

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

**Coteau Properties Company**  
**Bond Release No. 4, Permit NACT-8503**  
**Approval**

**Case No. RC-15-671**

**RELEASE OF BOND**  
**FOR SURFACE COAL MINING AND RECLAMATION OPERATIONS**

**March 23, 2016**

Based on the application for **Bond Release Number 4 for Surface Coal Mining Permit NACT-8503**, received on September 16, 2015 and all information and documentation contained therein, the North Dakota Public Service Commission finds that:

1. Attached to the Application for Release of Bond were copies of all letters sent by the Permittee as required by NDCC §38.14.1-17(1)(b). Affidavits of publication for the advertisement required by NDCC §38.14.1-17(1)(a) have been filed and have been made part of the Application for Release of Bond. The last date of publication was December 3, 2015.
2. On November 17, 2015, the Commission conducted an inspection and evaluation of the reclamation work involved in this bond release as required by NDCC §38.14.1-17(3). The surface owners, agents, or lessees were given notice of the bond release inspection and had the opportunity to participate with the Commission in conducting the inspection of the bond release areas at the Freedom Mine.

In accordance with NDCC §38.14.1-17, Bond Release No. 4 for Surface Coal Mining Permit NACT-8503 is hereby granted to The Coteau Properties Company effective April 25, 2014, unless a formal hearing is requested. No monetary release is being requested since the current bond amount is based on the worst-case reclamation condition in a consolidated bond area that includes this permit and others at the Freedom Mine. The area is described by metes and bounds descriptions and is generally as follows:

**A portion of the NW1/4 of Section 30, T145N, R87W, Mercer County, releasing all reclamation liabilities on 27.537 acres.**

The decision to release all remaining bond on this acreage is made for the following reason:

This tract of industrial land owned by the Coteau Properties Company is being affected by Dakota Gasification Company for the construction of a new urea plant and portions of this tract will support a rail system associated with the urea plant. A portion of this tract was affected by surface coal mining activities

and was reclaimed to cropland and native grassland land uses in 2005, in accordance with the approved reclamation plan. Mercer County rezoned this tract as Industrial in 2014 and the Commission subsequently approved a permit revision to change the postmining land use of this tract to industrial. All applicable reclamation requirements for an industrial use have been satisfied.

**IMPORTANT – PLEASE READ**

1. If bond release has been approved, actual release of bond shall not occur until the effective date of this decision. If a formal hearing is requested on this bond release decision by a person with a valid legal interest or by the head of any state or local government agency with appropriate jurisdiction, the actual release of bond may not occur until after a final decision is issued following the formal hearing. A request for formal hearing by any such person must be filed with the Public Service Commission within 30 days of this bond release decision.
2. If bond release has been disapproved or if you are unsatisfied with the amount of bond approved for release, you have the right to request a formal hearing regarding this decision by filing an application for a hearing with the Public Service Commission within 30 days of the date of this decision.

**PUBLIC SERVICE COMMISSION**

  
\_\_\_\_\_  
**Randy Christmann**  
Commissioner

  
\_\_\_\_\_  
**Julie Fedorchak**  
Chairman

  
\_\_\_\_\_  
**Brian P. Kalk**  
Commissioner