



# Public Service Commission

## State of North Dakota

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December 15, 2014

Mr. Troy Leingang  
Environmental Manager  
Coteau Properties Company  
204 County Rd. 15  
Beulah, ND 58523

Dear Mr. Leingang:

The Reclamation Division has completed its review of the application of Revision 27 to Surface Coal Mining Permit NACT-0401 which updates the Consolidated Bonding Plan and the worst-case reclamation cost estimate for the Freedom Mine. The following items need to be addressed prior to approval of this revision and Revision 18 to Permit NACT-0201.

### **General**

1. Please update Sections A, B and C as necessary to account for the mining and reclamation plan changes made in response to the technical review of Revision 18 to Permit NACT-0201. (GAW)

### **Section A-2 Assumptions for Worst Case Condition**

2. Please include demolition and disposal costs for the West Antelope Creek Road Crossing. Even though it was previously approved with no demolition and disposal costs, we believe that there will be no salvage value associated with the structure. Please update accordingly. (FSE)
3. Please revise the *Ponds, Sumps, and Diversions* narrative to include the cost of maintaining (dewatering) water management features in a worst case scenario and the removal of sediment from these features prior to respreading SPGM. (GAW)

4. The worst-case reclamation assumptions and grading costs must reflect that the large delayed reclamation area in Permit NACT-0401 will be graded to the proposed postmining topography in the contingency reclamation plan for that area. (JRD)

### **Section B-2 SPGM Respread Equipment Hours**

5. Table 1 of Section B-2 does not indicate how stockpiles TS-W14-02, TS-W14-03 and TS-W14-04 will be allocated in the worst case scenario. These piles are shown on the *Mine Facilities Map*. Please revise to include these planned stockpiles and update the calculations as necessary. (FSE)
6. Table 1 of Section B-2 indicates that stockpile TS-W11-02 will be used to respread Section 14 in Permit NACT-0201, but TS-W11-02 is not depicted in the *Topsoil Respread Map*. Please identify its location and/or correct as necessary. (FSE)
7. It appears that the following topsoil and subsoil stockpiles were not utilized or allocated in the worst case scenario: TS-333, PTS-549, SS-318, SS-380 and SS-358. Please review and allocate or take into account all stockpiles that will be present in the worst case scenario and update the calculations. (FSE)

### **Section B-3 Overburden Equipment Hours**

8. It is not clear if the east-west pit located in the N½ of Section 2 of Permit NACT-9101 will be reclaimed prior to 2019. If mining and reclamation plans in NACT-9101 do not show this pit area will be reclaimed by 2019, please include costs (and cross-section if necessary) for reclaiming this pit in the new worst case scenario. (FSE)
9. In Section B-3, please identify all the overburden stockpiles that will be present at the time of the worst case scenario so haul distances can be calculated to each stockpile and include the volumes of all the piles in the *Mine Facilities Map*. For example, overburden stockpiles OB-W31-01 and OB-W31-02 (Permit NACT-0201) are scheduled to be reclaimed between 2015 and 2021, so at least portions of these stockpiles will be within the worst case scenario. As appropriate, please include the stockpile volumes in the worst case scenario and indicate where the material will be hauled to. Other reclamation costs associated with the reclamation of these overburden stockpiles such as SPGM respread and revegetation must also be included. The overburden stockpiles remaining in 2019 must be depicted on Section C-2 as well. (FSE)
10. Ponds P-W14-05, P-N26-01 and P-N26-02 are to be built in 2015, 2017 and 2019, respectively. They need to be included in the appropriate calculations. Also, ponds P-W02-01 and P-W03-01 are scheduled to be removed in 2018 but are included in the calculations. Please review and make the appropriate corrections so that worst case scenario matches the current approved mining and reclamation plans in the permits. (FSE)

11. Overburden stockpile OB-N28-01 contains 200,000 cubic yards of material according to Section C-2. Section B-3 indicates that 100,000 cubic yards is allocated to pond P-N28-01 and 30,000 cubic yards is allocated to Pond D-N28-01. Please indicate where the remaining 70,000 cubic yards of material from this stockpile will be allocated and update the calculations accordingly. (FSE)
12. In Section B-3, please include costs to reclaim the following ponds if they will still be present in worst case scenario: P-W08-01, P-W14-05, P-N26-01 and P-N14-02. (FSE)
13. In Section B-3, backfilling and regrading of ponds is calculated as scraper projects; however, the haul distances for some ponds exceed 3800 feet. Consideration can be given to using trucks and loader equipment for ponds with haul distances greater than 3800 feet. Please consider these requested changes and update as appropriate. (FSE)

#### **Section B-4 - Equipment Hour Summary**

14. Please update the reclamation cost estimate using the July 2014 variable costs. (FSE)

#### **Section B-5 – Revegetation Cost Summary**

15. Please update the estimated cost of the approved native grass seed mixture that is to be used in Permit NACT-0201, which includes 3 additional native grass species compared to that which is listed in Section B-5. (GAW)
16. Section B-5 assumes that only about 21 acres of trees (221,000 lf) will need to be planted in the worst case scenario. Please review and revise to more accurately determine the acreage of trees that will need to be replaced if mining were to cease in 2019. (GAW)

#### **Section C-1 – Legal Description of Performance Bond**

17. Please revise and update the acreage for Permit NACT-0201 in Section C-1 *Legal Description of Performance Bond*, to reflect the revised acreage of this permit in pending Revision 18 (17,170.7161 acres). (GAW/FSE)

#### **Section C-2 – Mine Facilities Map**

18. Please update the Section C-2, *Mine Facilities Map*, to include the worst case pit in the SW $\frac{1}{4}$  Section 11 and NW $\frac{1}{4}$  of Section 14 of Permit NACT-9101. Also it appears that the worst case pit in the N $\frac{1}{2}$  of Section 13 should also include a portion of the east/west pit that it ties-into in the N $\frac{1}{2}$  of Section 13 and S $\frac{1}{2}$  of Section 12 in Permit NACT-9101. In addition, please include the worst case pit of the proposed truck/shovel pit(s) in the SW $\frac{1}{4}$  of Section 4, T144N, R88W, of Permit NACT-0201. The volumes and costs associated with these additional worst case pit areas should also be updated accordingly. (FSE)

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19. The *Mine Facilities Map* depicts a worst case pit in the NE¼ of Section 13 of Permit NACT-9101; however, a cross-section is not provided for this worst case pit. Please provide the cross-section(s) for this pit, depict the cross-section location(s) on Section C-2, and update the volumes and calculations accordingly. (FSE)
20. Please update Section C-2 to include all sediment ponds, diversion, haul roads that will be constructed through 2019 and provide the costs associated with each. For example, sediment pond P-W27-01 is already constructed but not shown on the map. (GAW)

If you have any questions, please contact this office.

Sincerely,



James R. Deutsch  
Director  
Reclamation Division