



Public Service Commission

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INSPECTION REPORT

DATE OF INSPECTION: October 29, 2024

TYPE OF INSPECTION: Partial

PERMITTEE - MINE: Coteau Properties Company - Freedom Mine

PERMITS INSPECTED: NACT-0201, NACT-1801, NACT-9001, NACT-9501

PERSONS ACCOMPANYING INSPECTORS: Morning - Mike Berg, Mark Wallen, and Dillon Belisle; Afternoon - Dillon Belisle

INSPECTION CONDITIONS: The inspection was conducted between 9:30 a.m. and 2:45 p.m. CDT. The sky was overcast, and winds were light from the N/NW. The temperature ranged from 44 to 55° F. Access was unrestricted.

BOND RELEASE

The purpose of this inspection was to evaluate the reclamation of lands associated with Final Bond Release No. 2 to Surface Coal Mining Permit NACT-1801. Prior to consolidation of permits to create NACT-1801, these tracts were a part of Surface Coal Mining Permit NACT-8503. The final bond release application involves two tracts consisting of 377.62 acres in the S½ and NE¼ of Section 29, T145N, R87W, Mercer County. Tract 1 is 218.3 acres of Coteau owned property in the SW¼ and a portion of the S½NE¼ of Section 29. This tract consists of 166.7 acres of reclaimed tame pastureland that includes a 2.2-acre conservation tree planting, two stock ponds totaling 3.1 acres, 1 acre of reclaimed section line trail, and 47.5 acres of undisturbed land. Tract 2 is 159.3 acres of privately owned property in the SE¼ of Section 29. This tract consists of 32.6 acres of reclaimed tame pastureland, a reclaimed stock pond totaling 1.5 acres, and 125.2 of undisturbed land. The bond release is depicted on **Figure 1** below with NAIP 2023 aerial photography. OSMRE, Mercer County Commissioners, ND Game and Fish, and the NRCS District Conservationist were invited but did not participate in the inspection.

Mining related disturbance was initiated in 1989 and coal removal operation was completed in 2005. Coal removal was limited to the northwestern portions of Tract 1. Annual mineral removal from the final pit in the SW¼ was purposely delayed allowing the site to function as an emergency coal removal area. Diversion D-J29-01 and sediment pond P-J29-01R were in the S½SW¼ of Section 29 and these features were reclaimed in 2012. The SE¼ of Section 29 was only affected by associated mining disturbance which involved SPGM stockpile storage areas and stripped drainages for water management purposes.

The reclaimed grassland was planted to a native grassland seed mixture in 2001, 2005, 2007, and 2012 but Kentucky bluegrass and smooth brome grass largely displaced the seeded native species and the post-

mining land use was subsequently changed from native grassland to tame pastureland. This reclaimed grassland is well established with herbaceous vegetation. The seeded native species, namely western wheatgrass, green needlegrass, sideoats grama, and switchgrass are generally present throughout and are the dominant species established in some areas. Blue grama, little bluestem, big bluestem and crested wheatgrass were also observed growing. The established grasses provide excellent ground cover and protection from erosion. Plant vigor appeared high, and the vegetation appears to have yielded well this year. Both tracts are fenced and were fully grazed (utilized) by cattle during the growing season. Utilization levels appeared higher on the reclaimed land compared to the undisturbed tame pastureland in the southwestern portion of the SW $\frac{1}{4}$ of Section 29 where crested wheatgrass and smooth brome grass are prevalent.

A spring seep has developed where sediment pond P-J29-01R was located and water was flowing through the drainage beyond the south section line. Cattails, bulrush, foxtail barley and other hydric vegetation have established on an acre or two of land associated with this spring seep. It seems the acreage associated with this ground water seep should be considered wetland. The permit identifies Spring No. 5 was present at this location prior to mining and documents that it had a flow rate of just under 3 gallons per minute. The permit will need to be reviewed to determine if this area was classified as a wetland prior to mining. This spring seep provides landscape diversity and is not averse to the post-mine land use.

The developed water resources, three stock ponds, were holding water and functioning as intended. Stock pond SP-29-03 is designed as a sump or dugout which means it does not have an embankment or anything to maintain. The drainage below this stock pond was well vegetated and stable. Stock ponds SP-29-01 and SP-29-02 have very small embankments. A tire stock tank has been installed adjacent to a Southwest Water Pipeline in the southwest corner of the SW $\frac{1}{4}$ of Section 29. This feature was not closely inspected but an apron of scoria was observed around the tank. It was not clear if this tank was used during the growing season.

The conservation tree planting in the northwest corner of Tract 1 in the S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 29 is providing wildlife habitat and landscape diversity. The planted trees and shrubs have established with variable success and are competing with a dense stand of smooth brome grass. Green ash, cottonwood, chokecherry, woods rose, buffalo berry, and American plum are some of the species observed growing in this planting. The tree planting site is fenced from the tame pastureland to the south and is bordered by cropland to the north and west and a grassed waterway to the east. The tree planting is stable from all forms of erosion.

The northern portion of the section line between the SW $\frac{1}{4}$ of Section 29 and the SE $\frac{1}{4}$ of Section 30 has been affected by mining activities and has been reclaimed as a raised section line road. A thin layer of scoria has been placed on the reclaimed portion of the road.

Coteau personnel were shown the area where Reclamation Division staff observed insufficient SPGM respread depths while soil probing the bond release area to verify SPGM respread depths as detailed in the September 25, 2024 soil probing inspection report. These areas are associated with grade approved areas 30-606-00207 and 30-606-00205 and are located along the north side of the SW $\frac{1}{4}$ of Section 29.

A rill/gully was recently repaired in a drainage along the north end of Tract 1 in the S $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 29. Soil was observed as having been placed in this feature. A small headcut was observed in a reclaimed drainage in Tract 2 in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 29. This head cut was about 2 feet deep and the barren area below the headcut was less than 20 feet in length. This feature will need to be stabilized prior to final bond release.

OVERBURDEN/COAL REMOVAL

Loaded and empty coal trucks were observed traveling on the Mine Area 3 (MA3) haul road in Sections 10 and 11 of Permit NACT-0201.

SURFACE WATER MANAGEMENT

Sump S-W11-02R in Section 11 of MA3 of Permit NACT-0201 was being discharged into the drainage northeast of the Freedom Mine shop office complex.

STOCKPILES

SPGM stockpiles in the SW $\frac{1}{4}$ of Section 12 of Permit NACT-1801 and the N $\frac{1}{2}$ of Section 11 in MA3 of Permit NACT-0201 were established with perennial vegetation that was protecting the soil from erosion. This would include SPGM stockpiles TS-17, SS-428, PTS-727, PTS-725, TS-723, SS-426, and PTS-741. Soil appeared to have been recently added to topsoil stockpile TS-765 which is in the NW $\frac{1}{4}$ of Section 3 in MA3 of NACT-0201.

REVEGETATION

Permit NACT-9501: Reclaimed native grasslands in the SE $\frac{1}{4}$ of Section 34, the NW $\frac{1}{4}$ of Section 35, and the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 36 were driven. These tracts are fenced and were grazed with cattle during the 2024 growing season. Utilization levels were generally moderate. Stock pond(s) were observed in each tract and all were holding water even though the area has not received appreciable precipitation for months. All observed reclaimed areas within these tracts appeared to be well established with the seeded native species, namely western wheatgrass, sideoats grama, green needlegrass, switchgrass, blue grama, and little bluestem. Kentucky bluegrass and smooth brome grass, non-native invasive cool season species, have invaded these grasslands and are present in variable quantities. The seeded native species appear to be the dominant vegetation established throughout most areas but smooth brome grass is abundant in places which displaces the competing native species. Kentucky bluegrass is present, and it appears to co-exist with the seeded native species when managed with livestock grazing. Western snowberry (buckbrush) and a few other forbs, such as wavy leaf thistle and cudweed sagewort, were observed in these reclaimed native grasslands.

A small head cut was observed in the drainage above stock pond SP-H35-03 in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35. A rill/gully was also observed in the drainage above stock pond SP H36-01 in the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 36, and a portion of this feature may be in Section 1, T145N, R88W, which has been released from bond. These features may have formed due to cattle trailing but they need to be repaired to prevent erosion.

Three small, fenced enclosures were observed on an east facing slope west of stock pond SP-H36-01. Coteau planted tall shrubs and/or trees in these sites, but they did not successfully establish. Remnants of a silt fence were observed in a drainage in the NW $\frac{1}{4}$ of Section 35. These remnants should be removed.

Woodland planting W-26-01 was observed from a distance. This replacement woodland planting is in the SW $\frac{1}{4}$ of Section 26. Mr. Belisle said that Coteau has been re-planting trees and shrubs in this planting. A high fence has been constructed around the perimeter of this planting to prevent deer from browsing planted trees and shrubs. The 2023 Annual Mine Map states that these trees rows were "to be planted in 2012 or 2011". From a distance, the trees and shrubs in this planting appeared stunted and most were not as tall as the perimeter fence.

Peas have been harvested from reclaimed cropland in the E½ of Section 36. Many peas were observed on the ground, so the reported yield will likely be less than the actual yield. Two rills/gullies were observed in the reclaimed cropland adjacent the grassed waterway in the southwest corner of the NE¼ of Section 36. Mr. Belisle said arrangements have been made to repair these features.

Permit NACT-9001: Winter wheat is growing on reclaimed cropland in the E½ of Section 1. The reclaimed wetland in the NE¼ of Section 1 is holding water and a grass buffer zone around the wetland is providing habitat for wildlife. The location of a reclaimed haul road and an access road that crossed this tract continue to be visible on 2023 NAIP aerial photography. These roads were reclaimed in 2014.

Mr. Belisle indicated that small grain crops on reclaimed lands yielded well at the mine this year and that he had heard reports of winter wheat and spring wheat yields in the 100 bushels and 50 bushels per acre range, respectively.

ROADS

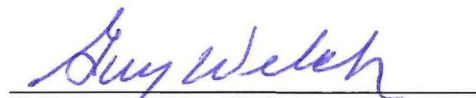
A water truck was observed in Permit NACT-1801.

WILDLIFE

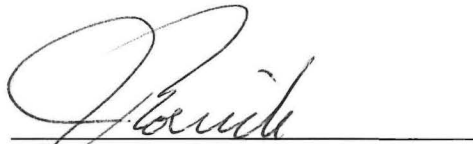
A coyote, several pheasants, and a covey of Hungarian partridge were observed in Section 29 of Permit NACT-1801. Two sharp-tailed grouse were flushed from reclaimed native grassland in Section 35 of Permit NACT-9501. A pheasant was observed flying into the grass buffer around a reclaimed wetland in the SE¼ of Section 36 of Permit NACT-9501.

MISCELLANEOUS


A GPS tracklog of the route traveled is on file with the Reclamation Division as are photographs taken.



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Permit Administrator



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Freedom Mine\Permits\NACT - 1801\Bond Release\No. 2\241029_BR2

Figure 1: Final Bond Release No. 2 to NACT-1801

