

December 20, 2017

Mr. Dean Moos  
Director - Reclamation Division  
North Dakota Public Service Commission  
600 E. Boulevard Ave.  
Bismarck, ND 58505

**AMERICAN COLLOID COMPANY**

PERMITTING & RECLAMATION DEPARTMENT  
P.O. Box 2010 • Belle Fourche, South Dakota 57717  
PH. (605) 892-6950 • FAX (605) 892-6979

**RE: Permit ACPG-9701 Revision 10 (Renewal) - Response to Comments dated 10/12/2017.**

Dear Mr. Moos:

Please find enclosed two CDs providing an electronic file of American Colloid Company's (ACC's) Permit ACPG-9701 *Revision 10 – Permit Renewal* in response to comments from the PSC dated October 12, 2017. Per those comments, this document must be filed on or before December 21, 2017 and will be considered a significant revision subject to public notice requirements.

**Section 1.0 – Introductory, Legal, Financial, Compliance and Related Information**

1. Please update the Newspaper Notice information in Section 1.2.4(e)(2) to change the spelling of the Dickenson Press to the Dickinson Press. (BEB)

*The TOC for Section 1.2.4 was updated to reflect the proper spelling of Dickinson.*

2. Please update the Certificate of Liability Insurance in Section 1.2.5 as this form indicates the policy expired on June 30, 2017. (BEB)

*Section 1.2.5 has been updated to reflect the current Certificate of Liability Insurance that expires 6/30/2018; Section 1.2.5(a) Cancellation Endorsement has also been updated to reflect the current Certificate of Liability.*

3. Please update Section 1.2.7, Filing With County Auditor, to also state that all significant revision applications (once deemed complete) and all approved revisions will be filed with the Bowman County Auditor. (BEB)

*Section 1.2.7 has been updated as requested.*

4. If changes have been made to American Colloid's or Minerals Technologies Inc. organizational structure, please update Section 1.3.1, Names of Officers, Directors, and Share Holders and Organizational Structure, as required by NDCC 38-14.1-14(1)(e). (BEB/RLK)

1 RC-17-488 Filed 12/26/2017 Pages: 7  
Renewal application filed to extend the permit term  
another five years, until April 22, 2023  
American Colloid Co.  
Melody Smith

*Section 1.3.1 has been updated to reflect the current corporate organizational structure as requested. Note that I legal counsel sent me the current list; in some cases title descriptions varied slightly but no legal change (term begin/end) occurred. Names were shifted as appropriate without strike through; if terms/official titles ended those names were moved to the bottom of the list with the new term/title added to the active body.*

5. Please review and update Section 1.3.2, Names of Other Mines. Information provided for the reclaimed Smith/Ullman Mine can be deleted from this permit section if you choose because the 5-year reporting period has expired since final bond release. In addition, if Minerals Technologies Inc. owns or has interest in other mining operations in the U.S., please provide that information in this section of the permit as required. (BEB)

*Section 1.3.2 has been updated as requested, with information provided in the format discussed with Bruce Beechie via email on November 22, 2017.*

6. Please review and update Section 1.3.5, Other Licenses and Permits, with any changes (especially expiration dates) which may have occurred since this table was last updated in 2014. Based on the information in the permit, it appears the ND State Health Department NDPDES permit has expired. (RLK/BEB)

*Section 1.3.5 has been revised as requested.*

7. Please update the permit and contiguous surface and subsurface coal ownership information (including mailing addresses) in Sections 1.5.1 and 1.5.2 as required by NDCC 38-14.1-14(1)(c) if any changes have occurred. Any changes to these sections will need to be reflected in the Surface Ownership and Mineral Ownership Maps in Sections 1.5.3(a) and 1.5.3(b), respectively. (RLK)

*Surface and mineral ownership listings and maps have been updated per an online courthouse records search as of 11/28/2017 and review of the most recent surface ownership booklet published by the courthouse.*

*Note: Mr. Perkins passed away and all surface and mineral ownership changed to Perkins Legacy. There is another pending ownership change (surface Page to ACC, mineral to Page) that will not be completed and recorded at the courthouse until February; this will be addressed in the next round of comments, assuming timing is appropriate.*

8. The surface and coal lease provided in Section 1.5.1 between ACC and Robert Perkins for the SE $\frac{1}{4}$ , SW $\frac{1}{4}$ , and a portion of the NW $\frac{1}{4}$  of Section 2 expired April 2, 2017. Please provide a certified copy of the new coal and surface lease as required by NDAC 69-05.2-06-03(1) and NDCC 38-18-06. (ZAB)

*The copy of the current (2017-2027) Perkins coal lease was provided in Section 1.5.1(d) and (e) (for Tracts II and III). Additionally, Mr. Perkins passed away and all Perkins surface and mineral is now under Perkins Legacy Corporation. The following have been modified to reflect this change:*

- *Section 1.5.1(c) Tract II, Perkins Ownership Summary*
- *Section 1.5.1(d) Tract II Perkins Lease*
- *Section 1.5.1(e) Tract III Perkins Lease Ownership Summary*
- *Section 1.5.1(f) Tract III Perkins Lease*
- *Section 1.5.1(i) Tract IV Perkins Right of Way Ownership Summary*
- *Section 1.5.1(j) Tract IV Perkins Right of Way Agreement*

*Note that the coal lease in Section 1.5.1(d) remains in Mr. Perkins name but is payable to Perkins Legacy Corporation.*

*The 2017 Perkins Scoria Purchase Agreement was added to the permit as Section 1.5.1(l), and references were added to Section 1.5.1 Surface Subsurface Interest, and to Sections 1.5.1(c)/(e)/(j) Perkins Ownership Summary (for each of the three referenced Tracts).*

*Section 1.5.1(a) Tract I Page Ownership Summary was also modified to reflect the latest review date.*

9. The Tompkins lease was executed on October 17, 2006 for a term of 8 years. According to Section 2, Term of Lease, the agreement may be extended in one year increments with 60 days written notice and an annual advanced payment of one thousand dollars to be applied to future mining as shown in paragraph 3(b) of Section 3, Manner of Payment, that states the royalty rate for surface damage and mineral production per ton. ACC has been sending Mr. Tompkins certified letters to notify him that ACC wishes to extend the agreement for an additional year and states the advance payment will be sent to Mr. Tompkins in January. Please add the certified letter and return receipt sent to Mr. Tompkins in 2016 to Section 1.5.1(k).

*The letters to Mr. Tompkins dated 12/6/2016 and October 24, 2017 have been added to Section 1.5.1(k).*

10. We strongly encourage ACC to pursue a 5 year lease with Mr. Tompkins since mining has begun and is expected to continue through 2026. However, if ACC intends to continue extending the lease in one year increments, Mr. Tompkins must be notified 60 days prior to the expiration date of the lease (October 17) and copies of the certified letter and the certified signed mail receipt must be submitted to the Reclamation Division prior to October 17<sup>th</sup> annually. (ZAB)

*Mr. Tompkins is not interested in a longer term lease. Annual lease extension notifications will be submitted to Mr. Tompkins and the PSC as requested unless/until a longer term lease is obtained.*

## **Section 2.2 – Ground Water Hydrology**

11. Please update the Sampled Well Summary in Section 2.2.2 of the Ground Water Narrative and update the Water Sampling Results Summary Table in Section 2.2.3 for wells LP#1, LP#2, LP#3, LP#4, LP#5, LP#6, LP#7, and LP#8 to provide the 5-year water quality sampling data as required in your approved ground water monitoring plan. (BEB)

*Section 2.2.2 Ground Water Narrative was updated to reflect 2017 groundwater sampling.*

*Section 2.2.3 Water Sampling Results Summary was updated to include 2017 surface and ground water sample analysis information.*

*Section 2.2.3(k) was added to provide 2017 sample laboratory reports for both surface and ground water.*

## **Section 3.1 – Operation Plan General**

12. Please update the mining plans in Section 3.0 and the Pit Layout and Facility Maps for the Perkins and Tompkins Mine Areas, to clearly identify the pits that will be mined during the next 5-year permit term. (BEB)

*Section 3.1.3(b) Pit Layout and Facilities Map for Perkins has been updated; mining is completed in the Perkins area.*

*Section 3.1.3(c) Pit Layout and Facilities Map for Tompkins has been updated: mining has been initiated in the Tompkins area and the mine plan has been modified. The existing pits are shown: a portion of Pit N1 was mined and then utilized as for a temporary overburden stockpile location.*

*Section 3.1.5(b) and Section 3.1.5(c) backfill calculations for Perkins and Tompkins have also been updated.*

13. As required by NDCC 38-14.1-14(1)(1), please update the list of equipment on page 2 of Section 3.1.1 if any changes have been made to your equipment inventory. (BEB)

*Section 3.1.1 has been updated.*

14. Please update Map 3.1.3(c) Pit Layout and Facilities Map for the Tomkins property to show the revised stockpile locations. Approval to modify the stockpile locations was granted to American Colloid by email on August 21, 2017. (BAJ/GAW)

*The map in Section 3.1.3(c) has been updated to reflect the stockpile change; other changes were also made to the mine plan (see Comment #12).*

15. Narrative for the North Pond on page 7 of Section 3.6.1(c) states that a spillway will be constructed through a berm on the south side of the pond. Please depict the location of the spillway on Figure 6 – North Pond Design Plan View. NDAC 69-05.2-09-09(2)(e) (BAJ)

*The Design indicated as Figure 6 in Section 3.1.6(c) does indicate a spillway on the south end of the North Pond; the berm is 2774-2775' and the spillway is at 2773'.*

*The As-Built Certification for the North Pond has been added to the permit as Section 3.6.1(c)(1). It varies slightly and the design but the capacity is slightly higher.*

*Section 3.6 Table of Contents was modified to include Section 3.6.1(c)(1).*

#### **Section 4.0 – Reclamation Plans**

16. Please update Section 4.2.4, Worst Case Reclamation Costs using the 2017 Annual Update of Variable Costs. (BAJ)

*Section 4.2.4 has been updated to 2017 Variable Costs.*

17. Please review and update as necessary the Reclamation Schedule for the Perkins and Tompkins Mine Areas in Section 4.2.2, and review and update as necessary the Grading Sequence Maps for the Perkins and Tompkins Mine Areas in Section 4.2.3. The Reclamation Schedule indicates that SPGM will be respread on all pit areas except Pit C-3 by October of 2017. (BEB/GAW)

*Section 4.1.7(a) Variance Request (Page/Perkins) has been modified.*

*Section 4.1.7(b) Variance Request (Tompkins) has been modified.*

*Section 4.2.2(b) Perkins Reclamation Schedule has been updated.*

*Section 4.2.2(c) Tompkins Reclamation Schedule has been updated.*

*Section 4.2.3(b) Grading Sequence Map (Perkins) has been updated; no mining is planned for 2018 because the area is mined out. Two additional small C-4 polygons have been added to the N/NW of the primary C-4 pit to reflect the buried Knife River leanardite piles found while borrowing overburden.*

Mr. Dean Moos

12/20/2017

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*Section 4.2.3(c) Grading Sequence Map (Tompkins) has been updated*

18. As necessary, please update the Summary of Annual Activities Charts for the Perkins and Tompkins Mines in Sections 4.2.9(b) and 4.2.9(c). (BEB)

*Sections 4.2.9(b) and Section 4.2.9(c) have been updated.*

19. Please revise Section 4.1.6, Sampling Methods and Success Standards, for the Page Mine Area, Section 4.1.6(a) to include an unadjusted productivity standard for the reclaimed tract and clarify if hand sampling or whole field harvesting techniques will be used to demonstrate revegetation success. The Reclamation Division encourages the development of a cropland control area that could be used to demonstrate revegetation success. This entire tract has been reclaimed for at least 10-years and American Colloid should make plans to collect data to enable a demonstration of revegetation success. (GAW)

*Section 4.1.6(a) has been modified to reflect methodologies similar to those in the Perkins and Tompkins sections. Those sections do not specify which method (hand sampling or whole tract) will be utilized; that would be confirmed with PSC personnel during final coordination of the bond release sampling methodology at the time it is pursued.*

*ACC management has not yet committed to pursuing bond release on the Page Mine Area; the recommendation has been shared with management.*

If you have any questions, please contact me at 605-892-7178 or melody.smith@mineralstech.com.

Sincerely,



Melody Smith

Environmental Specialist

Performance Materials

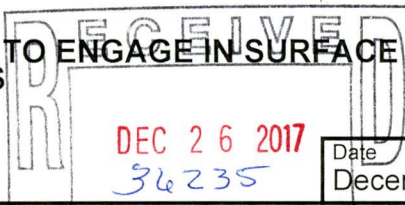
American Colloid Company

Division of Mineral Technologies Company





**APPLICATION FOR RENEWAL OF PERMIT TO ENGAGE IN SURFACE COAL MINING AND RECLAMATION OPERATIONS**  
 PUBLIC SERVICE COMMISSION  
 RECLAMATION DIVISION  
 SFN 10566 (1-2004)



Name of Permittee American Colloid Company		Date December 18, 2017	
Address P.O. Box 2010		Permit Number ACRG-9701	State SD
City Belle Fourche		Zip Code 57717	

The above named hereby makes application for Renewal Number 4 of the above Permit Number in order to continue to engage in surface coal mining and reclamation operations within the area described below in the permit during the period from April 22, 2018 to April 21, 2023.

The reasons for requesting the renewal is attached and any changes to the matters set forth in the approved Permit are particularly described in the accompanying revision application.

The applicable public notice provisions of Section 38-14.1-18 of the North Dakota Century Code have been complied with. A copy of the advertisement is attached and affidavits of publications will be furnished to the Commission prior to issuance of the Permit Renewal.

Bond for surface coal mining and reclamation operations and liability insurance will be provided for the proposed period of renewal. Attached is a statement evidencing that the bond is sufficient and will continue in full force for the renewal period and that liability insurance will be provided for the renewal period.

SECTION	LOCATION			ACRES
	TOWNSHIP	RANGE	COUNTY	
12 (NE 1/4)	130N	99W	Bowman	160.00
2	130N	99W	Bowman	343.64
3	130N	99W	Bowman	3.80
35 (part SE 1/4)	131N	R99W	Bowman	149.28
<b>TOTAL ACRES</b>				<b>656.72</b>

Signature of Official <i>Melody Smith</i>	Title Permitting Specialist
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**VERIFICATION**

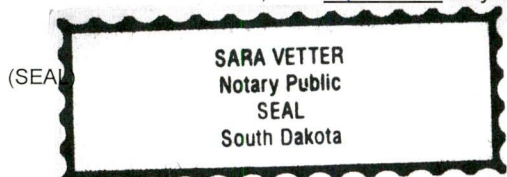
Name of Official Rodney Raber
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I, the above named, being first and duly sworn, verify that the information contained in the Permit Renewal Application is true and correct to the best of my knowledge and belief.

Signature of Official <i>Rodney Raber</i>	Title Gascoyne Mine Superintendent
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STATE OF South Dakota  
 COUNTY OF Butte )  
 )ss.

Subscribed and Sworn before me, this 18th day of December, 2017.



*[Signature]*  
 Notary Public  
 My Commission Expires: 4-7-2022