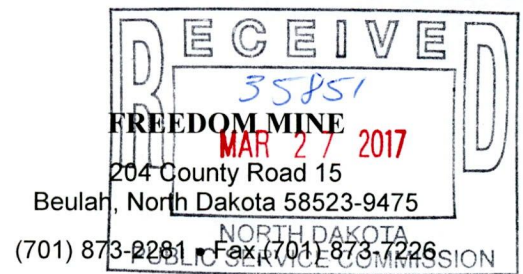


# THE COTEAU PROPERTIES COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION



March 23, 2017

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 three discs containing Revision 31 to Permit NACT-8601. This revision updates introductory information, identification of interests and rights of entry, business entity/compliance information, relation to mining-prohibited areas, extended mine plan, operations plan – general, post-mining land use, and vegetation for Renewal 6 of this permit. Since this permit is being submitted in an electronic format with this revision, Revision 31 supersedes and replaces all previous paper copies of Permit NACT-8601. Also enclosed is the original renewal application form and the original revision application form.

The following changes have been made in response to your January 20, 2017 letter:

**Section 1.2 - Identification of Interests and Rights of Entry**

- Please update the permit area surface interests in Section 1.2.1 (Permit Area Surface and Coal Interests) as required by NDCC 38-14.1-14(1)(c)(2) and make the corresponding updates to the Surface and Coal Ownership Map of Section 1.2.3 if any changes have occurred since the most recent updates with Revision No. 30. (WTG/BEB)*

**SECTION 1.2** IDENTIFICATION OF INTERESTS AND RIGHTS OF ENTRY

The introductory has been updated to reflect the current revision number and date.

**SECTION 1.2.1** PERMIT AREA SURFACE AND COAL INTERESTS

The tract summary was updated and following is a table identifying updates to individual Tracts.

Tract No.	Address change to surface and/or coal ownership	Corporate officers and/or registered agents change	Documentation added Leases, WD, AOE	Easement information updated	Leasehold status change	Note added or removed	Ownership change to surface and/or coal	Tract added or tract description changed
1						X		
2						X		
3	X	X					X	
4	X	X				X	X	X
5						X		X
5A	X	X					X	
10						X	X	X
11						X		X
12						X	X	

2. Please update the adjacent surface interests in Section 1.2.2 (Adjacent Surface and Coal Interests) as required by NDAC 69-05.2-06-01(1)(a) and make the corresponding updates to the Surface and Coal Ownership Map of Section 1.2.3 if any changes have occurred since the most recent updates with Revision No. 30. (WTG/BEB)

**SECTION 1.2.2** ADJACENT SURFACE AND COAL INTERESTS

The surface and coal ownerships were updated to reflect current ownership and leasehold information.

**SECTION 1.2.3** SURFACE AND COAL OWNERSHIP MAP

The surface and coal ownership map was updated to reflect the changes noted in the sections above.

3. Please update the listing of easements and leasehold interests, other than coal, of record in Section 1.2.4 if any changes have occurred since the most recent updates with Revision No. 30. (BEB/WTG)

**SECTION 1.2.4** EASEMENTS AND LEASEHOLD INTERESTS, OTHER THAN COAL, OF RECORD

Following is a table identifying updates to individual Tracts.

Tract No.	Easement information updated	Note added	Tract added or tract description changed
1	X		
3	X		
4	X	X	X
5		X	
5A	X		
6		X	
7		X	
8		X	
9		X	
10			X
11			X
12	X		

**Section 1.3 - Business Entity/Compliance Information**

4. *Please provide an updated Consolidated Legal Information Report covering Sections 1.3.1 (Ownership and Control Information), 1.3.3 (Current Permits and Permit Applications), and 1.3.4 (Schedule of Violations) referenced in the NACT-8601 permit if there are any changes to ownership and control information, the list of current or previous coal mining permits held during the past five years, or the schedule of violation notices in the past three years since the most recent consolidated report dated January 9, 2017. (WTG)*

The Consolidated Legal Information Report will be provided to your office on or around March 27, 2017 via FedEx from Belinda Coleman.

5. *Please update Section 1.3.6 (Other Licenses and Permits) as required by NDAC 69-05.2-06-04 if necessary to reflect updates to any licenses or permits since the most recent updates with Revision No. 30. (BEB/WTG)*

Section 1.3.6, Other Licenses and Permits, has been revised as requested.

**Section 1.4 - Relation to Mining-Prohibited Areas**

6. *Please update Section 1.4 with a narrative to discuss what has transpired regarding public access to the county roads and section line rights-of-way located within this permit. Mercer County resolutions in Section 1.4 of the permit indicate that section line rights-of-way and county roads have been closed to the public but some of these roads and rights-of-way have been reopened since mining began in MA3 of Permit NACT-0201. This issue should be thoroughly discussed in the permit and include road relocation approval documentation as required by NDAC 69-05.2-04-01.3(2). Page 3B of Section 4.1.1 provides limited information about reconstructing County Road 15 in 2015. (GAW)*

Section 1.4, Relation to Mining Prohibited Areas, has been updated to discuss the latest road openings and closures, as well as include applicable documentation. In addition, Section 4.1.1 was revised.

**Section 2.1 - Extended Mine Plan**

7. *Please update Section 2.1.1 (Extended Mining Plan Map) commensurate with the most recent mining plans at Coteau and depict mining advancement through 2016, per NDAC 69-05.2-07-01. (BEB)*

The Extended Mining Plan Map of Section 2.1.1 has been updated with the most recent mining plans at Coteau and depicts mining through 2016.

**Section 3.1 - Operation Plan - General**

8. *If necessary, please update the list of equipment provided in Section 3.1.4. (BEB)*

Section 3.1.4, List of Equipment, has been revised as requested.

9. *Please update Section 3.1.5 (Pit Layout and Facilities Map) as required in part by NDAC 69-05.2-09-02 as follows: (WTG/BEB/GAW)*

- a. *Label the numbers for the subsoil stockpile and topsoil stockpile berm in the N½SW¼ of Section 12 that were recently constructed during the initial development of Mine Area 3.*
- b. *Identify and label the portion of subsoil stockpile SS-56 that extends northward from Permit NACT-8102 along the west side of pond P-G12-01.*
- c. *It appears that the boundary and label of former topsoil stockpile TS-269 should be removed from the map.*
- d. *Revise the adjacent NACT-0201 permit boundary to reflect the acreage deleted from Permit NACT-9001 with Revision No. 28 following the acreage addition to Permit NACT-0201 with Revision No. 18.*
- e. *Revise the map to reflect any other changes with facilities that may have occurred since the map was last updated with Revision No. 30.*

Section 3.1.5, Pit Layout and Facilities Map, has been revised to include numbers for stockpiles in Section 12, identified the stockpile along the west side of P-G12-01, removed stockpile TS-269, and revised the permit boundary to reflect changes in previous revisions. In addition, the color pallet for roads and bond release areas has been revised.

#### **Section 4.1 - Post-Mining Land Use**

10. *Please update Section 4.1.1 (Post-Mining Land Use Narrative) to ensure the information is accurate and complete. The fourth sentence on page 3 of Section 4.1.1 incorrectly states that two field windbreaks located in the N½SW¼ of Section 12 will not be directly or indirectly affected by mining activities. (GAW)*

The Post-Mining Land Use Narrative, Section 4.1.1, has been updated to accurately reflect the status of the field windbreaks.

11. *The Post-Mining Land Use Map (Section 4.1.2) and the land use table in Section 4.1.3 indicate that a 1.2-acre wetland was constructed in Section 12 but it appears that no information regarding this wetland is included in the permit. Section 4.1.1 (Post-Mining Land Use Narrative) states that all of the disturbed pre-mining wetlands in this permit were ephemeral or temporary features. Please revise Section 4.1.1 to mention this wetland, discuss its classification and clarify which pre-mining wetland acreage it is replacing. Please also include design information for this basin if it is seasonal or more permanent, or reference where this information is located in the permit. (GAW)*

Page 3 of Section 4.5.1, Wetland Narrative, includes discussion regarding wetland CW-G12-01. Design information is located in Section 4.5, Wetlands, Stockponds, and Waterways.

12. *Please include an actual as-planted design information for the replacement tree planting located in the S½ of Section 12. This should include species planted in each row and in-row and between-row tree spacing, row length and total planted acreage. The fourth paragraph on page 4.1.1 states that one additional woodland planting enhances the S½ of Section 12 but the Post-Mining Land Use Map indicates this is a replacement planting. Please revise the narrative to clarify whether this shelterbelt is a replacement or conservation planting. (GAW)*

Additional as-built information has been added regarding the replacement tree planting in Section 12. Also, it was clarified which planting is a replacement planting and which is a conservation planting.

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13. Please revise Section 4.1.1 (Post-Mining Land Use Narrative) to clarify where actual as-planted design information is located in the permit for all tree plantings and consider consolidating this information into one location in the permit. Please also revise the shelterbelt narratives to mention if any re-planting occurred after the initial planting date and describe management during the revegetation responsibility period. The tree planting design plan in Section 4.1.8 indicates that weed barrier fabric was installed in some plantings and the Reclamation Division understands that some of this material was subsequently removed to allow shrub species to tiller. Planting design and management activities should be documented in the permit as required by NDAC 69-05.2-09-11(6). (GAW)

Discussion regarding replanting and maintenance of the woodlands was added to Section 4.1.1, Post-Mining Land Use Narrative.

**Section 4.4 - Vegetation**

14. The last sentence of the fifth paragraph on page 7 of Section 4.4.1 states "Updated management plans will be incorporated into Coteau's Consolidated Vegetation Success Standards (CVSS) document as required." The CVSS does not contain any information about how specific reclaimed tracts are actually being managed. Please provide an explanation of this sentence and clarify where management information is provided for those tracts that are not currently being managed with grazing, as required by NDAC 69-05.2-09-11(6)(f). The Reclamation Division is concerned with the prevalence of non-native species on the reclaimed native grassland located in Section 8 of this permit, particularly the area located north of reclaimed wetland CW-08-01 that was reseeded in 2013, and it is not clear how Coteau is planning to manage this tract to meet revegetation performance standards. (GAW)

The sentence regarding management information to be added to the CVSS was removed. Tract management information has been added to Section 4.4.1, Revegetation Procedures and Establishment.

Additionally, Sections 2.2.1, 2.6.1, 3.6.10 and 3.6.11 were revised due to the conversion. Sections 1.1.1, 1.1.5b, and 1.1.5c were also revised or added.

If you have any questions, please contact this office.

Sincerely,

THE COTEAU PROPERTIES COMPANY



Sarah J. Flath  
Environmental Manager

AJH  
Enc.

cc: Shana Brost, Mercer County Auditor (w/ encl.)