

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

**Coyote Creek Mining Company, L.L.C**  
**Revision No. 1, Permit NACC-1302**  
**Application**

**Case No. RC-14-846**

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

**June 17, 2015**

Based on the application for **Revision No. 1 to Permit Number NACC-1302** submitted by Coyote Creek Mining Company, L.L.C. for the Coyote Creek Mine on December 17, 2014, and as revised through June 12, 2015, and all information and documentation contained therein, the North Dakota Public Service Commission (Commission) finds that the application meets all applicable requirements of Chapter 38-14.1 of the North Dakota Century Code (NDCC) and Article 69-05.2 of the North Dakota Administrative Code (NDAC). On the basis of the information set forth in the application or from that otherwise available and known by the applicant, the Commission finds that:

**Finding No. 1. The permit application is accurate and complete and complies with the requirements of NDCC Chapter 38-14.1 and NDAC Article 69-05.2 [NDCC 38-14.1-21(3)(a)].**

The application for Revision No. 1 to Surface Coal Mining Permit NACC-1302 proposes to add 352.105 acres of land to the existing permit area for the Coyote Creek Mine in Mercer County, North Dakota. The additional area will be used for a coal haul road that extends from the existing permit area to the Coyote generating station and for the coal handling facilities. The applicant verified that all information included in the revision application is true and correct to the best of their knowledge. Commission staff conducted completeness and technical reviews to ensure that the required information was provided and the mining and reclamation plans meet all applicable requirements. The Reclamation Division sent completeness and technical review letters to the applicant on December 30, 2014, February 5, March 9, May 7, May 15, June 1, and June 12, 2015. Responses to each letter were received and appropriate changes were made to the application to address the concerns that were noted. The Commission concludes that this significant revision application is now accurate and complete.

The applicant published the required notices in the Hazen Star, Beulah Beacon, and Bismarck Tribune and the Commission sent notices to all surface owners that will be affected by Revision No. 1 to Permit NACC-1302 and to numerous local, state and federal agencies. In addition, advisory committee members were provided copies of the



revision application for their review and comment. The Commission received requests for an Informal Conference on this application from the Dakota Resource Council and Casey Voigt with concerns about air quality and fugitive dust emissions from the proposed haul road and coal handling facilities. The informal conference was conducted on June 2, 2015 and the Hearing Officer issued the Informal Conference Findings and Recommended Order on June 15, 2015 ruling that the air quality issues raised during the informal conference are outside of the jurisdiction of the Commission and that the application for Revision No. 1 to Permit NACC-1302 satisfies all permit revision standards under the reclamation law and rules.

The applicant provided evidence that it has the right to disturb the surface of all lands within the proposed revision area. The applicant has these rights based surface leases and easements, copies of which are included in the application. No coal mining is proposed, only surface disturbances are proposed on these areas. The land in the revision area will be used to construct a coal haul road and coal handling area to facilitate coal delivery to the Coyote Station. Two corrugated steel multi-plate structures will be used to route mine traffic under County Road 12 as authorized by Mercer County.

**Finding No. 2. The applicant has demonstrated that reclamation as required by NDCC Chapter 38-14.1 and NDAC Article 69-05.2 can be accomplished under the reclamation plan contained in the permit revision application [NDCC 38-14.1-21(3)(b)].**

Revision No. 1 adds 352.105 acres to the existing permit to extend a haul road to the Coyote Station and for the coal handling facilities. No coal mining is proposed in the revision area and the associated disturbances for the mine support facilities are scheduled to be reclaimed when mining is completed. The revision adds design and reclamation plans for the added acreage and updates most permit sections accordingly. The applicant expects to start coal delivery in 2016 with a projected production of 1.7 million tons for the first year of operation. Coal removal and haul road operation is expected to continue until 2040 with coal production averaging about 2.5 million tons per year.

Soil material salvaged from the areas needed to construct the road and mine support features will be stockpiled for use when the areas are reclaimed. The applicant proposes to store topsoil in small stockpiles along the haul road route. The subsoil material along the route will be used in designated road fill areas until the roads are reclaimed. The applicant is committed to using methods to relieve compaction of subsoil material when the road is reclaimed. The applicant also proposes to evaluate overburden material to identify other suitable strata to be used as a substitute for subsoil volume losses due to handling and contact with surfacing and overburden material associated with the haul road.

The proposed postmining topography that is shown for the added area meets the requirements of NDCC 38-14.1-24(3) and NDAC 69-05.2-21-02. There is no change in the average postmining slope proposed for the added area. The reclaimed lands will be capable of supporting the premine uses that existed prior to mining disturbance. The predominant premining land use in the added area is native grassland (320.29 acres) with lesser amounts used for tame pasture, fish and wildlife habitat (wetlands),

woodlands and roads. The acreage of each postmining land use in the added area will be the same as the premine conditions.

**Finding No. 3. Based on the assessment of the probable cumulative impacts of all anticipated mining in the area, the proposed operation has been designed to prevent material damage to the hydrologic balance outside the permit area [NDCC 38-14.1-21(3)(c)].**

An assessment of the probable cumulative hydrologic impacts of all anticipated mining in the area has been made as required by NDCC 38-14.1-14(1)(o). The Commission finds that the proposed operation has been designed to maintain the quantity, quality, and hydrologic regime of surface and ground water systems in the area. The cumulative effects of all existing and proposed mining operations should not damage the hydrologic balance outside the permit area. The detailed cumulative hydrologic impact assessment is on file with Permit NACC-1302 in the Commission's offices. The area being added to the permit crosses several ephemeral tributaries that flow into the Knife River and Brush Creek. A portion of Brush Creek, a perennial stream, and an intermittent tributary are located in Section 10, T143N, R88W, are within the added area. The added area is also downstream of the Dakota Westmoreland Corporation's Beulah Mine. The Brush Creek drainage system and the Beulah Mine were considered in the cumulative hydrologic assessment.

**Finding No. 4. Lands being added to the permit area are not within an area designated unsuitable for surface coal mining operations, nor within areas under study or administrative proceedings under a petition to have an area designated as unsuitable for surface coal mining operations [NDCC 38-14.1-21(3)(d)].**

None of the lands being added to the permit have been designated unsuitable for surface coal mining operations pursuant to NDCC 38-14.1-05, nor are they within an area under study or administrative proceedings under a petition to have an area designated as unsuitable for surface coal mining operations.

**Finding No. 5. The proposed mining operations will not interrupt, discontinue, or preclude farming on alluvial valley floors that are irrigated or naturally sub-irrigated or materially damage the quantity or quality of water in surface or underground water systems that supply these alluvial valley floors [NDCC 38-14.1-21(3)(e)].**

Based on an examination of the geologic and geomorphic characteristics, soils, land use, and the water quality and quantity of streams occurring within or adjacent to the Permit NACC-1302, included the added area, it has been determined that there are no alluvial valley floors within or adjacent to the permit area. In addition, the portion of Brush Creek in the revision area was previously evaluated for alluvial valley floor potential and Commission staff determined that this creek does not have the characteristics to be considered an alluvial valley floor. Detailed alluvial valley floor investigation reports and determinations for portions of the Knife River and Coyote and Brush Creeks are on file with the Commission.

**Finding No. 6. In cases where the mineral estate has been severed from the surface estate, the applicant complied with the requirements of NDCC 38-18 [NDCC 38-14.1-21(3)(f)].**

For the areas being added to the permit, the applicant included copies of the necessary leases and other documents in the permit application demonstrating compliance with the North Dakota Surface Owner Protection Act, North Dakota Century Code Chapter 38-18. This documentation included copies of notice that was given to the surface owners before the application was filed with the Commission.

**Finding No. 7. Lands being added to the permit area are not subject to the prohibitions or limitations of NDCC 38-14.1-07 except for areas that receive specific approvals after complying the applicable review procedures of NDAC Chapter 69-05.2-04 [NDAC 69-05.2-10-03(6)(a)].**

Lands being added to the permit area are:

- a) Not on any lands within the boundaries of units of the North Dakota Park System, the National Park System, the National Wildlife Refuge Systems, the National System of Trails, the National Wilderness Preservation System, the National Wild and Scenic Rivers System, including study rivers designated under Section 5(a) of the Wild and Scenic Rivers Act, and national recreation areas.
- b) Not on any federal lands within the boundaries of any national forest.
- c) Not within 300 feet of any publicly owned park or places included in the State Historic Sites Registry or the National Register of Historic Places. A cultural resource survey and inventory of the area being added was conducted. All sites that were identified have been properly tested and evaluated. Three prehistoric sites have been identified in the area being added to the permit. The sites identified in the added area were determined to be insignificant (not eligible for listing on the National Register of Historic Places) by the State Historic Preservation officer (SHPO). Coyote Creek Mining Company has committed to reporting, testing and mitigating, if necessary, any previously unrecorded archeological, cultural, or historical materials that may be discovered as a result of mining related activities.
- d) Within 100 feet of the outside right-of-way line of public roads. However, no disturbances will occur within 100 feet of the outside right-of-way of any public road unless the road authority, Mercer County, has temporarily vacated the road right-of-way or granted permission to conduct mining operations within 100 feet of the road right-of-ways. The applicant's petition to the Mercer County Board of County Commissioners to conduct operations within 100 feet of the outside right-of-way of County Road 12 was approved and the approval documents have been included in the permit. The Mercer County Commission has also approved an agreement with the applicant for the multi-plate structure that will route mine traffic under County Road 12. Additional approvals to close section line rights-of-way necessary to build the facilities planned for the added area are included in the revision application. Special Condition No. 2 is also attached to the original permit requiring Coyote Creek Mining Company to provide the Commission with copies of the road authority's

approval documents within 30 days of the approval date and include the written findings made by the road authority will remain in effect. North Dakota Administrative Code Section 69-05.2-04-01.3 requires the Commission to make a written finding on protecting the interests of the public and affected landowners if this is not included in the road authority's approval process.

- e) Not within 300 feet of any public building, school, church, community, or institutional building, nor will any mining operations be conducted within 500 feet of any occupied dwelling. No public buildings, schools, churches, or community or institutional building are within 300 feet of the area being added to the permit. No dwellings or farm building are included in or within 500 feet of the area being added to the permit.
- f) Not within 100 feet of any cemetery.

**Finding No. 8. The area being added to the permit does not contain prime farmland and thus the operations will not affect compliance with NDAC 69-05.2-26 and NDCC 38-14.1.**

The area being added to the permit in Revision 1 does not contain any land identified as prime farmland. The Natural Resource Conservation Service was provided an opportunity to review the revision application and no comments were received.

**Finding No. 9. The operations will not affect the continued existence of threatened or endangered species or result in the destruction or adverse modification of their critical habitats [NDAC 69-05.2-10-03(6)(d)].**

Surface coal mining and reclamation activities will not adversely affect the continued existence of threatened or endangered species or result in the destruction or adverse modification of their critical habitats. No federal threatened or endangered species or designated critical habitats have been observed within or contiguous to the proposed permit revision area. The Revision 1 addition area contains 320.3 acres of native grassland, 21.9 acres of tame pastureland, 6.1 acres of woodland, 2.9 acres wetland/creek and 1.0 acre of roadway. The Revision addition and adjacent area was included in the baseline wildlife study area.

The permit and adjacent area does not contain habitat for the Black-footed ferret, Pallid Sturgeon, Interior Least Tern, Piping Plover, Western Prairie Fringed Orchid, Poweshiek Skipperling or Rufa Red Knot. The Gray Wolf could conceivably be an occasional migrant visitor to western North Dakota and the permit revision addition area.

The permit revision addition area is located in the whooping crane migration corridor but mining and reclamation activities are not likely to adversely affect this species. The likelihood of whooping cranes occurring in or adjacent the permit revision addition area is very low because desirable stop-over roosting habitat does not exist in the area. Whooping crane feeding sites are often found adjacent to roosting sites. Wetlands in and adjacent to the addition area are primarily associated with springs and seeps associated with linear drainages, the Knife River and Brush Creek. The Revision addition and adjacent area does not contain any large (>5 acres) seasonal or more permanent wetlands and the Knife River is a highly incised perennial stream. Thus, the

Commission finds that suitable whooping crane wetland stop-over habitat does not exist within or adjacent to the addition area. The U.S. Fish and Wildlife Service was consulted during the wildlife inventory process and concurred that there appeared to be limited suitable habitat for whooping cranes in the wildlife study area which included this Revision addition and adjacent area. (Refer to the comments in the U.S. Fish and Wildlife Service's July 16, 2012 letter regarding the applicant's pre-mine fish and wildlife inventory plan.)

The Dakota Skipper, a listed species, is not believed to exist in Mercer County ND, according to the USFWS species occurrence list (January 2015) and there is no proposed critical habitat for the Dakota Skipper in Mercer County. Prior to this species being officially listed (2014), it was thought that the permit and revision addition area may contain suitable habitat (Type B) and survey work was completed on some of these areas. No Dakota Skippers were found with these surveys. Therefore, the proposed mining related activity is not likely to adversely affect this species.

The Northern Long-Eared Bat was added as a Threatened species in April of 2015. Nearly all of North Dakota is listed in the western range for this species. According to the Federal Register listing, summer surveys in North Dakota documented the species in the Turtle Mountains, Missouri River Valley and the Badlands. No Northern Long-Eared Bat hibernacula are known within North Dakota. The revision addition area does not contain any abandoned underground mines. During the summer, Northern Long-Eared Bats roost singly or in colonies underneath bark or in cavities or crevices of both live and dead trees, and in man-made structures such as buildings and bridges. Suitable roost trees are defined as live, dead or dying trees with a diameter at breast height (DBH) of 3 inches or greater that have exfoliating bark, crevices, cavities or cracks. No other threat is as severe and immediate for the Northern Long-Eared Bat as the disease, white-nose syndrome (WNS). If this disease had not emerged, it is unlikely the Northern Long-Eared Bat would be considered a Threatened species. All of North Dakota is outside of the Northern Long-Eared Bat WNS buffer zone. The conservation measures for the Northern Long-Eared Bat include avoiding activities within 0.25 miles of known hibernacula and avoid cutting or destroying known occupied roost trees during the pup season (June 1- July 31). There are no known hibernacula or roost trees in or adjacent the Revision addition area. As previously mentioned, the Revision No. 1 addition area contains 6.1 acres of woodland of which only 1.09 acres consist of deciduous trees. The balance of the woodland habitat consists of low and tall shrubs species that normally would not be expected to be of sufficient size to be considered suitable habitat for the Northern Long-Eared Bat. The deciduous tree woodlands in the added area are present as isolated small patches of trees that are associated with drainages. Nearly all of the woodlands in the added area will be affected by construction of the haul road. The Reclamation Division finds that the proposed action will not likely adversely affect the Northern Long-Eared Bat provided that deciduous woodland communities are not affected during the maternity period which is June and July. A special condition is being attached to the approval of Revision No. 1 to NACC-1302 to provide protection to the Northern Long-Eared Bat. This condition prohibits disturbance to mixed deciduous woodlands in areas being added to the permit with Revision No. 1 before August 1, 2015 unless the U.S. Fish and Wildlife Service approves the planned disturbances or otherwise issues specific protection measures for the Northern Long-Eared Bats that indicate it would be acceptable to disturb these woodlands prior to that date.

The Sprague's Pipit and Greater Sage Grouse are Candidate species to the Endangered Species Act. The Permit and Revision Addition Area are outside of the range of the Greater Sage Grouse. Sprague's Pipit is present on the native grassland habitat that exists in the Revision addition area. Surveys have been conducted for this species and it was observed in 2012 but not in 2013. Surveys are scheduled to continue for this species according to the approved wildlife monitoring plan.

**Finding No. 10. The applicant will be required to pay all reclamation fees required by 30 CFR subchapter R [NDAC 69-05.2-10-03(6)(e)].**

Since no mining has occurred at the Coyote Creek Mine, the applicant has not yet been required to pay the reclamation fees required by 30 CFR subchapter R. However, a standard condition is attached to the permit that will require the payment of these fees when coal is mined. The Office of Surface Mining's Applicant Violator System office in Lexington, Kentucky, was queried to verify that all fees have been paid by mining companies affiliated with the applicant.

**Finding No. 11. The applicant has satisfied requirements for approving cropland as a post-mining land use [NDAC 69-05.2-10-03(6)(f)].**

There are no pre-mine cropland acres in the area being added to the permit and none are proposed as a post-mining land use.

**Finding No. 12. No existing structures will be used to support mining activities within the permit area and the requirements of NDAC 69-05.2-09-04 do not apply to the permit area [NDAC 69-05.2-10-04].**

No existing structures in the area being added will be used to support mining activities.

**Finding No. 13. No drill holes, boreholes or wells will be retained for other uses [NDAC 69-05.2-14-03].**

The applicant has not proposed to retain any drill hole, borehole, or well for other uses.

**Finding No. 14. No spoil in the permit area is known to cause toxic mine drainage [NDAC 69-05.2-16-11].**

The area being added will be used for support facilities and no mining activities are planned that would result in the exposure of materials that would be considered toxic.

**Finding No. 15. The applicant will not conduct mining activities within or near perennial and intermittent stream channels that violate applicable water quality standards or adversely affect the quantity and quality of the water and other environmental resources of the stream [NDAC 69-05.2-16-20].**

Mining activities are proposed within or near streams that have been identified as intermittent and perennial streams within the area being added. The proposed haul road

will cross Brush Creek, a perennial stream, in the SE¼ of Section 10, T143N, R88W, and an intermittent tributary located in the in the SW¼ of that section.

As required by subsection 1 of NDAC 69-05.2-16-20, the Commission sent a copy of the permit revision to the State Engineer and North Dakota Department of Health on April 1, 2015, requesting that they specifically review and comment on the applicant's plan to conduct mining activities within one hundred feet of perennial and intermittent streams. Operation plans in the permit specifically discuss the associated mining disturbances that will take place within one hundred feet of the perennial and intermittent streams. No concerns or objections to the proposed disturbances were received from the State Engineer or Department of Health. The buffer zones and areas where associated disturbance will occur within one hundred feet of the perennial stream are depicted on the pit layout and facilities map. The Commission finds that the proposed disturbances will not cause or contribute to the violation of applicable state and federal water quality standards and will not adversely affect the water quality of these intermittent and perennial streams. All runoff from disturbances planned within one hundred feet of the intermittent and perennial streams will be controlled through the use of water management structures and best management practices. The applicant has made a commitment to properly mark the designated stream buffer zones that will not be disturbed to exclude mining related disturbance as required by NDAC 69-05.2-16-20(2).

**Finding No. 16. The applicant does not propose to use any experimental practices in the federal coal tract area [NDAC 69-05.2-27-02].**

There are no plans included in the revision to use any experimental practices that may be allowed under NDAC 69-05.2-27-02.

**Finding No. 17. The applicant does not control and has not controlled surface coal mining and reclamation operations with a demonstrated pattern of willful violations [NDAC 69-05.2-10-03(4)].**

Commission records, and those in the Office of Surface Mining's Applicant Violator System, do not show that the applicant, nor any affiliated company, controls and has controlled surface coal mining and reclamation operations with a demonstrated pattern of willful violations of NDCC 38-14.1 or of other states' laws that are based on P.L. 95-87 (the Federal Surface Mining Control and Reclamation Act), of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of these laws.

**Finding No. 18. Neither the applicant, nor any affiliated companies, have unabated violations or unpaid civil penalties [NDAC 69-05.2-10-03(1)].**

Commission records, and those in the Office of Surface Mining's Applicant Violator System, do not indicate that the applicant, nor any affiliated companies, have any unpaid civil penalties or unabated violations of NDCC 38-14.1 or any other federal or state laws, rules, or regulations pertaining to air or water environmental protection. Staff at the North Dakota Department of Health also verified that the applicant has no unabated violations with regard to air and water environmental protection standards.

**Finding No. 19. A performance bond in the amount of \$7,371,459 is sufficient for the surface coal mining operations proposed in the incremental bond for this permit [NDAC 69-05.2-12-07].**

The Commission has determined that a performance bond in the amount of \$7,371,459 is sufficient at this time to cover the required reclamation, restoration, and abatement work for the mining disturbances proposed in revised Incremental Bond Area No. 1 for Permit NACC-1302 that includes the added area. The bond increment was amended to include the 352.1 acres being added to the permit area as well as some additional lands in the original permit. Bond Increment No. 1 now covers 2,828.6 acres and includes all disturbances that are expected to occur before January 1, 2016. A stipulation of surety bond increase was filed with the Commission to increase the bond amount to \$8,000,000 as well as increasing the size of the bond area.

**REVISION APPROVAL**

Subject to the right of any person with an interest that is or may be adversely affected to request a formal hearing under NDCC 38-14.1-30, **Revision No. 1 to Surface Coal Mining Permit Number NACC-1302** is hereby granted to **Coyote Creek Mining Company, L.L.C.** to engage in surface coal mining and reclamation operations, on the following described areas subject to the applicable requirements of the original permit and conditions, Chapter 38-14.1 of the North Dakota Century Code, and the rules promulgated there under. (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>SECTIONS</u>	<u>TOWNSHIP</u>	<u>RANGE</u>	<u>COUNTY</u>
Coyote Creek	Zap, ND	7, 8, 9, 10, and 18	143N	88W	Mercer

**Total Area Added – 352.105 Acres**

**PUBLIC SERVICE COMMISSION**

  
**Randy Christmann**  
 Commissioner

  
**Julie Fedorchak**  
 Chairman

  
**Brian P. Kalk**  
 Commissioner

Section 1.2.2 – Metes and Bounds Description

DESCRIPTION – Revision 1 Addition

A tract of land for a mining permit in T143N, 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 83.

All bound calls supersede any metes within this description.

Described as follows:

Beginning at the south 1/4 corner of Section 18, T143N R88W;  
thence N 01°18'29" E a distance of 2633.78' to the center 1/4 corner of said Section;  
thence N 45°57'37" E a distance of 3309.84';  
thence S 89°22'09" E a distance of 302.33' parallel with the north line of the northeast 1/4 to the east  
line of the northeast 1/4 of said Section;  
thence N 00°50'53" E a distance of 300.00' on the east line of the northeast 1/4 to the northeast corner  
of said Section;  
thence S 88°51'49" E a distance of 2622.58' on the south line of the southwest 1/4 to the south 1/4  
corner of Section 8, T143N R88W;  
thence S 88°52'20" E a distance of 2622.42' on the south line of the southeast 1/4 to the southeast  
corner of said Section;  
thence S 89°23'38" E a distance of 2632.99' on the south line of the southwest 1/4 to the south 1/4  
corner of Section 9, T143N R88W;  
thence S 89°27'29" E a distance of 2634.10' on the south line of the southeast 1/4 to the southeast  
corner of said Section;  
thence S 88°14'15" E a distance of 2553.55' on the south line of the southwest 1/4 to the south 1/4  
corner of Section 10, T143N R88W;  
thence S 88°52'57" E a distance of 1817.26' on the south line of the southeast 1/4 of said Section;  
thence N 00°51'10" E a distance of 735.23' parallel with the east line of the southeast 1/4 of said  
Section;  
thence N 40°02'31" W a distance of 861.94';  
thence N 57°12'18" W a distance of 727.19';  
thence S 50°03'18" W a distance of 284.89';  
thence N 78°20'02" W a distance of 407.49' to the north-south 1/4 line of said Section;  
thence S 01°32'39" W a distance of 340.64' on the north-south 1/4 line to the center-south 1/16  
corner of said Section;  
thence N 88°35'02" W a distance of 1284.06' to the southwest 1/16 corner of said Section;  
thence S 01°13'26" W a distance of 825.21' on the 1/16 line of said Section;  
thence N 88°14'15" W a distance of 639.74' parallel with the south line of the southwest 1/4 to the  
1/64 line of said Section;  
thence N 59°04'44" W a distance of 738.79' to the west line of the southwest 1/4 of said Section;  
thence N 89°27'30" W a distance of 2632.67', 840' north and parallel with the south line of the  
southeast 1/4 to the north-south 1/4 line of Section 9, T143N R88W;  
thence N 89°23'38" W a distance of 2633.43', 840' north and parallel with the south line and to the  
west line of the southwest 1/4 of said Section;

thence S 00°58'02" W a distance of 360.00' on the west line to a point 480' north of the southwest corner of the southwest 1/4 of said Section;  
thence N 88°52'20" W a distance of 2621.89', 480' north and parallel with the south line of the southeast 1/4 to the north-south 1/4 line of Section 8, T143N R88W;  
thence N 88°51'50" W a distance of 2624.04', 480' north and parallel with the south line to the west line of the southwest 1/4 of said Section;  
thence N 89°22'10" W a distance of 400.00' parallel with the south line of the southeast 1/4 of Section 7, T143N R88W;  
thence S 00°51'22" W a distance of 255.85' parallel with the east line of the southeast 1/4 of said Section;  
thence S 45°57'37" W a distance of 318.84' to the south line of the southeast 1/4 of said Section;  
thence S 45°57'37" W a distance of 2846.09' to the north-south 1/4 line of Section 18, T143N R88W;  
thence S 45°57'37" W a distance of 806.77';  
thence S 01°18'29" W a distance of 54.61' parallel with the north-south 1/4 line to the east-west 1/4 line of said Section;  
thence S 01°18'29" W a distance of 2634.42', 567.01' west and parallel with the north-south 1/4 line of said Section to the south line of the southwest 1/4 of said Section;  
thence S 89°00'24" E a distance of 567.01' on the south line of the southwest 1/4 to south 1/4 corner of said Section, being the point of beginning.

Said tract of land contains 352.105 acres of land.