



Public Service Commission

State of North Dakota

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June 9, 2015

Mr. Donn Steffan
Environmental Manager
Coyote Creek Mining Company
2000 Schafer Street, Suite D
Bismarck, ND 58501-1264

Dear Mr. Steffan:

The Reclamation Division has completed its review of the worst-case reclamation cost estimate for bonding submitted June 8, 2015 for Revision No. 1 to Permit NACC-1302 for the Coyote Creek Mine. The proposed minimum bond amount of \$7,371,459 was determined adequate for the revised 1st increment of mining for this permit area. The current bond must be increased to at least this amount and filed with the Commission before this permit revision can be approved. The bond area must be increased as well and the bond stipulation of increase needs to include a legal description of the 2,828.62 acre area that comprises the revised 1st bond increment.

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in cursive script, appearing to read "James R. Deutsch".

James R. Deutsch
Director
Reclamation Division

Minedata/Coyote/Permits/NACC-1302/Revisions/No.1/Rev1_bond_det_ltr_6-9-15