

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Coteau Properties Company**  
**Revision No. 18, Permit NACT-0201**  
**Approval**

**Case No. RC-14-439**

**REVISION OF PERMIT TO ENGAGE IN  
SURFACE COAL MINING AND RECLAMATION OPERATIONS**

**October 21, 2015**

Based on the application for **Revision Number 18 to Permit Number NACT-0201 received June 18, 2014**, and all information and documentation contained therein, the North Dakota Public Service Commission finds that:

1. The revision application submitted on June 18, 2014, is complete and accurate and the applicant has complied with the requirements of Chapter 38-14.1 of the North Dakota Century Code and Article 69-05.2 of the North Dakota Administrative Code.
2. The applicant has a federal lease covering 5,333.56 acres of federal coal within the permit area and Commission approval of mining and reclamation plans for the federal coal tracts is limited to that previously approved with Revision 8 and the federal coal located in the N½ of Section 10 and all of Section 14 within T145N, R88W. As required by Special Condition No. 1 for Permit NACT-0201, no coal removal may occur on federal coal located in the N1/2 of Section 10 and Section 14 until the U.S. Department of the Interior approves the federal mine plan pursuant to 30 CFR 746.11. Until that mine plan is approved, surface disturbances on these federal coal tracts is limited to those activities that are needed for carrying out mining on the adjoining tracts where the coal interests are privately owned.
3. The applicant proposes to temporarily cease mining activities in an area for a period of sixteen years, from 2018 to 2034, and the revision application also includes reclamation variances for the initial pits associated with Mine Area 3 as identified in the application. These reclamation variances have been adequately justified by the applicant and the Commission approves the variances as allowed by NDCC 38-14.1-24(14) and NDAC 69-05.2-21-01(2).
4. Performance bonds in the total amount of \$146,000,000.00 are currently sufficient for the proposed mining and reclamation operations in the consolidated bond area for the Freedom Mine that includes Permit NACT-0201.
5. The Commission's other findings that were made when the permit was issued remain applicable to the revised operation and reclamation plans.

Revision Number 18 to Permit Number NACT-0201 is hereby granted to The Coteau Properties Company to add detailed mining and reclamation plans for the northern portion of the permit area, which includes the federal coal located in the N½ of Section 10 and all of Section 14, adds 119.7526 acres that are currently part of Permit NACT-9001, and modify operations and reclamation plans for the southern portion of the permit area, which includes a 16-year temporary cessation of mining pit area and updates other information and plans in this permit as described in the revision application received June 18, 2014.

Attached is a copy of the metes and bounds description of the area being added to the permit:

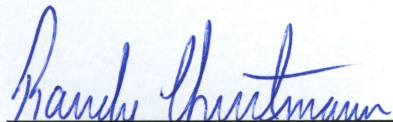
LOCATION


<u>Mine</u>	<u>Address</u>	<u>Section</u>	<u>Twp.</u>	<u>Range</u>	<u>County</u>
Freedom	Beulah, ND	11	145N	88W	Mercer

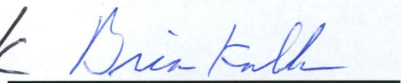
Total Acres – 119.7526

The approved revision is subject to the requirements of Chapter 38-14.1 of the North Dakota Century Code, Article 69-05.2 of the North Dakota Administrative Code, the conditions of the approved permit, and any additional or revised permit conditions listed on attached PSC Reclamation Form - 3. Pursuant to Section 38-14.1-23 of the North Dakota Century Code and Article 69-05.2 of the North Dakota Administrative Code, this revision was found to be a significant alteration to the previously approved permit.

PUBLIC SERVICE COMMISSION

  
Randy Christmann  
Commissioner

  
Julie Fedorchak  
Chairman

  
Brian P. Kalk  
Commissioner

Section 1.2.3 – Metes and Bounds Description for Area Added by Revision 18

A tract of land being the N $\frac{1}{2}$ NE $\frac{1}{4}$  and the SE $\frac{1}{4}$ NE $\frac{1}{4}$  Section 11, T145N, R88W, of the 5th P.M., Mercer County, North Dakota. All bearings and distances are based on the North Dakota State Plane Coordinate System, South Zone, NAD 27. All bound calls supersede any metes within this description. Described as follows:

Beginning at the northeast corner of said Section; thence S 00°57'12" W a distance of 2640.37' to the east  $\frac{1}{4}$  corner of said Section; thence N 89°25'00" W a distance of 1318.04' to the center-east 1/16 corner of said Section; thence N 00°59'03" E a distance of 1320.08' to the northeast 1/16 corner of said Section; thence N 89°25'17" W a distance of 1317.33' to the center-north 1/16 corner of said Section; thence N 01°00'53" E a distance of 1319.98' to the north  $\frac{1}{4}$  corner of said Section; thence S 89°25'34" E a distance of 2633.25' to the point of beginning.

Said area of land contains 119.7526 acres of land.