projects during a 20-month period that started on March 1, 2014 and ended on October 31, 2015. The original 36-month grant period was scheduled to end on February 28, 2017. However, by mid-November 2015, all federal funds in the construction portion of this grant had been paid out and the final drawn down had been made so the grant is being closed out at this time. All project work under North Dakota's 2014-2017 grant involved abandoned surface and underground coal mines. No non-coal related work was performed during the grant period.

In addition to the actual construction costs incurred under contracts for project work, the costs of AML Division staff time and travel when designing and overseeing the construction work between March 1, 2014 and February 28, 2015 were charged to the 2014 construction grant. After March 1, 2015, charges to this grant were limited to the payment of contractor invoices, including some of the work performed on projects carried out in 2015. Funds from this grant were used for the projects discussed below and the amount spent on each project is also provided.

**2014 Scranton/Bowman – Phase 2 Project** – With this project, rotary drilling was carried out to locate underground mine voids and then pumping a cement-like grout into the voids. The filling of mine voids prevents future collapse and eliminates the associated hazards. The drilling and grouting occurred along county roads near Scranton in Bowman County. The project included areas along county roads near Scranton in Bowman County. Approximately 10,998 feet of drilling was conducted and 3,056 cubic yards of grout were injected into underground mined workings. The work was conducted in the summer of 2014. A separate contract was also issued for field and laboratory testing of the grout. The amount charged to AML's 2014 construction grant, including some design and all construction costs, totaled \$871,800.53. However, part of the design costs was charged to the 2013 construction grant.

**2014 Beulah/Zap – Phase 15 Project** – This was another project that involved rotary drilling and pumping cement-like grout into underground mine voids to eliminate potential hazards. The project was conducted along county roads and a state highway north of Beulah in Mercer County. Approximately 7,025 feet of vertical drilling and 1,393 feet of angled drilling were conducted and 5,252 cubic yards of grout were injected into underground mined workings. The work was conducted in the fall of 2014. A separate contract was also issued for field and laboratory testing of the grout. The amount charged to AML's 2014 construction grant totaled \$187,975.29. However, a significant portion of the design costs and some of the construction costs were charged to the 2013 construction grant.

**2014 Hazen West Phase 3** – This project involved reducing the slopes on about 3,000 feet of highwalls to eliminate hazardous conditions; and spoil grading at an abandoned surface mine west of Hazen in Mercer County. The site is within an area that is owned and managed by the State Game and Fish Department as a Wildlife Management Area. Approximately 30 acres of highwalls and mine pits were reclaimed and it involved moving about 315,000 cubic yards of overburden during the reclamation process. Most of the work was carried out during the summer and fall of 2014 but final seeding and fencing was not finished until the spring of 2015. While most of the staff design work and about half of the construction costs for this project were

charged to the 2013 construction grant, another \$646,471.66 was charged to the 2014 construction grant.

**2014 Exploratory Drilling** – The 2014 exploratory drilling project involved rotary drilling and drill hole casing at abandoned underground mines to better define the extent of the mine workings. This work was conducted in the Wilton area in northern Burleigh County. The total footage drilled was 25,727 feet and 5,023 feet of drilled holes were cased when mine voids were found. Most of the work was carried out in the fall of 2014 but some of the drilling and final cleanup was not finished until the spring of 2015. The amount charged to the 2014 construction grant was \$192,400.23.

**2013-14 Sinkhole Filling Project** – The 2014 phase of this project primarily involved the filling of sinkholes caused by abandoned underground coal mines at sites near the towns of Bowman, Haynes, Dickinson, Richardton, New Salem, Beulah, Garrison and Wilton. Approximately 196 sinkholes were filled at these sites, including 22 sinkholes near Bowman and Dickinson that were emergencies. Erosion features were also repaired at the Richardton and Buechler/Velva mine sites where previous work had been done. The work was done in the spring and fall of 2014. Including staff time and travel costs for this maintenance project and other mine investigations, the total amount charged to the 2014 construction grant was \$191,421.27.

**2015 Scranton/Bowman Phase 3 and Wilton** – This project involved rotary drilling and pumping cement-like grout into underground mine voids to eliminate potential hazards. The multiple sites included in this project were a farmstead near Reeder in Adams County, county roads near Scranton and Bowman in Bowman County, and county roads and a state highway near Wilton in Burleigh County. The amount of construction costs charged to AML's 2014 was \$996,899.94. In addition, another \$12,800.62 was spent on design work for the Wilton phase of the 2015 project in late 2014 and early 2015.

**2015 Columbus – Phase 15** – This project involved backfilling steep highwalls at two abandoned surface mines near Columbus in Burke County. Much of the staff design costs for this project were charged to the 2014 construction grant. The amount charged to the 2014 construction grant was \$27,830.09. The remaining project costs, including all construction costs, were charged to the 2015 construction grant.