

THE COTEAU PROPERTIES COMPANY

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

FREEDOM MINE

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October 22, 2020

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

Dear Mr. Moos:

Final Bond Release #8 to Permit NACT-9101 has been uploaded to Permit Services. Changes to text have been tracked using track changes and highlighted in cyan. Responses below refer to technical deficiencies in your October 8, 2020, letter:

General

1. *Please update the Table of Contents on the html page. Currently, all attachments are listed in the table of contents as Attachment I. (ZAB)*

Coteau reviewed the html page and all attachments were labeled correctly.

Attachment VI – General Information

2. *Follow-up to item No. 1 in our June 25, 2020 deficiency letter: The first paragraph of Attachment VI General Information includes the total acreage of 318.628 acres for the bond release tract. Please add a statement to the first paragraph that identifies how many acres within the bond release tract were undisturbed by mining. (ZAB)*

Narrative has been added to the first paragraph of Attachment VI General Information which identifies how many acres within the bond release were disturbed, associated disturbance, and undisturbed.

3. *A. Follow-up to items No. 1 and No. 3 in our June 25, 2020 deficiency letter: Please revise the road discussion on page 1 of Attachment VI to clarify how many acres of reclaimed county road right-of-way exists within the bond release tract. It is misleading and inaccurate to state that a small portion of County Road 27 was affected and reclaimed. The 2019 Annual Mine Map shows that the majority of County Road 27 and the entire length of the county road located along the south side of the bond release tract were mined through.*

Narrative has been updated to clarify the portions of roads disturbed.

B. Please also clarify the width of the rights-of-way associated with County Road 27 and the county roads on the north and south sides of the bond release tract, and mention if any rights-of-way acreage is being cropped.

Information regarding Mercer County's approval of the reclaimed roads can be found in Attachment X.

C. Also mention that the county road on the north side of the bond release tract was not disturbed by mining.

Narrative has been added to clarify that the road on the north side of the tract was not disturbed.

D. In addition, update Table VI-1 to include an estimate of the pre-mine road/right of way acreage and the road/right of way acres disturbed by mining. Disturbed acres for each land use are reported in the bond release portion of our annual report to OSM. (GAW/ZAB)

Coteau does not feel it is appropriate to estimate the pre-mine road/right of way acres disturbed by mining. At the time of permitting this information was not collected and therefore not available.

Attachment VIa - Revegetation Initiation Dates and Land Use Map

- 4. Please depict the boundaries of all existing grassed waterways on reclaimed and undisturbed land on Attachment VIa, Revegetation Initiation Dates and Land Use Map. (GAW)*

Grassed waterways have been identified within Attachment VIa.

- 5. Please label the roads on Attachment VIa, Revegetation Initiation Dates and Land Use Map as County Road No. 27, 2nd Street SW and 3rd Street SW. (GAW)*

The map has been updated with the requested labels.

- 6. Please label the undisturbed areas within the bond release tract on Attachment VIa, Revegetation Initiation Dates and Land Use Map or, if you prefer, on Attachment V, Topographic and SPGM Depths Map. (ZAB)*

Hatching has been added in Attachment VIa which identifies undisturbed areas.

Attachment IX – Cropland

- 7. Follow up to Item No. 12 in our June 25, 2020 deficiency letter: The original deficiency read as follows: "The calculated standards in Attachment IXa lists continuous cropped acres of 266.8, but Attachment VI Table VI-1 lists the total cropland acres for the W½ of Section 15 as 285.328. Please explain the acreage discrepancy or adjust the tables and calculations as necessary." Coteau provided a reasonable satisfactory explanation in their August 10 response letter, but the narrative was not added to the bond release application. Please add narrative to the bond release application that explains the acreage discrepancies. (PJR)*

Narrative has been added within the bond release package addressing the acreage discrepancies.

Attachment IXa, Vegetative Productivity Standards for Reclaimed Cropland

8. *The 2014, 2015 and 2017 unadjusted yield standard for the W1/2 of Section 15 was developed using only 120.91 acres of disturbed non-prime farmland but the weighted yield value was developed using 130.99 acres (second table Page 1 of Attachment IXa). Please clarify why 120.91 acres of disturbed non-prime farmland was used to develop the unadjusted standard if 130.99 acres of non-prime farmland were disturbed. Furthermore, Table VI-1, in attachment VII, indicates that 137.18 acres of non-prime farmland were disturbed by mining, which is confusing. Please revise adjusted standards to include all disturbed non-prime farmland acres in the field and clarify why acreage differences exist between Table VI-1 and unadjusted yield standard. [Note: The unadjusted standard should be developed using all pre-mine cropland in the W1/2 of Section 15 located south and east of the semi-permanent wetland. The undisturbed pre-mine cropland located northwest of the semi-permanent wetland should not be included in development of the standards since it is a separate hayland field.] (GAW)*

While working through this deficiency errors were noted outside what is listed above. Table VI-1 has been corrected and now shows a total of 135.92 acres of disturbed non-prime farmland and 119.56 acres of disturbed prime farmland. While looking at the weighted yield data for prime and non-prime cropland it was observed that several acres had been mis-classified between the prime and non-prime tables. These errors were corrected and now the totals for both prime and non-prime acres in Table VI-1 match what is shown in Attachment IXa. This should alleviate some of the confusion.

The CVSS calculated the unadjusted yield standard based on all pre-mine cropland owned by each surface owner. In the case of the NW ¼ Section 15, that included the cropland (hayland) north of the semi-permanent wetland and the road corridor, which was not broken out as a separate pre-mine land use. Both consisted of soil map units that were productive and representative of the larger cropland tract, so it was determined during review of the CVSS that there was no reason to exclude these areas from the Gunsch cropland standard. This resulted in a total of 123.5 acres of prime and 130.99 acres of non-prime cropland. However, the NDPSC asked that the productivity standards in the bond release application deviate from the approved CVSS methodology, so complying with the request to remove the cropland from northwest of the wetland and reclassifying certain soils series for accuracy the new totals in Attachment IXa reflect accurate numbers.

When calculating the unadjusted yield standard for both prime and non-prime acres 119.569 acres (prime) and 135.927 acres (non-prime) were used. These acres are derived from the practice of not including roads as a separate landuse at the time the area was permitted. The post-mine landuse has been adjusted to account for road ROW. When calculating the Vegetative Productivity Standards for disturbed post-mine cropland 124.151 acre of prime and 119.539 acres of non-prime were used. The slight increase from the disturbed prime number is due to Coteau putting back more prime topsoil. The reduction of non-prime from 135.927 acres to 119.539 is due to the increase in prime topsoil and now accounting for road ROW as a separate landuse.

9. *Table VI-1, Attachment VII, indicates that 118.3 acres of prime farmland were disturbed by mining but the adjusted standards in Attachment IXa, Vegetative Productivity Standards for Reclaimed Cropland, were developed using 123.5 acres of disturbed prime farmland. Please review and revise if necessary, or otherwise provide clarification. (GAW)*

The revised numbers can be found in Table VI-1 and Attachment VIa. Initial disturbance resulted in 119.569 acres of prime farmland being disturbed. Upon reclamation, slightly more prime farmland was put back onto the landscape resulting in 124.151 acres of prime farmland being used in the calculations which reflected the reclamation done on the track.

10. *A comment below the first table on page 1 of Attachment IXa, Vegetative Productivity Standards for Reclaimed Cropland, states that “of the 94.55 acres of prime farmland, 39.11 were disturbed by mining and 55.44 were associated disturbance”. Please update these values to account for the entire W1/2 of Section 15. (GAW)*

The values have been updated to reflect the correct data.

Attachment X Roads

11. *Follow-up to item No. 15 in our June 25, 2020 letter: Discussing 2nd Street SW in the middle of the disturbed roads narrative causes confusion and makes it appear as if 2nd Street SW was disturbed by mining. For clarity, please revise the second paragraph of the road narrative in Attachment X as indicated by the following strike through and underscoring: ~~During mining, 2nd Street SW was converted to a paved road. This was done for the bypass of the closed portion of County Road 27. Upon mining completion and the reclamation of County Road 27, 2nd Street SW and 3rd Street SW were~~ returned to a gravel roads. If you wish to retain the narrative for 2nd Street SW, please move it to a new paragraph at the end of the roads narrative and begin the paragraph by clearly stating that 2nd Street SW was not disturbed by mining activities. (ZAB)*

Narrative has been updated with the requested changes.

If you have any questions, please contact me.

Sincerely,

THE COTEAU PROPERTIES COMPANY

/s/

Dillon Belisle
Environmental Specialist

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