

**Public Service Commission
Reclamation Division**

Memorandum

To: Commissioners Fedorchak, Christmann and Kalk
Darrell Nitschke, Executive Secretary

From: *JD* Jim Deutsch, *DKM* Dean Moos and *FE* Francisco Echeverria

Date: September 10, 2015

Subject: Application for Renewal No. 2 to Permit No. NACT-0401 held by The Coteau Properties Company, Case No. RC-15-231

On May 28, 2015, The Coteau Properties Company filed the application for Renewal No. 2 to Permit No. NACT-0401 to continue mining operations within the existing permit area until September 26, 2020. Permit No. NACT-0401 covers all or portions of Sections 4 and 9, T145N, R87W, and Sections 21, 22, 23, 25, 26, 27, 28, 33, 34, 35, and 36, T146N, R87W, Mercer County, totaling 6,070.27 acres. The Reclamation Division has completed its review of this five-year permit renewal and respectfully recommends that it be approved.

Coteau has applied for this five-year renewal because coal removal operations will continue in this permit area for many years. Coal removal began in 2006 and is planned to continue through 2030 within the current permitted area. Mining and reclamation plans and other information were updated for the next permit term as part of Revision No. 29.

Coteau has submitted the affidavits of publication for the newspaper notice. We notified the appropriate agencies, affected landowners and the advisory committee members of this application. No objections to this renewal application were received. Evidence of adequate performance bond and liability insurance are currently on file. The amount of bond that currently cover this and other permits at the Freedom Mine was determined to be adequate.

Also attached for your consideration are the proposed motion and renewal approval form.

Minedata/Freedom/Permits/NACT-0401/Renewals/No.2/Ren2_memo_9-10-15.docx

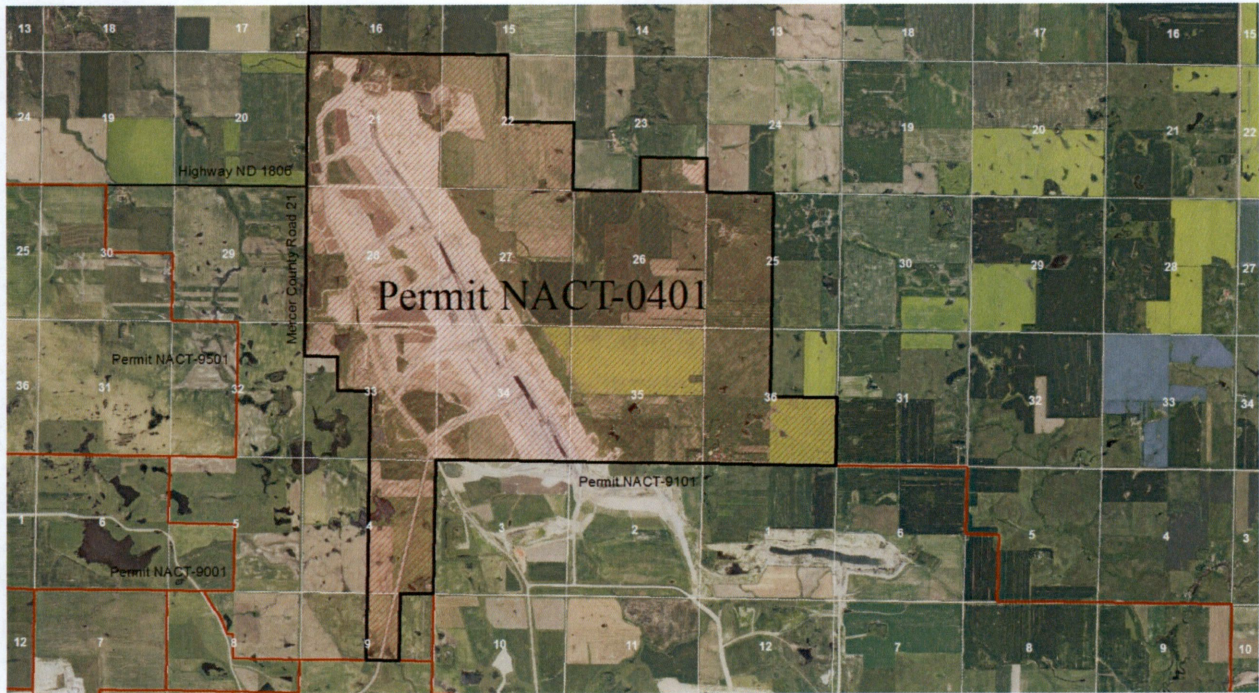


Figure 1: Permit NACT-0401, Sections 4 and 9, T145N, R87W, and Sections 21, 22, 23, 25, 26, 27, 28, 33, 34, 35, and 36, T146N, R87W.