

PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

To: Steve Kahl, Executive Director *SK*
John Schuh, General Counsel
JE Jonathan Emmer, Director - Abandoned Mine Lands Division
From: *BJ* Brett Job & *MF* Matt Fischer
Date: December 10, 2024
Subject: 2025 Exploratory Drilling AML Project, Case No. AM-23-358

On March 4, 2024, the AML Division issued a solicitation for drilling and casing of abandoned underground mines near New Salem, ND and Scranton, ND. Competitive sealed bidding procedures were used with notices issued to registered vendors through the State Procurement Office.

The 2024 Exploratory Drilling Project was completed successfully. The AML Division intends to renew this contract as the 2025 Exploratory Drilling Project. This project will only take place in New Salem, ND. The contract renewal cost has increased from \$258,000 to \$325,500. The cost increase is attributed to the additional requirement of the contractor to use a Vac-Truck to contain all drilling materials. The signed contract has been returned. We have received performance and payment bonds, a certificate of liability insurance, and other required contractual materials. The contract renewal is now ready for execution by the Commission. The AML Division has sufficient funds in the current OSM grants for this and other projects planned for 2025.

We recommend the Executive Director execute the renewal contract with Earth Energy & Water Systems, Inc. for drilling at the 2025 Exploratory Drilling AML Project.

AML\2025\Exploratory Drilling\Administration\Memo_Exec_ctrct_renewal_12-10-24