

**PUBLIC SERVICE COMMISSION**  
**Reclamation Division**

**Memorandum**

To: Commissioners Fedorchak, Christmann, and Kalk  
Darrell Nitschke, Executive Secretary  
Illona Jeffcoat-Sacco and John Schuh

From: Jim *JDE* Deutsch, Dean *DKM* Moos, and Bill *BG* Gunnerson

Date: October 8, 2015

Subject: Application for Renewal No. 2 to Permit No. GRGR-0501 held by Leonardite Products, LLC for the Stony Creek Mine, Case No. RC-15-516

---

On July 8, 2015, Leonardite Products, LLC filed the application for Renewal No. 2 to Surface Coal Mining Permit No. GRGR-0501 to continue mining operations within the existing permit area through November 2, 2020. Permit No. GRGR-0501 covers portions of the S $\frac{1}{2}$ NW $\frac{1}{4}$  and the N $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 8, T154N, R100W, Williams County, North Dakota, containing 111.15 acres. The Reclamation Division has completed its review of this five-year permit renewal application and respectfully recommends its approval.

Leonardite Products, LLC applied for this permit renewal to continue mining and reclamation operations. Leonardite (oxidized lignite) mining operations are expected to continue within the permit area through 2021. At the time Leonardite Products, LLC filed this permit renewal application it also filed the application for Revision No. 7 to identify the next five-year leonardite removal subarea and to update the legal, environmental resources, operation, and reclamation permit sections for the next five-year permit term. This significant revision application will be approved just prior to Commission action on the renewal application.

Leonardite Products, LLC submitted the affidavit of publication for the newspaper notice. We notified the appropriate agencies, affected landowners, and the advisory committee members. We received no objections to this renewal application. Evidence of adequate performance bond and liability insurance are on file. The updated worst-case reclamation cost estimate in Permit No. GRGR-0501 at the Stony Creek Mine is now covered by Collateral Bond No. LC-GRGR-0501-03 in the amount of \$281,359 that is supported by a letter of credit issued by The First National Bank and Trust of Williston.

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

Attachments

Minedata/Leonardite/Permits/GRGR-0501/Revisions/No.2/Ren2\_apprv1\_memo\_10-8-15

8      **RC-15-516**      Filed: 10/8/2015      Pages: 1  
**Memorandum**

Public Service Commission Staff  
Jim Deutsch, Dean Moos, Bill Gunnerson