

**PUBLIC SERVICE COMMISSION
Reclamation Division**

Memorandum

To: Commissioners Kroshus, Fedorchak, and Christmann
Steven Kahl - Executive Director
John Schuh - General Counsel

From: *DKM* *ZAB* Dean Moos, Zanna Brinkman, and Bill Gunnerson *BG*

Date: October 14, 2020

Subject: Approval of Renewal No. 3 to Permit No. GRGR-0501 held by Leonardite Products, LLC for the Stony Creek Mine - Case No. RC-20-253

Leonardite Products, LLC filed the application for Renewal No. 3 to Surface Coal Mining Permit No. GRGR-0501 on June 4, 2020 to continue mining operations within the existing permit area through November 2, 2025. Permit No. GRGR-0501 covers portions of the S½NW¼ and the N½SW¼ of Section 8, T154N, R100W, Williams County, North Dakota, comprising 96 acres. The Reclamation Division has completed its review of this five-year permit renewal application and respectfully recommends its approval.

Commercial leonardite (oxidized lignite) mining operations are expected to continue at the Stony Creek Mine through 2027. Leonardite Products, LLC filed the application for Revision No. 9 to Permit No. GRGR-0501 coincident with the application for Renewal No. 3 to the permit. Revision No. 9 identifies the next five-year commercial leonardite removal subarea and updates the legal, environmental resources, operation, and reclamation permit sections for the next five-year permit term.

Leonardite Products, LLC submitted the affidavit of publication for the renewal application newspaper notice to verify that it was published in the Williston Herald for four consecutive weeks. Surface owners within the permit area, appropriate governmental agencies, and the state's advisory committee members were notified of the renewal application and the opportunity to submit comments or objections, or to request an informal conference, on the renewal application. No comments, objections, or requests for an informal conference were received on the renewal application.

Evidence of adequate performance bond and liability insurance are on file. The updated worst-case reclamation cost estimate in Permit No. GRGR-0501 is now covered by collateral bond LC-GRGR-0501-05 in the amount of \$230,675 that is supported by an irrevocable standby letter of credit (No. 9631633) from BNC National Bank.

Attached for your consideration at the October 21st Commission meeting are the proposed motion and renewal approval form.

Mine Data\Leonardite Products\Permits\0501\Revisions & Renewals\Rev9_Ren3\Ren3_apprvl_memo_10-14-20

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