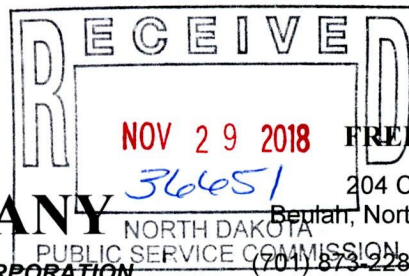


THE COTEAU PROPERTIES COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION



FREEDOM MINE

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November 28, 2018

Mr. Dean K. Moos
Director Reclamation Division
Public Service Commission
600 East Boulevard Avenue
Department 408
Bismarck, ND 58505-0480

Dear Mr. Moos:

Enclosed are two discs containing marked-up versions of Final Bond Release #7 to Permit NACT-9101; changes were highlighted with a navy blue. In addition, two disks containing draft, final clean copies of the bond release application without highlighting, strike-through, or underlined language are included to expedite final review of the application. Responses below refer to technical deficiencies in your November 21, 2018, letter:

Attachment VIIIc – Yield Calculations and Test Weight Comparison

1. *Follow-up to Item No. 3: We appreciate the effort to obtain an additional year of crop production information to resolve concerns with the supporting information for one of the demonstration years provided with the initial application; however, there are a few inconsistencies in the 2018 crop yield information. Please review the following and revise as necessary for consistency: (RLK)*
 - a. *The line added to the management table on page 1 of Attachment VIIIa for 2018 indicates the reclaimed crop field was planted to winter wheat but the Reclaimed Cropland Survey form provided in Attachment VIIIc and field observations made during 2018 indicate the field was planted to spring wheat.*

Attachment VIIIa was changed to correctly state spring wheat was grown in 2018.

- b. *The Control Area Expected Yield (31.9 bu/ac) provided for the 2018 vegetative productivity standards demonstration on page 1 of Attachment VIIIb is inconsistent with the information provided for the control area on page 7 of Attachment VIIIb that indicates the unadjusted weighted yield for the entire control area is 30.8 bu/ac.*

The Control Area Expected Yield for the 2018 standards shown in Attachment VIIIb has been adjusted to 30.8 bu/ac. Additional adjustments were made in the standard calculation for 2018 due to this adjustment and are also shown in Attachment VIIIb.

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Coteau Properties Company
Kayla Torgerson



- c. *The reclaimed field acres shown in the yield calculations for 2018 provided on page 1 of Attachment VIIIc (29.7 acres) is greater than the number of acres of cropland indicated on page 1 of Attachment VIIIa (29.179 acres) and on the reclaimed cropland survey provided on page 1 of Attachment VIIIId (29 acres).*

The acres cropped for 2018 has been adjusted to 29 acres, as reported by the producer. Variations in the acres cropped per field per year happen based on a variety of factors, including field conditions and human decisions; Coteau chooses to use the acres cropped as reported by the producer for standard calculations. This change was made in Attachments VIIIa, VIIIb, and VIIIc. Standard calculations were adjusted as a result of the change.

- d. *The control area acres used in the yield calculation for 2018 provided on page 1 of Attachment VIIIc (36 acres) is greater than the total acres shown for the control area on page 7 of Attachment VIIIb (34.6 acres).*

As previously stated, a variety of factors lead to minor adjustments in a cropped field's size per year. Calculations shown on page 7 of Attachment VIIIb are based on digital calculations shown in Coteau's Consolidated Vegetative Success Standards (CVSS) document, while the acres shown in Attachment VIIIc are based on the actual cropped acres as reported by the producer from the GPS readout in their combine. In order to calculate the most accurate yield, Coteau has chosen to use the acres provided by the producer for the yearly yield calculations.

2. *Follow-up to Item No. 3: Please provide a copy of the elevator slips for the test weight and dockage sample results provided for 2018 in Attachment VIIIId. If the elevator slips are not available, indicate where the samples were tested, the test dates and information about the sample source and sample method (such as combine samples collected during harvest, a sample from a truckload delivered to an elevator or sample collected from a bin after harvest). (RLK)*

This information has been added to pages 2 and 4 of Attachment VIIIId.

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY



Kayla Torgerson
Environmental Specialist

KBT
Enc.