



Public Service Commission

State of North Dakota

COMMISSIONERS

Brian Kroshus
Julie Fedorchak
Randy Christmann

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

Sent via email only

November 18, 2020

Ms. Sarah Flath
Environmental Manager
Coteau Properties Company
204 County Rd. 15
Beulah, ND 58523
sarah.flath@nacoal.com

Dear Ms. Flath:

The Reclamation Division has completed a technical review of the application for Final Bond Release No. 1 to Permit NACT-9001. The following items must be adequately addressed prior to the Reclamation Division recommending Commission action on the bond release application.

It appears that Coteau has used the 2003 Revegetation Success Standards for proving reclamation success for portions of the bond release application and used the 2018 Draft Revegetation Success Standards for other portions. Please be advised that is appropriate to use either the 2003 or the 2018 versions but regardless of which version is used, it should be used consistently and/or exclusively throughout the bond release application. It is not appropriate to use a combination of the 2 versions to demonstrate reclamation success.

Attachment II – Metes and Bounds Description

1. Attachment II – Metes and Bound Description for Tract FBR 9001-145-88-01&02-1: Line 12 in the tract description paragraph contains a bearing without the first cardinal direction (00°55'51"E). Please revise to indicate whether this direction should be North or South. (SMN)

Attachment IV – Letters to Interested Parties

2. Please include actual copies of letters sent to adjacent surface owners and government agencies as required by NDCC 38-14.1-17(1)(b). (GAW)

Attachment V – Topographic and SPGM Respread Depths Maps

3. Stock ponds and a wetland are depicted on the SPGM Respread Depths Map, Attachment Va. Please revise the legend to include symbols for these features. (GAW)
4. Lands affected by mining south of the exclusion area in the NW1/4 of Section 1, northwest corner of the NE1/4 of Section 2, and southwest corner of the SE1/4 of Section 2 must be depicted within the associated disturbance boundary on Attachment Va, SPGM Respread Depths Map. SPGM respread depth information must be provided if SPGM was respread on these areas. Please correct as appropriate. (GAW)
5. Please update the associated disturbance boundary on Attachment Vb, Topographic Map, to include lands affected by mining in the NW1/4 of Section 1, northwest corner of the NE1/4 of Section 2, and southwest corner of the SE1/4 of Section 2. (GAW)

Attachment VI – General Information

6. Please revise the Bond Release Stages narrative on page 1 of Attachment VI, General Information, to clearly state that first, second and third stage bond releases are being requested and identify the land use performance standards required with each stage, including final bond release. (GAW)
7. Please consider changing the terminology “ten-year liability period” to “ten-year revegetation responsibility period” in the Liability Period narrative on page 1 of Attachment VI to clearly describe the performance standard. (GAW)
8. Please revise the Reclamation Practices narrative on pages 1 and 2 of Attachment VI, General Information, to clarify if rocks were picked from some or all lands included in Bond Release No. 1. (GAW)
9. Please revise the sentence in the first paragraph of “Reclamation History” to provide specificity and clarity to the sentence that reads “Following reclamation, the bond release tract entered the liability period where several management practices were employed.” The terminology “following reclamation” and “entered the liability period” are vague and ambiguous. Please clarify that planting the approved seed mixture on areas respread with topsoil initiates the 10-year revegetation responsibility period and that this reclaimed native grassland was initially managed as hayland. (GAW)
10. Please revise the Yearly Management language to clarify if reclaimed native grassland in Sections 1 and 2 were cross fenced and managed with prescribed grazing to achieve an intended result. (GAW)
11. Please revise the Consolidated Bonding Plan narrative to include a statement that Coteau is not requesting any monetary reduction of the bond with this bond release application. (ZAB)

12. Please revise the General Information narrative to provide detailed information regarding the conservation tree plantings in Section 1 and attempts to establish buckbrush patches in Section 2. Please provide reclamation information for the reclaimed wetland and reestablishing a statutory section line right-of-way between Sections 1 and 2. Please also provide reclamation information for reclaimed County Road 15. Information regarding stockponds constructed on the native grassland should also be provided as well as installing Southwest Water pasture taps and tanks. (GAW)
13. Please revise the associated disturbance boundary on Attachment VIa, Revegetation Initiation Dates and Land Use Map, to include reclaimed lands located in the NW1/4 of Section 1, northwest corner of the NE1/4 of Section 2, and southwest corner of the SE1/4 of Section 2. (GAW)
14. Please label the undisturbed areas within the bond release tract on Attachment VIa, Revegetation Initiation Dates and Land Use Map or on one of the other maps in the application. (ZAB)
15. The Pre-Mine Soils Map, Attachment VIc, indicates there were prime farmland soils located within the bond release tract. Although there is no reclaimed cropland within the bond release tracts, please provide a brief narrative indicating where these prime farmland soils were replaced and if these soils were used to develop the revegetation performance standards for the bond release tract. (GAW)

Attachment VII – Hydrologic Consequences

16. This attachment should more properly be labeled as Post-Mining Hydrologic Assessment (PHA) because the operator's predictions of hydrologic consequences (PHC) are a permit application requirement, while the PHA analyzes and describes the hydrologic conditions in the post-mining environment, regardless of the bond release tract size. Please consider our request to change the attachment label to Post-Mining Hydrologic Assessment and if that is done, please make the same update in the Printable List of Attachments. (BEB)
17. Please update Attachment VII by providing a brief, yet detailed discussion of the pre-mining certified wells and developed springs that are/were located within the bond release tract. Although unlikely, please indicate if the springs have, or are expected in the future, to redevelop in the post-mining setting. We realize the Bertha Ost #1 well was shallow and not in-use at the time of permit application; however, regarding the Gravel Products #2 well located within the SW1/4 of Section 2, this specific area of the bond release tract was not mined, so at a minimum, please indicate if this high production water well remains functional and describe Coteau's long term plans for this well in the post-mine setting. (BEB)
18. Section D-2 – Summary of Replacement Wells and Rural Water Connections in Coteau's Consolidated Ground Water Monitoring Plan provides information that the Raymond Ost

and Bertha Ost pre-mining developed springs were both replaced with SWPP rural water pasture taps and tanks in 2013 within the bond release tract. Please update the Water Supply Replacement narrative in Attachment VII with this information to further demonstrate Coteau's ongoing commitment to adequate water supply replacement in the post-mining setting. The locations of all the SWPP replacement water sources should be depicted and labeled on one of the maps of your choosing within the bond release application. (BEB)

19. Please add a footnote to the Ground Water Analysis Table provided on pages 2 and 3 of Attachment VII to denote that TDS data labeled as N/A indicates the well was either dry or there was an insufficient volume of water to collect and analyze a sample. To not provide this simple addition, N/A could be construed by readers to mean the well(s) were not required in the Consolidated Ground Water Monitoring Plan to be sampled for water quality. (BEB)

Attachment IX – Cropland

20. The second sentence of the first paragraph in Attachment IX, Cropland, states that undisturbed cropland is located in the S1/2SW1/4 of Section 2. Attachment VIa, Revegetation Initiation Dates and Land Use Map, does not support this statement. Please review and revise as necessary. (GAW)

Attachment X – Native Grassland

21. Please revise the 2013 and 2015 reclaimed yield values and productivity standards listed on page 2 of Attachment X, after recalculating the correction factors using all five approved reference areas and after providing a weighted average yield for the reclaimed lands. (GAW)
22. The last production paragraph on page 2 of Attachment X incorrectly states that productivity has been demonstrated for two growing seasons after the sixth year of the revegetation period. This statement needs to be updated to account for the variance from the 10-year revegetation period for those portions of the bond release tract that were initially seeded in 2011 and 2014. (GAW)
23. Please update the Diversity and Seasonality narratives in Attachment X, Native Grassland, to clarify if at least 2 warm season and at least 1 cool season grass species comprise at least 3% relative live basal cover during the years being used to demonstrate revegetation success, and clarify if at least 5 native grass species are present on each tract during the years being used to demonstrate revegetation success. (GAW)
24. The Section 2 table on page 4 of Attachment X indicates that warm season grasses comprised 56% of the relative composition in 2013 but Table 7 indicates that warm season species comprised 54.2% of the relative cover composition. Please review and revise or otherwise clarify. (GAW)

25. Please revise Attachment X, Native Grasslands, to include a statement about whether the reclaimed native grassland vegetation in Sections 1 and 2 meets the permanence standard. (GAW)

Attachment Xa – Production Standard Calculations

26. Coteau is proposing to use the 2018 draft Standards for Evaluation of Revegetation Success and Recommended Procedures for Pre- and Post-Mining Vegetation Assessments, but the productivity standards for the native grassland in Sections 1 and 2 are derived from Table 2 of the 2003 version of the Revegetation Success Standards Document rather than from Table 2 of 2018 draft updated success standards document. Please update the production standards for Section 1 and 2 using a single version of the revegetation success standards document. (GAW)
27. Please develop 2013 and 2015 correction factors using all five approved reference areas or all dominant pre-mining ecological sites as recommended in the 2018 draft Revegetation Success Standards Document rather than developing a correction factor from only the silty/loamy reference site. Using only the silty/loamy ecological site is not appropriate since warm season species are not well represented on the site. (GAW)
28. Please revise the 2013 and 2015 Actual Production values listed in Step 5 of Attachment Xa to provide a weighted average production value rather than a simple average value that does not factor in the relative importance of the size of the subset tracts (grazing cells). (GAW)
29. The 2013 and 2015 Diversity and Seasonality values listed in Attachment Xa, Production Standard Calculations, somehow averages the values listed in Tables 5 through 12. Please provide a narrative describing how an average value for each year was derived from the sampled subtracts within Section 1 and 2. The Reclamation Division believes weighted averages that account for the size of each subtract should be used. (GAW)
30. Please revise the associated disturbance boundary on Attachments Xc and Xd, 2013 and 2015 Sample Point Locations Maps, to include reclaimed lands located in the NW1/4 of Section 1, northwest corner of the NE1/4 of Section 2, and southwest corner of the SE1/4 of Section 2. (GAW)
31. Attachments Xc and Xd, Sampling Point Locations, are both labeled 2015. It appears that Attachment Xc should be labeled 2013 Sampling Point Locations rather than 2015. Please correct as necessary. (GAW)
32. Section 1 is subdivided into two tracts and Section 2 is subdivided into three tracts when calculating the standards in Attachments Xa and Xb, Production and Basal Cover Standard Calculations, respectively. Please depict these subtracts on Attachments Xc and

Xd , 2013 and 2015 Sampling Point Locations, maps to allow one to determine where these subtracts are located. (GAW)

Attachment XI – Fish and Wildlife Habitat

33. Please provide narrative that describes the practices used to establish vegetation in reclaimed wetland CW-I02-01 as required by NDAC 69-05.2-12-12(7)(a). This would include seedings, plugging, and respreading soil salvaged from pre-mine wetlands as appropriate. (GAW)
34. Please revise Attachment XI, Fish and Wildlife Habitat, to include a discussion about whether erosion is being adequately controlled on lands around the perimeter of the wetland basin. (GAW)
35. Please revise Table XI-1, Comprehensive Vegetation Species List for CW-I02-01, with a ranking of occurrence rating for each species (very rare, occasional, abundant, very abundant, subdominant and dominant) in each vegetation zone as required (page 9 of Section II-H of the Revegetation Success Standards document). (GAW)
36. Please provide a map in Attachment XI, Fish and Wildlife Habitat, that delineates the entire watershed of reclaimed wetland CW-I02-01. (Revegetation Success Standards, Section II-H) (GAW)
37. Please clarify if a natural surface water runoff system was in place for reclaimed wetland CW-I02-01 during the last 5 years of the responsibility period as required (page 10 of Section II-H of the Revegetation Success Standards document). (GAW)
38. Please reference page 7 of Attachment VII, Hydrologic Consequences, in the second paragraph on page 1 of Attachment XI, Fish and Wildlife Habitat, as a more complete analysis of the quality of the water in reclaimed wetland CW-I02-01. (GAW)
39. Please update Attachment XI, Fish and Wildlife Habitat, with information demonstrating the permanence of the reclaimed wetland CW-I02-01. NDAC 69-05.2-22-07(4)(g) (GAW)

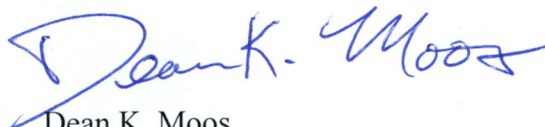
Attachment XIII – Roads

40. The heading of the narrative provided for Attachment XIII – Roads, is labeled as Attachment XIV – Roads and this should be changed to Attachment XIII – Roads. In addition, the last sentence in the fourth paragraph states the Mercer County Commissioners approval letter can be viewed in Attachment XIVa and this should also be changed to Attachment XIIIa. (BEB)

41. Please provide ground cover data demonstrating that the reclaimed ditch associated with County Road 15 has ground cover adequate to control erosion as required by NDAC 69-05.2-22-07(4)(j). (GAW)
42. Please revise Attachment XIII, Roads, to clarify the width of the rights-of-ways associated with the section line road between Sections 1 and 2 and the width of the right-of-way associated with County Road 15. (GAW)

If you have any questions, please contact this office.

Sincerely,



Dean K. Moos
Director
Reclamation Division