

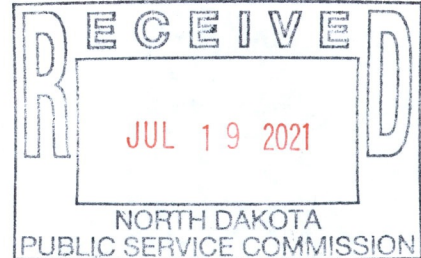
COYOTE CREEK MINING COMPANY, L.L.C.

A SUBSIDIARY OF THE NORTH AMERICAN COAL CORPORATION

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July 15, 2021

Mr. Dean K. Moos
Reclamation Director
ND State Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505



RE: Technical #1 Review Responses for Revision 11 to NACC-1302

Dear Mr. Moos:

Coyote Creek Mine submits the following responses to the 1st technical review of the application for Revision No. 11 to Surface Coal Mining Permit NACC-1302 for The Coyote Creek Mine in your letter dated June 17, 2021.

Table of Contents

1. *Please update the Printable Table of Contents to account for new Sections 1.2.4.4, 3.1.1.3.1, 3.3.26, 3.3.26.1, and any other new sections that were added to the permit with Revision No. 11. (BEB, JWE)*

Please see the updated Table of Contents.

Section 1.1.2 – Revision Summary Pages

2. *The Revision Summary Pages for Section 1.1.2 states that only page 20 was updated for Revision No. 11 and this should be revised to state that pages 20-22 were updated for the revision. Please review and update the listing. (BEB, PJR)*

Please see updated Section 1.1.2.

Section 1.3.5 – Other Licenses and Permits

3. *The ND DEQ P.O. Box 5520 address is outdated. Please update the address for the ND DEQ to 918 East Divide Ave. (add the appropriate division), Bismarck, ND 58501-1947. (JAR)*

Please see updated Section 1.3.5

Section 1.5 – Identification of Interests and Rights of Entry

4. *Please review mineral ownership for Tract 0019 in the NE1/4 of Section 2, T142N, R89W. Permit Area Surface and Coal Interests in Section 1.5.1 and the Surface and Coal Ownership Map in Section 1.5.3 for Revision No. 11 both show 100% unleased coal ownership of this tract belonging to the U.S. Department of Interior and that the tract is permitted for surface disturbance only. However, Revision No. 8 to NACC-1302 (approved on June 20, 2018) shows that 50% of the minerals are or were owned by six separate individuals/entities and the other 50% is owned by the ND Department of Trust Lands. Coal Lease – CO-14-0005 (02582) is the lease document with the State of North Dakota Board of University & School Lands, further complicating our understanding of this mineral ownership issue. If Tract 0019 is subdivided into different mineral ownerships for differing lots within the tract, please provide that information in Section 1.5. Please review and provide a final/definitive determination of mineral ownership for Tract 0019; however, if your records indicate there was a mineral ownership swap within this particular tract sometime after Revision No. 8 was approved, please state that in your response to this item. (ZAB, BEB)*

Our initial title research indicated the State owned 50% of the coal and six individuals owned the other 50%. Coyote Creek acquired leases from the State and the private individuals. Subsequently, we learned that the U.S. Department of Interior was claiming 100% of the coal interest in the tract, leading to an ambiguity in title. We modified our records to show title in the USA since the State of North Dakota and the USA need to litigate to confirm title in the tract and they have not yet done so.

Currently, the tract is only leased for surface disturbance until the coal interests are litigated.

Section 2.1.6.2 – Geophysical Logs

5. *The geophysical logs for drillholes CC20023C, CC20024C, CC20025C, and CC20026C are labeled on the Geophysical Log sheets in Section 2.1.6.2 as CC2023C, CC2024C, etc. for all of the drillholes in that sequence. At a minimum, please provide the corrected hand-written drillhole numbers on top of the log sheets so that they correlate with the naming convention used for those particular drillholes throughout the rest of the geology sections in the permit. (BEB)*

Please see updated section. The log sheets were modified to show the correct drillhole numbers.

Section 3.1.1.8 – Reclamation Costs

6. *Section 3.1.1.8.2 (Overburden Calculations) does not include the following sedimentation ponds in the calculation: P10-01, P10-02, and P30-03. Please update the calculations to include reclamation of these ponds. (JWE)*

P10-01 and P10-02 overburden embankment volumes are included in the Coal Processing Facility portion of Section 3.1.1.8.2. The P30-03 embankment in Section 3.1.1.8.2 was submitted as overburden, however this was incorrect as the embankment was constructed out of subsoil, so the P30-03 overburden embankment volume was removed from Section 3.1.1.8.2.

7. ***Sediment pond P24-06 is not depicted in Section 3.1.1.8.2 (Overburden Calculations), Section 3.1.1.8.7 (Topsoil Disturbance Area Map), and Section 3.1.1.8.8 (Subsoil Disturbance Area Map). Please update these sections to include pond P24-06. (JWE)***

Section 3.1.1.8.1, Section 3.1.1.8.2, Section 3.1.1.8.3, Section 3.1.1.8.4, Section 3.1.1.8.5, Section 3.1.1.8.6, Section 3.1.1.8.7, and Section 3.1.1.8.8 have been updated to account for P24-06 and P24-07 future construction.

8. ***Please change the hyperlink name and title block of the drawing in Section 3.1.1.8.10 – “Cross Sections 5-12” to “Cross Sections 5-15”. (SMN)***

Section 3.1.1.8.10 title block and hyperlink have been corrected.

Section 3.2 – Transportation Facilities

9. ***Please review the Transportation Facilities Narrative on page 1 in Section 3.1.2. The Air Quality Division of NDDEQ provided us with a phone message review comment that indicates the NDDOH should be changed to NDDEQ. Since no changes or updates were provided in the transportation sections of the permit with this revision application, you may disregard that request at this time. However, please feel free to make this minor update to the permit at this time if you choose. (BEB, JAR)***

Please see updated narrative for Section 3.2.1 with the requested updates.

Section 3.3.1 – Surface Water Management Plan

10. ***The footer on every page of the Surface Water Management Plan in Section 3.3.1 identifies Revision 11 updated in January 2021 even though there were no updates to the pages. Please replace the Revision 11 and January 2021 with the applicable revision and date that the changes were made. (JAR)***

Pages 8 and 9 have been updated in Revision 11, therefore the footers were changed for Section 3.3.1 to show that the section was updated in Revision 11. It is Coyote Creek's new practice to update all the footers to the current revision when any changes were made in the section/narrative. With tract changes, it is very difficult to determine which pages were/will change once the tract changes are accepted. Coyote Creek provides very detailed information pertaining to changes to the sections in Section 1.2 as well as tract changes to show what was changed during the revision process. Also, historical copies are saved at both the mine and the NDPSC.

Section 3.3.4 – Pond Construction and Reclamation Schedule

11. ***Several pond watershed areas (P23-02, P24-03, and P24-05) in this section depict watershed acreages that do not correspond with acreages depicted on the Surface Water Management Plan Map. Please clarify or correct the acreage differences between the pond construction and reclamation schedule and the map. (JAR)***

The watershed areas shown in Section 3.3.4 - Pond Construction and Reclamation Schedule differ because as mining progresses and upstream ponds are removed, the downstream ponds listed above will control runoff from additional watersheds. The Surface Water Management Plan Map shows watershed acres for the individual watershed outlined on the map.

Section 4.1.1 – Post-Mine Land Use Narrative

- 12. The footer on every page of this narrative identifies Revision 11 updated in January 2021 even though there were no updates to the pages after page one. Please replace Revision 11 and January 2021 with the applicable revision number and date the changes were made to the pages. (JAR)***

Please see response for #10.

Other

13. Please see the updated Section 3.1.3 - Pit Layout and Facility Map. Coyote Creek added the updated SPGM pile location for P07-01. A dragline access route that was inadvertently deleted off the map in a previous revision was added back in to the drawing and a potential gravel processing site was added to the map in the NW4 Sec. 36.
14. Please see the updated Section 1.2.6.1 – Proposed Section Line and Road Closures and Setback Waivers Map. The map was updated with the closure of the section lines between sections 1, 6, 7, and 12.
15. Please see the updated Section 1.2.8 – Road Closure Documents for the Mercer County Resolution closing the section line between sections 1, 6, 7, and 12.

Sincerely,

THE COYOTE CREEK MINING COMPANY, L.L.C

Jeremy Eckroth

Jeremy Eckroth
Environmental Manager