



Public Service Commission

State of North Dakota

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December 29, 2015

Mr. Troy Leingang
Environmental Manager
Coteau Properties Company
204 County Rd. 15
Beulah, ND 58523

Dear Mr. Leingang:

The Reclamation Division has completed a technical review of the application for Bond Release No. 4 to Permit NACT-8503. The following items must be addressed before the Reclamation Division will recommend Commission action on this request for final release on 27.537 acres of industrial land.

Attachment VII – General Information

1. Pond P-J30-01 is mentioned several times in Attachment VII, General Information, but the bond release area was affected by sediment pond P-J30-02R rather than P-J30-01. Please review and revise as necessary. (GAW/WTG)
2. Please revise the last sentence of the first paragraph of Attachment VII as necessary to include a reference to prime farmland soil map units 8 and 8B (Grail silty clay loam) that were disturbed during construction of sedimentation pond P-J30-02 and subsequently reclaimed. In addition, please state where this acreage of prime farmland will be replaced. (WTG)
3. The fourth paragraph on page 1 of Attachment VII, General Information, states that 24 inches of topsoil was respread on the area, presumably the area affected by mining activities. As required by NDAC 69-05.2-12-12(6), please revise to clarify if any subsoil was respread and depict the respread depths on a map if the respread depths were not uniform throughout. Please also provide the dates that respreading operations occurred. Considering that the pond's original embankment and a portion of the impoundment area was reclaimed, it would be reasonable to expect that subsoil would also have been respread through at least a portion of the reclaimed pond area. (GAW/BEB/WTG)
4. The fourth paragraph on page 1 of Attachment VII, General Information, states that the disturbed area was reclaimed to cropland but the approved postmining land use for the N1/2NW1/4 of Section 30 was native grassland prior to a post mine land use change to industrial in 2015. Coteau's annual map shows that a portion of the N1/2NW1/4 was reclaimed in 2005. Please review and revise to clarify this issue. (GAW)

5. The last sentence of the fifth paragraph on page 1 states that “No developed or other groundwater resources were present on this tract prior to mining”. Please revise this statement by clarifying that “No developed water resources were present on this tract prior to mining” since ground water resources are present. (BEB)
6. Please revise Attachment VII, General Information, to include the dates of initial seedings, species and seeded rates, history of all management of the reclaimed lands and clarify if all of the reclaimed land has been or will be re-affected by DGC construction activities associated with the Urea expansion project. Ground cover standards must be met on those portions of reclaimed industrial lands that were seeded to permanent vegetative cover and not re-disturbed. (GAW)
7. Please include a drawing and explanation for DGC’s urea expansion and railroad construction design plans for the area included in this bond release application to provide documentation and evidence of the planned industrial uses for this tract. (GAW)
8. The last paragraph of Attachment VII, General Information, states that the bond amount for the Freedom Mine totals \$119 million but this amount was recently increased. Please revise to reflect the current bond amount of the Freedom Mine’s Consolidated Bond. (GAW/BEB)

During the November 17, 2015 bond release inspection it was observed that the culvert located on the north side of the ditch block and adjacent to the east side of the bond release tract was plugged. As a result of reclamation of P-J30-02, this culvert was installed to transmit water from the west haulroad ditch to the east haulroad ditch and ultimately to sediment pond P-J30-02R. Coteau personnel indicated during the inspection the plugged culvert would be repaired or replaced. Please let us know if this repair work has been completed and if the culvert is now functioning as intended.

If you have any questions, please contact this office.

Sincerely,



James R. Deutsch
Director
Reclamation Division