

Public Service Commission

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December 23, 2024

Mr. Jesse Noel
Director, Environmental & Regulatory Affairs
Westmoreland Beulah Mining LLC
Beulah Mine
P.O. Box 39
Beulah, ND 58523-0039
jnoel@westmoreland.com

Dear Mr. Noel:

The Reclamation Division has reviewed Westmoreland Beulah Mining's (WBM) response dated October 31, 2024, to our initial review of Partial Bond Release No. 4 to Surface Coal Mining Permit KR5B-8802. It should be noted that this response was received on November 1, 2024. The following issues must be resolved prior to publishing the public notice and mailing the notification letters. An inspection of the property as required by N.D.C.C. 38-14.1-17 will be delayed until the public advertisement has been published and the notification letters have been mailed.

Application Form SFN 19812

1. Please update the partial bond release dollar amount listed in the bond release application form SFN 19812 after addressing Items No. 15 through No. 19 below. (GAW)

Attachment II – Metes and Bounds Description

2. Please review and revise Attachment II (Metes and Bounds Description) for Bond Release Area 1 to accurately describe the area WBM is requesting to partially release from bond. The description indicates the "Point of Beginning" is located 214.81 feet, along a bearing of South 85°06'14" East, from the SE¼ of Section 12, T143N, R88W. The point described is not located anywhere on the Bond Release Area 1 boundary. (SMN)

Attachment III – Public Notice

3. Please update the partial bond release dollar amount listed in Attachment III (Public Notice) after addressing Items No. 15 through No. 19 below. (GAW)

Attachment IV – Letters to Affected Parties

4. Please update the names and addresses in the affected and adjoining surface landowner lists and the agency mailing list in Attachment IV (Letters to Affected Parties) so that the information provided is current. For example, the State Health Department can be deleted since the agency no longer exists; the address for the Lewis and Clark Regional Council for Development is incorrect;

and the listed contacts for the State Forester, the State Historical Society, the State Soil Conservation, and the ND Game and Fish Department are incorrect. (WWS/AAC)

5. Please remove the sentence “You are receiving this letter as a landowner adjacent to the bond release area” from the first paragraph of the local governments and state agency notification letters in Attachment IV (Letters to Affected Parties). (WWS)
6. Please update the partial bond release dollar amount listed in each notification letter in Attachment IV (Letters to Affected Parties) after addressing Items No. 15 through No. 19 below. (GAW)
7. The city of Amidon listed in the address for surface lessee Sarah Nordby is misspelled in the Adjoining Surface Landowners Mailing List table in Attachment IV (Letter to Affected Parties). Please correct this error. (GAW)

Attachment V – Stage 1 & 2 Detail Maps

8. Please review and revise the following grade approved areas depicted on Exhibit V-2, Final Grade/Soil Respread Depths Map, in Attachment V (Stage 1 & 2 Detail Maps) as needed: (WWS)
 - a. 10-29-04, 23.2 acres located in the SW¼ of Section 18 and the N½ of Section 19.
 - i. Exhibit V-2 depicts this grade approval receiving 0.9/1.1 and 1.3/2.7 feet of topsoil/subsoil, but our records indicate that this area was approved to be respread with 0.9/1.1, 1.3/0.7, 1.3/1.7, and 1.3/2.7 feet of topsoil/subsoil.
 - b. 6-1-04, 19.5 acres located in the SW¼ of Section 18 and the N½ of Section 19.
 - i. Exhibit V-2 depicts this grade approval receiving 0.9/1.1 and 1.3/0.7 feet of topsoil/subsoil, but our records indicate that this area was approved to be respread with 0.9/1.1, 1.3/0.7, 1.3/2.7, and 1.3/1.7 feet of topsoil/subsoil.
 - c. 2020, 5.7 acres located in the SW¼ of Section 18.
 - i. Exhibit V-2 depicts this grade approval receiving 0.3/1.3 feet of topsoil/subsoil, but our records indicate that this area was approved to be respread with 0.6/0.7 feet of topsoil/subsoil.
 - ii. Please change the label of the 2020 grade approved area to Charlie-09-2020, which is the reference ID given in the official grade approval correspondence.
 - d. 2020. This grade approval was initially submitted for 30.4 acres located in Section 19; however, various sections of the area were approved at different times in 2020 and 2021.
 - i. Exhibit V-2 depicts this grade approval receiving 0.3/1.3 feet of topsoil/subsoil, but our records indicate that this area was approved to be respread with 0.6/1.0 ft of topsoil/subsoil.
 - ii. Please change the label of the 2020 grade approved area to Charlie-10-2020, which is the reference ID given in the official grade approval correspondence. Also please label the western adjacent grade approved boundary currently labeled as 2021 to Charlie-10-2020 since it appears it was part of the initial grade approval correspondence.
9. Exhibit V-2, Final Grade/Soil Respread Depths Map, in Attachment V (Stage 1 & 2 Detail Maps) indicates that only 0.3 feet of topsoil was respread on the haulroad corridors in Sections 13,

18,19, and 24. The Reclamation Division believes that approximately 0.6 feet of topsoil was respread on these areas. Please check your records to ensure the appropriate SPGM respread depths have been recorded on these areas. Grade approvals were not submitted for these areas when they were reclaimed in 2019 and 2020 because the topography was simply blended into adjacent reclaimed lands. (GAW)

10. If records exist, please provide the original correspondence verifying SPGM respread depths for the following grade approvals: 06-04-1984, 06-06-1985, 09-18-1985, 10-08-1985, 04-03-1986, 06-26-1987, 01-22-1988, 09-09-1988, 08-18-1989, 10-05-1989, 06-22-1990 and 09-12-1990. (WWS)

Attachment VI – Reclamation Narrative

11. Please revise the Background subsection in Attachment VI (Reclamation Narrative) to state that Permit KRSB-8802 was formed from a consolidation of multiple other surface coal mining permits at the Beulah Mine. (WWS)
12. Please revise the Background subsection in Attachment VI (Reclamation Narrative) by moving the sentence “Knife River Coal Mining Company owned and operated the Beulah Mine south of the town of Beulah, North Dakota, since 1963.” to the beginning of the second paragraph of the Background subsection to provide clarity regarding the Beulah Mine ownership timeline. (WWS)
13. The first sentence in the second paragraph on page 2 of Attachment VI (Reclamation Narrative) (page 51 of the application) states that “The bond release area includes Pre-Law, 1969 & 1971 Law Liability and 1973 Law Liability areas as well as standard reclamation areas.” Please revise this statement to either reference the 1975, 1977, 1978 interim, and/or 1979 reclamation law periods or otherwise explain what ‘standard reclamation’ means. (GAW)
14. The second paragraph on page 4 of Attachment VI (Reclamation Narrative) (page 53 of the application) mentions a regression model, predicted spoil quality, and projected respread depths. Although this information was used to develop a soils handling plan, actual SPGM depths were determined using actual graded spoil quality information provided with each grade approval request. Please edit the second paragraph on page 4 of Attachment VI accordingly. (GAW)

Attachment VII – Performance Bond Release Calculations

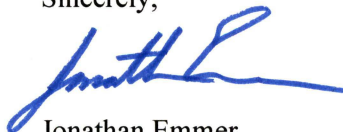
15. Follow-up to Item No. 2 of our initial review letter dated July 22, 2024. Please provide a detailed description of all remaining reclamation work to be completed in Permit KRSB-8802 and an estimate of costs to complete the remaining reclamation work in Attachment VII (Performance Bond Release Calculations). The cost estimate should include the costs to remove and reclaim sediment ponds P10, P11, P17, P30, and P52 and barrel and riser reconstruction costs for sediment pond P1. The Reclamation Division believes that funds should be retained to reclaim sediment pond P30 since a specific post-mine industrial land use has yet to be determined for the shop office complex area. In addition to the costs currently included in Attachment VII, it should be assumed that the affected land zoned as industrial will need to be graded to a contour that accommodates positive drainage. The detailed description of the remaining reclamation work should include the costs of removing surface material from the equipment storage areas and haul roads, constructing surface owner property boundary fences, and seeding the entire remaining areas that are considered affected or disturbed acreage. Also, please include the costs of applying

surfacing on reconstructed county roads and the removal of the Highway 49 underpass if required by the appropriate county or state authority. Please revise Attachment VII accordingly. (GAW)

16. Follow-up to Item No. 2 of our initial review letter dated July 22, 2024. The area of total disturbance in Permit KRSB-8802 should be revised to include areas affected by SPGM stockpiles 1-03-2 and 1-02-1, sediment ponds P2 and P3, and the pool areas of sediment ponds P5, P6, P25, and P8. WBM is responsible for erosional features in the drainageway between sediment ponds P1 and P14 so the entire drainageway should be considered disturbed by mining for the purposes of determining per acre reclamation costs in the Performance Bond Release Calculations. (GAW)
17. Follow-up to Item No. 2 of our initial review letter dated July 22, 2024. Please include a copy of the map attached to Nettie Ore's November 1, 2024 email in this bond release application to support the total disturbance boundary acreage used to derive the Performance Bond Release Calculations. (GAW)
18. Follow-up to Item No. 2 of our initial review letter dated July 22, 2024. Please update Table VII-3, BR4 bond release acreage summary and bond release calculations, in Attachment VII (Performance Bond Release Calculations) after addressing Items No. 15 through No. 17 above.
19. Please revise the narrative and Table VII-3 in subsection H, Bond Release Summary and Calculations, in Attachment VII (Performance Bond Release Calculations) to account for the bond amount that needs to be retained for Stage 3 and 4 bond release on the affected acreage not included in the Bond Release No. 4 application. A disturbed per acre value needs to be established, and this can be done by dividing the total disturbed acreage into the amount eligible for release (total minus cost to complete remaining reclamation). Forty percent of the established disturbed per-acre amount is eligible for Stage 1 release and 20 percent for stage 2. The computations in Table VII-3 do not account for the disturbed acreage not included in the bond release application nor does it account for the amount that needs to be retained for stage 3 and 4 release of the disturbed acreage not included in Bond Release No. 4. (GAW/PJR)

If you have any questions, please contact this office.

Sincerely,



Jonathan Emmer
Director
Reclamation Division

cc via email only: Juris Ore (jore@westmoreland.com)
 Nettie Ore (nore@westmoreland.com)
 Todd Briggs (tbriggs@westmoreland.com)
 Bob Smith (rsmith@westmoreland.com)