

THE COTEAU
PROPERTIES COMPANY
A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

RECEIVED
FREEDOM MINE
204 County Road 15 MAY 28 2015
Beulah, North Dakota 58523-9475 34883
(701) 873-2281 • Fax (701) 873-7226 AKOTA
PUBLIC SERVICE COMMISSION

May 27, 2015

Mr. James R. Deutsch
Director Reclamation Division
Public Service Commission
600 East Boulevard Avenue
Department 408
Bismarck, ND 58505-0480

Dear Mr. Deutsch:

Enclosed are three DVD's containing Revision 29 to Permit NACT-0401, the original application form, and the original renewal application form. This revision updates the permit for renewal #2. A proposed newspaper publication and map are provided in Sections 1.2.5.6 and 1.2.5.7.

Responses below refer to deficiencies in your March 31, 2015 letter:

1. See new Sections 1.2.5.2 through 1.2.5.7.
2. The updated Consolidated Legal Information Report dated May 13, 2015 was sent to you from our Dallas office.
3. See revised pages 1-4 of Section 1.3.5.
4. See revised Sections 1.5.1, 1.5.2, and 1.5.3.
5. See revised Sections 1.5.1, 1.5.2, and 1.5.3.
6. See revised Sections 1.5.1, 1.5.2, and 1.5.3.
7. See the revised Overburden Isopach Map of Section 2.1.10, and the revised Structural Contour Map of Section 2.1.11.
8. See revised page 11 of Section 2.2.4.
9. See revised page 1 of Section 2.5.6.
10. There are no changes to the reclamation variances in Section 3.1.1.3.
11. See revised page 1 of Section 3.1.1.4.
12. See revised page 1 of Section 3.1.1.5.
13. See the revised Pit Layout and Facilities Map of Section 3.1.3.
14. See the revised Pit Layout and Facilities Map of Section 3.1.3 and the revised Surface Water Management Plan Map of Section 3.3.2.
15. See the revised Extended Mining Plan Map of Section 3.1.4.
16. See revised page 7 of Section 3.3.1.
17. See the revised Surface Water Management Plan Map of Section 3.3.2.

18. See revised page 1 of Section 3.3.4.
19. Section 4.1.1 states that drainageway wetlands will be reclaimed to approximately the same size and location, but it does not state that the characteristics of the wetland will be the same as pre-mining. Coteau does not feel that this statement conflicts with the statement in Section 4.4.1, rather Section 4.4.1 further describes what the reclaimed wetlands will be like post-mining. No changes are necessary.
20. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. The grassed waterway portion of the cropland in the E $\frac{1}{2}$ E $\frac{1}{2}$ W $\frac{1}{2}$ Section 26 has been extended to create a larger buffer around the designed wetland and drainageway, and may be adjusted as necessary in the field during implementation, as is standard practice with all grassed waterways. It is Coteau's priority to install grassed waterways to function as intended, and in conjunction, allow producers to utilize the cropland areas as best they can.
21. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. Design plans for this wetland have been added in Details of CW-N35-01 of new Section 4.4.10. Please note that by moving this wetland to the north out of the section line right-of-way, the slopes surrounding the wetland increased.
22. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2. Because of the topography changes in Section 28, the grassed waterway was expanded in the cropland area.
23. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
24. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2 and revised page 1 of Section 4.1.3.
25. We believe you are referring to wetland CW-N34-01, which required relocation. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised page 1 of Section 4.4.2.1. Design plans for this wetland have been added in Details of CW-N34-01 of new Section 4.4.7.
26. A 2.8 acre portion of wetland CW-N33-01 was moved into Section 34 into a tract of native grassland, creating wetland CW-N34-03. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised page 1 of Sections 4.4.2.1 and 4.4.2.2. Design plans for this wetland have been added in Details of CW-N34-03 of new Section 4.4.9.
27. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2.
28. See revised page 1 of Section 4.1.3.
29. As noted in Section 4.2.2, Seed Mixes, 4 lbs. PLS/acre big bluestem is added into the seed mix in low, wet areas and drainageways. NDSU Extension Service publication R1728 does not recommend adding big bluestem into all seed mixes for areas designated "west", which is where Coteau is located. Coteau will continue to use big bluestem in low, wet areas and drainageways, but does not feel it is appropriate, nor recommended, to use it in all reclaimed, native grassland areas. Coteau has achieved success in re-establishing forbs on our reclaimed native grassland plantings through direct respread methods and natural introduction in an amount already exceeding the allowed standard. Given our proven success, we will not be including forbs in our seed mix at this time.

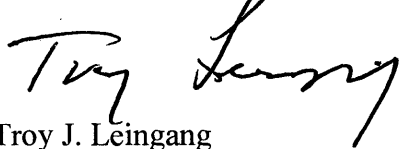
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30. See the revised Post-Mining Topography and Land Use Map of Section 4.1.2, and revised page 1 of Section 4.2.3.
31. See revised page 1 of Section 4.4.2. Design plans in new Sections 4.4.3 through 4.4.11 have been added to the permit for wetlands that will be reclaimed within this permit term. Wetlands will be designed prior to reclamation, but may not be constructed until after the contributing watershed has been reclaimed. The wetlands are located in the drainageways, which are not normally respread until the upper reaches of the watershed have been reclaimed. This allows sediment laden water to flow to the holding ponds, and not over topsoil.
32. See revised page 1 of Section 4.5.2.1.
33. The Consolidated Vegetation Success Standards document is in the process of being updated with Revision 13 to Permit NACT-0401.
34. Section B-2 of the Consolidated Wildlife and Habitat Monitoring Plan will be updated within the next couple weeks, and will be submitted as part of this revision.
35. Section B-3 of the Consolidated Wildlife and Habitat Monitoring Plan will be updated within the next couple weeks, and will be submitted as part of this revision

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY



Troy J. Leingang
Environmental Manager

LDR

Enc.

cc: Shana Brost, Mercer County Auditor (w/enc.)