

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Westmoreland Beulah Mining LLC
Permit Transfer, Permit KRSB-8603
Application

Case No. RC-20-154

**TRANSFER, SALE, OR ASSIGNMENT OF RIGHTS
GRANTED UNDER AN APPROVED SURFACE COAL MINING AND RECLAMATION
OPERATIONS PERMIT**

August 4, 2021

On March 23, 2020, the Westmoreland Beulah Mining LLC filed an application for transfer, sale, or assignment of rights granted under Surface Coal Mining Permit KRSB-8603 held by Dakota Westmoreland Corporation for the Beulah Mine. Based on this application from Westmoreland Beulah Mining LLC, as revised through May 18, 2021, and all information and documentation contained therein, the North Dakota Public Service Commission (Commission) finds that the application meets all applicable requirements of Chapter 38-14.1 of the North Dakota Century Code (NDCC) and Article 69-05.2 of the North Dakota Administrative Code (NDAC). On the basis of the information set forth in the application or from that otherwise available and known by the applicant, the Commission finds that:

Finding No. 1. The applicant will conduct mining and reclamation in accordance with the requirements of NDCC Chapter 38-14.1 and NDAC Article 69-05.2 [NDAC 69-05.2-11-06(4)(a)].

Westmoreland Beulah Mining LLC has filed a statement that it will conduct mining and reclamation operations in North Dakota in accordance with NDCC Chapter 38-14.1 and NDAC Article 69-05.2, as well as the approved permit.

Finding No. 2. The applicant has submitted a surety bond that exceeds the amount currently provided by Dakota Westmoreland Corporation [NDAC 69-05.2-11-06(4)(b)].

Dakota Westmoreland Corporation has surety bonds in the amount of \$9,485,271.00 to cover this permit area at the Beulah Mine. Westmoreland Beulah Mining LLC filed Surety Bond No. 106649087 issued by the Travelers Casualty and Surety Company of America in the amount of \$14,516,993.00 to cover reclamation costs in this permit area. The Commission has determined this bond amount is sufficient to perform the required work for the worst-case reclamation condition in the permit area.

Finding No. 3. The applicant will continue to conduct mining and reclamation in compliance with the terms and conditions of the original permit [NDAC 69-05.2-11-06(4)(c)].

Westmoreland Beulah Mining LLC has provided a statement that they will continue mining and reclamation activities under plans currently approved in Permit No. KRSB-8603. If any changes are planned, they will revise the permit as required by NDAC 69-05.2-11-02. Condition No. 1 attached to the approval of this permit transfer requires Westmoreland Beulah Mining LLC to update the business entity information, property

ownership listings and related information in Permit KRSB-8603 to reflect the permit transfer and the transfer of property and coal leases from Dakota Westmoreland Corporation to Westmoreland Beulah Mining LLC. The condition requires that a permit revision application to update the permit be filed by November 1, 2021.

Finding No. 4. The applicant is eligible to receive the permit under the requirements of NDAC Article 69-05.2-10-03 [NDAC 69-05.2-11-06(4)(d)].

The applicant verified that all information included in the application is true and correct to the best of his knowledge. Commission staff conducted technical reviews to ensure that the required information for a permit transfer was provided and that all applicable requirements are met. The Reclamation Division sent technical deficiency letters to the applicant on April 16, 2020, December 21, 2020, April 27, 2021, and May 17, 2021. Responses to each letter were reviewed and changes to the application were made to address the concerns that were noted. The Commission concludes that the application is now accurate and complete. Dakota Westmoreland published the required notices in newspapers and the Commission sent notices to all surface owners in the permit area and to numerous local, state and federal agencies. No objections or requests for an informal conference were received on this application.

Records in the Office of Surface Mining's Applicant Violator System (AVS) do not show that Westmoreland Beulah Mining LLC, or any of its affiliated companies, control and have controlled surface coal mining and reclamation operations with a demonstrated pattern of willful violations of NDCC 38-14.1 or of other states' laws which are based on P.L. 95-87 (the Federal Surface Mining Control and Reclamation Act), of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of these laws.

The records do not indicate that the applicant, nor any affiliated companies, have any unpaid civil penalties or violations of NDCC 38-14.1, other states' laws which are based on P.L. 95-87, or any other federal or state laws, rules, or regulations pertaining to air or water environmental protection that are not in the process of being abated.

Finding No. 5. Other findings that were made when Permit KRSB-8603 and subsequent revisions were approved remain applicable to this permit that will now be held by Westmoreland Beulah Mining LLC.

All rights of Surface Coal Mining and Reclamation Operations Permit Number KRSB-8603 are hereby transferred to Westmoreland Beulah Mining LLC, 9540 South Maroon Circle, Suite 300, Englewood, CO 80112. Permit Number KRSB-8603 is re-assigned to Westmoreland Beulah Mining LLC to engage in surface coal mining and reclamation operations until August 7, 2026 on the following described areas at the Beulah Mine subject to the applicable requirements of the original permit and conditions, Chapter 38-14.1 of the North Dakota Century Code, and the rules promulgated thereunder. (Attached is a copy of the metes and bounds description of lands in the permit area.)

LOCATION

MINE	ADDRESS	ACRES	Sec.	Twp.	Range	County
Beulah	Beulah, ND	3871.7	14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 29	143N	88W	Mercer

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Brian Kroshus
Commissioner

Beulah Mine (Dakota Westmoreland)\Permits\KRSB - 8603\Permit Transfer\Permit_Transfer_Award_8-4-21

ATTACHMENT #1

MINE: Beulah
PERMIT: KRSB-8603
AREA: Permit area (including Revisions 16, 19, 22, 27, and 31 additions)
DATE: November 23, 2017
FROM: J. Noel
ACRES: 3,871.7

A tract of land situated in Sections 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 29 T.143 N., R.88W., Mercer County, North Dakota, being more particularly described as follows:

Beginning at a point which is located and established by use of the Dakota Westmoreland Corporation coordinate system, such point also being the south quarter corner of Section 18 and having the coordinates: S 5,233.1 and W 23,685.9; such point also being designated as corner No. 670;

Thence N0°21'40"E a distance of 2,632.4 feet to corner No. 671;
such point also being the center of Section 18;
thence S89°53'18"E a distance of 2,650.1 feet to corner No. 672;
such point also being the NE corner of the SE ¼ of Section 18;
thence N0°03'34"W a distance of 605.9 feet to corner No. 673;
thence S89°57'23"E a distance of 2,622.8 feet to corner No. 674;
thence S65°15'18"E a distance of 1,464.5 feet to corner No. 675;
thence S89°49'33"E a distance of 1,303.5 feet to corner No. 676;
such point also being the NE corner of the SE ¼ of Section 17;
thence N0°16'16"W along the west line of said section a distance of 740.0 feet to corner No. 501;
thence N65°24'14"E a distance of 4,021.9 feet to corner No. 502;
thence S70°7'53"E a distance of 2,780.5 feet to corner No. 503;
thence S82°02'37"E a distance of 1,669.6 feet to corner No. 665;
thence S89°12'49"E a distance of 648.4 feet to corner No. 666;
thence S30°46'14"E a distance of 1,667.9 feet to corner No. 667;
thence N60°15'01"E a distance of 2,579.9 feet to corner No. 508;
thence North a distance of 232.9 feet to corner No. 265;
thence East a distance of 870.0 feet to corner No. 264;
thence South a distance of 196.4 feet to corner No. 509;
thence S61°2'09"W a distance of 2,308.7 feet to corner No. 510;
such point also being the West quarter corner of Section 14;
thence S59°46'7"W a distance of 1,079.6 feet to corner No. 684;

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thence S11°23'53"E a distance of 3,509.9 feet to corner No. 685;
thence S 50° 30'23" E a distance of 2,040.0 feet to corner 686;
thence S 00° 01'13" E a distance of 2,643.5 feet to corner 687;
thence N 89° 58'25" W a distance of 1,305.6 feet to corner 688,
such point also being the SE corner of section 22;
thence N 89° 41'49"W a distance of 2,643.0 feet to corner 689,
such point also being the South quarter corner of Section 22;
thence N 89° 42'00"W a distance of 2,642.9 feet to corner 690,
such point also being the SE corner of Section 21;
thence S 89° 54'44" W a distance of 2,615.8 feet to corner 691,
such point also being the South quarter corner of Section 21;
thence S 89° 54'44" W a distance of 2,615.1 feet to corner 692,
such point also being the SE corner of section 20;
thence N 89° 46'53" W a distance of 579.5 feet to corner 704;
thence South a distance of 466.2 feet to corner 705;
thence East a distance of 579.1 feet to corner 706;
thence S 00° 03'00" W a distance of 2,169.68 feet to corner 698;
thence N 89° 49'13" W a distance of 2,639.4 feet to corner 703;
thence N 89° 49'13" W a distance of 2639.4 feet to corner 702,
thence N 00° 08'26" W a distance of 2,636.2 feet to corner 694;
such point also being the SE corner of Section 19;
thence N 00° 00'20"W a distance of 2,629.9 feet to corner 680;
thence N75°25'20"W a distance of 1,687.5 feet to corner No. 679,
thence N20°11'34"E a distance of 770.2 feet to corner No. 678;
thence N23°16'50"W a distance of 1,629.9 feet to corner No. 677;
thence N89°53'53"W a distance of 650.0 feet to corner No. 670; the original point of
beginning.

The above tract of land contains 3,871.7 acres, more or less.