



OFFICE OF SURFACE MINE RECLAMATION AND ENFORCEMENT

Annual Evaluation Summary Report

For

NORTH DAKOTA

(October 1, 2002 to June 30, 2003)

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(Cover photo: Reclaimed cropland and shelterbelt at the Indian Head Mine)

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I. Introduction

The Surface Mining Control and Reclamation Act of 1977 (SMCRA) created the Office of Surface Mining Reclamation and Enforcement (OSM) in the Department of the Interior. SMRCA provides authority to OSM to oversee the implementation of and provide Federal funding for State regulatory programs that have been approved by OSM as meeting the minimum standard specified by SMCRA. This report contains summary information regarding the North Dakota program and its effectiveness in meeting the applicable purposes of SMCRA as specified in Section 102. This report covers the period from October 1, 2002 to June 30, 2003. Detailed background information and comprehensive reports for the program elements evaluated during the period are available for review and copying at the Casper Field Office (CFO).

Comments regarding the oversight process, recommendations for additional review topics and suggestions for improving future reports are encouraged and should be submitted to the Director of the Casper Field Office.

The following is a list of acronyms used in this report:

A&E	Administration and Enforcement
CFO	Casper Field Office
EY	Evaluation Year
NOV	Notice of Violation
NTTP	National Technical Training Program
OSM	Office of Surface Mining Reclamation and Enforcement
OTT	Office of Technology Transfer
PSC	North Dakota Public Service Commission
RSI	Random Sample Inspection
SMCRA	Surface Mining Control and Reclamation Act of 1977
TDN	Ten Day Notice
TIPS	Technical Information Processing System

II. Overview of the North Dakota Coal Mining Industry

The coalfields in North Dakota are located in the Williston Basin, which is part of the Great Plains Coal Province. They underlie approximately 40 percent of the State's surface area. Most of the coal is produced commercially from two mining districts located in the western part of the State: (1) Beulah-Zap and (2) Hagel. Recoverable coal reserves in North Dakota are generally classified as lignite, which is characterized by low heating value (6,600 BTU), average high moisture content (40 per cent) and low sulfur content (less than 1.0 per cent). The mineable beds in the Williston Basin vary in thickness from three to 30 feet; economic stripping ratios range from 1.5:1 to 11:1. All active mines in North Dakota are currently large-scale surface mines that provide coal for mine-mouth or regional electrical generation facilities and a nearby coal gasification facility.

The first commercial mine in North Dakota opened in Morton County in 1873. As the railroad developed across the State, demand for coal increased and was supplied by underground mines. North Dakota was one of the first states to shift from underground to large-scale commercial surface mining. By 1927, 40 per cent of the State's production was by surface mining methods, compared with 2 per cent for the nation. In 1959, 86 per cent of North Dakota's coal production was from surface mines, and since 1966, the State's total production has been from this mining method. In 1884, North Dakota produced 35 thousand tons of lignite; in 2002 it produced 31 million tons.

In 1969, North Dakota enacted its first reclamation law and followed in 1973 and 1975 with major revisions to this law. A new law was enacted in 1979 that is consistent with SMCRA. Coal mining in North Dakota is concentrated around the western half of the State. This area consists of approximately 28,000 square miles, and has an estimated total resource of 350 Billion tons of coal, or about two-thirds of the total lignite reserves of the United States. North Dakota has a demonstrated recoverable coal reserve base of 35 billion tons.

North Dakota mines provide direct employment for approximately 900 people in five counties with another 2,000 people indirectly employed by the lignite industry, which has an annual payroll of over \$115 million. However, the coal industry's substantial impact on the State's population and economy has secondary in-state multiplier effects, since most of the State's coal production also fuels electric power generation plants within North Dakota that supply most of the State's electrical needs.

III. Opportunities for Public Participation

The North Dakota coal reclamation and enforcement program allows for public input and participation throughout the program. The North Dakota Public Service Commission (PSC) is the State agency charged with the responsibility for the permitting and regulation of the coal mining industry in North Dakota. OSM's programmatic reviews of the North Dakota program indicate that the PSC is adhering to the State's policies and procedures regarding opportunities for public participation.

IV. Major Program Accomplishments / Issues / Innovations

The North Dakota Public Service Commission (PSC) administers a very successful coal regulatory program as set forth in Section 102 of the Surface Mining Control and Reclamation Act of 1977. North Dakota's permanent regulatory program has been in-place since 1980.

North Dakota's regulatory program is run very efficiently and effectively considering the small number of staff that work with this program and the amount of land mined and reclaimed each year. Reclamation Division staff members that review mine permit and revision applications also carry out the compliance inspections and evaluate bond release applications. This allows them to remain very familiar with both the field operations and mining and reclamation plans in approved periods. The PSC continues to maintain a very good working relationship with their customers that include industry, landowners, citizen

groups and OSM. Any issues and concerns that arise are resolved in a timely and fair manner. The PSC carries out its duties using the appropriate technical expertise and with a high level of professionalism.

The pattern of excellence in mine land reclamation continues to be one of the most outstanding aspects of the North Dakota Regulatory program. The high quality of reclamation work carried out is reflected in the number of national Excellence in Surface Mining and Reclamation awards that North Dakota mines have received from OSM. Since 1986, North Dakota mines have received thirteen national reclamation awards. The high quality of reclamation work and sense of environmental responsibility is also reflected in the very low number of violations that have been issued in the past.

The PSC continues to encourage mining companies to file bond release applications as reclaimed land becomes eligible for release. Numerous reclaimed tracts that were subject to North Dakota's permanent regulatory program have received final bond release. Eight final bond release applications were under review at the end of the 2003 evaluation period. Tracts that have received final bond release under the permanent program include lands reclaimed to cropland, hayland, native grassland, tame pastureland, woodland, recreation and industrial use.

The Reclamation Division has also modified some rules and provisions in its revegetation success standards to encourage companies to submit final bond release applications sooner. In addition, the Reclamation Division is working with an industry task force and a citizen's group to propose policy changes that will reduce some of the burdens involved in the bond release process. An interim legislative committee will also be conducting a study on bond release issues between North Dakota's 2003 and 2005 legislative sessions.

The Reclamation Division has been working closely with mining companies to take advantage of new technology. The PSC has approved electronic versions of two permits for the Falkirk Mine. The premine environmental resource information, detailed mining and reclamation plans and other information for each of these large permit areas were submitted on one compact disk. This information has been copied to the PSC's computer network where staff members have access to the entire permits from their desktop PC's. Another electronic submittal for a new 17,000 acre permit area at the Freedom Mine was filed in the 2002 evaluation period. The Reclamation Division was awaiting the company's response to its technical deficiency letter at the end of the 2003 evaluation period. Two bond release applications with all supporting information were also submitted electronically. The Reclamation Division has been encouraging other companies to submit applications in an electronic format.

The Reclamation Division has also scanned and converted many of its paper documents to an electronic format. This has been primarily done using temporary employees during the summer months. To date, converted documents include more than twenty-five years of inspection reports, annual mine maps, surface and ground water monitoring reports, and wildlife monitoring reports. The Reclamation Division, State Water Commission and State Health Department are also working with an industry task force for submitting surface and ground water monitoring reports electronically for incorporating into a

common database. North Dakota's reclamation law and rules, policy memorandums to mine operators, application and bond forms, notices, and other related information are available to interested parties on the PSC's website.

Overall, North Dakota has an excellent coal regulatory program and staff at the PSC continue to implement the program in a highly professional, cooperative, and fair manner. The Reclamation Division has the necessary technical expertise for carrying out its functions to ensure that all of the requirements of SMCRA are met.

V. Success in Achieving the Purposes of SMCRA

A. Off-Site Impacts

No adverse offsite impacts were observed during one random sample inspection (RSI) in North Dakota during this evaluation year. In reviewing PSC inspection reports, no offsite impacts were documented. The PSC has agreed to add a section to the inspection reports to document offsite impacts when evaluated or observed in the field..

B. Reclamation Success

The Annual Report and Oversight Outline for North Dakota Title V Program for Ey-2003 and 2004 states that Reclamation Success will be reported in Table Five and the optional Table Six of the annual report. Contemporaneous reclamation and land form/approximate original contour was evaluated during one RSI inspection, four bond release inspections, and inspection report examinations of each active coal mine. No problems in any of these areas were noted. Some differential settling was noted in the final topography of some reclaimed agricultural fields. The PSC is requiring the operator to repair these settling features prior to considering the tract for bond release. The PSC issued two notices of violation at two mines during the evaluation period for failure to complete all reclamation through the initial seeding as required by North Dakota's reclamation law. The NOV's were subsequently abated and terminated.

Overall reclamation in North Dakota continues to be performed in a contemporaneous manner. At the majority of the pits, regrading and reclamation is being completed as close to the active pit as possible. There are thousands of acres that have been mined and totally reclaimed which do not show up in statistics reported by OSM in the Annual Evaluation report for the State. It appears that even though reclamation is occurring closely behind mining, more acreage could have received partial or total bond release and termination of jurisdiction by the PSC.

During the 2003 evaluation year, the OSM and PSC agreed to include bond release as an oversight topic. Specifically, we tried to determine the scope of reclaimed lands that are available for bond release at the four active mines. We had also planned to develop a questionnaire to find the reasons why more applications for bond release were not being submitted by the North Dakota operators. However, this work was not carried out due to a bond release study being conducted by the State's Legislative Interim Natural Resources Committee.

The OSM and PSC examined aerial photos, annual maps, performed a complete random sample inspection and field inspected three bond release request areas. Data from North Dakota's four large active mines Freedom, Falkirk, Beulah, and Center mines were examined. The purpose of this exercise was to determine the extent of areas mined and reclaimed that have met the 10 year liability period and therefore would be candidates for final bond release. There appears to be large areas of contiguous reclamation at all these mines which would be eligible for bond release. However, upon closer examination we found conditions that preclude bond release. For instance, at the Center Mine, most or all of six sections of land have been mined and completely reclaimed. However the 10 year liability period has not been met for several parcels in Section 26. Section 35 contains topsoil and subsoil stockpiles and an ash pit. Section 25 contains topsoil and subsoil stockpiles. Section 23 contains roads and topsoil and subsoil stockpiles.

Only continuous areas of $\frac{1}{4}$ section (160 acres) or more were considered for determining the number of tracts that are eligible for bond release. Of the four mines examined, there appeared to be only one $\frac{1}{4}$ section contiguous tract of land that has been reclaimed for 10 years and eligible for consideration for final bond release. All other tracts of $\frac{1}{4}$ section in size or contained lands that were not eligible for bond release. Most of these tracts were broken up by haul and access roads, topsoil stockpiles or temporary ponds. Some tracts contained shelterbelts which have not met the 10 year minimum liability period. Other tracts contain areas that may be held in reserve for future redisturbance such as a future change in the mining plan. Still other tracts may be interrupted by abandoned open pits with a temporary cessation designation. These support areas not eligible for bond release are not being "carved out" of reclamation tracts that are otherwise eligible for possible bond release. Therefore, some mine operators appear to be designating the entire $\frac{1}{4}$ section tract as "unattractive" for bond release.

Bonding based on the worst case reclamation scenario provides no incentive to submit applications for Phase I and II bond release. Permittees at most active mines are deciding to wait until the 10 year liability period has elapsed and then submit a single application for Phase I, II, and III bond release at one time.

The cost of data collection, preparing applications, and notice requirements may also delay bond release for some reclaimed tracts. Instead of applying for bond release on single $\frac{1}{4}$ sections, some permittees may wait until all standards are met on the entire section to prevent much higher cost, as much as four times higher, of submitting four bond release applications instead of one. This includes the collection of the required vegetation data for four separate tracts, rather than once for the entire section. The cost of preparing four separate bond release applications, one for each $\frac{1}{4}$ section, would be much higher than preparing a single application covering the whole section. This includes four separate mailings with notices to surface landowners, adjoining property owners, local government bodies, planning agencies, sewage and water treatment facilities, water companies, utilities, towns, and municipalities. Also, four separate newspaper notices would have to be published rather than one notice that covers the entire section. Thus, permittees may elect to delay applying for bond release to reduce costs.

Permittees of the active mines may also be reluctant to preempt or predict their mine plan by asking for bond release because of possible changes in mine ownership, management, engineering principals, coal quality, overall coal market, customer preference, overburden ratio, equipment constraints/advances, etc.

Ninety percent of the bond liability at three of North Dakota's large mine (Center, Freedom, and Glenharold) is covered by self-bonds. It appears the financial incentives to submit bond release applications at these mines are few and will remain so as long as reclamation performance bond premiums can be avoided by providing the necessary financial statements for self bonding. If reclamation performance at these mines was guaranteed by surety bonds that involve annual premiums, it is possible that more bond release applications would be submitted. This is especially in light of the tight surety bond market and the dramatic increases in premiums some mines have seen recently.

Most landowners at North Dakota mines are not demanding their cropland be returned to them promptly. Local farmers are growing crops on permittee owned land and reaping financial profits whether or not a field has received bond release status. Also, a few landowners have told PSC staff that they are not in any hurry for final bond release since they recognize the fact that mining companies continue to have reclamation responsibilities and liabilities while the land remains under bond. Some have specifically mentioned this in regard to the repair of minor settling features that occasionally develop in reclaimed cropland several years after the initial reclamation. Once the bond is totally released and the PSC's jurisdiction is terminated, a mining company no longer has any obligation to repair these features.

Perhaps a way to alleviate some of the permittees concerns with submitting bond release applications could be a change in procedure or regulations whereby the RA could sign off on all the performance standards as reclamation is complete. This way, the final bond release application could be limited to providing the vegetation data needed to demonstrate reclamation success and going through the administrative process of preparing the application and giving the required public and landowner notices. This may help assure the permittee that there will be no surprises when final bond release is requested.

As noted above, the OSM and PSC had planned to develop a questionnaire to be completed by mining companies to further explore the "bottlenecks" associated with the bond release. However, the questionnaire was not developed during this evaluation period because of the study on bond release issues initiated by the North Dakota Interim Legislative Natural Resources Committee. The OSM and PSC will reconsider this topic of oversight once the Legislative Committee's work is complete.

C. Customer Service

The PSC uses a computer program to record requests for information and any concerns or complaints that are received. The PSC's Public Contact System is used to record the date, name of the person contacting the Reclamation Division, the nature of the request or concern, and resolution of the matter.

During the 2003 evaluation period, the Reclamation Division received an average of six requests per month from mining companies regarding mining and reclamation requirements. Answers are usually provided immediately, except in instances where the subject matter had to be researched before a verbal or written response could be provided. This involved either the review of past decisions or researching the rationale for a particular requirement.

About four requests per month were received from landowners and the general public. The Reclamation Division provided the appropriate information to those requestors. If a question pertained to matters under the jurisdiction of another agency, they were referred to that agency. Commonly asked questions and information requests related to reclamation requirements, general mining plans for a particular area, the status of mining and reclamation activities at a mine, and other mine specific questions.

The Reclamation Division received and responded to one written complaint with concerns about surface coal mining and reclamation activities. The concerns were properly investigated and a written response was provided. In addition, a follow-up meeting was held with this person and another family member. The Reclamation Division also had several contacts and provided information to a person who was concerned that reclaimed land for which he has an option to purchase will not be released from bond in a timely manner.

The required notices were also provided to landowners and other interested parties for new permit applications, significant revisions, renewals and bond release applications. The Reclamation Division encourages participation in bond release inspections by the landowners, state, Federal and county officials.

The PSC responds to customer requests for information and complaints in an appropriate, timely and professional manner.

VI. OSM Assistance

A. OSM Grant Assistance

The State received \$486,543 in OSM support for permitting, inspection and enforcement and administration of their permanent program through an Administration and Enforcement (A&E) grant. This assistance represents 66 percent of the total cost of the North Dakota program. This grant is for twelve months.

B. Office of Technology Transfer (OTT)

In order to assist the North Dakota Public Service Commission (PSC) in its paperless permitting initiative, OSM provided electronic permitting funds in the amount of \$ 3,675. The funds were used for a flat panel computer monitor to facilitate viewing of CAD maps, and a workstation upgrade.

OSM's Technical Librarian filled one reference request, and provided 16 journal article reprints to PSC staff members. OTT provided 17 publications in the subject areas of soils, sediment transport, SME Mining Reference Handbook, interim and final Wyoming Abandoned Coal Mine Land Research reports, and 3 CDs as an addition to the PSC technical library.

OSM provided reclamation bonding technical assistance on the following topics: provided updates to U.S. Treasury Department's Circular 570 and advice regarding the notices; notified state bonding staff of fraudulent bonds being issued by an illegal Florida agent - U.S. Treasury notice on the Circular 570 website.

Five PSC staff attended and participated in *Joint Conference of the 9th Billings Land Reclamation Symposium and the 20th Annual Meeting of American Society of Mining and Reclamation*. The PSC paid all travel costs for their staff members that attended this symposium and meeting.

C. Technical Information Processing System (TIPS)

TIPS personnel gave a brief presentation to the PSC regarding TIPS' intent to provide scientific and engineering software directly to desktop workstations in TIPS customer locations. ArcInfo and AutoCAD software were delivered to the State with instructions for desktop and server installations.

KeyServer will be used to distribute software licensing to most TIPS software applications. TIPS advised each of states that the remaining TIPS software will be delivered by the end of the calendar year.

During the evaluation period, PSC staff attended the following TIPS training courses:

<u>Course Title</u>	<u>No. Attendees</u>
AutoCAD Map	1
Galena Slope Stability	1
GIS	1
GPS	1

D. National Technical Training Program (NTTP)

OSM also offers reclamation training courses to state regulatory authority employees at no expense to the state (other than salary and benefits) or the attendee. OSM's National Technical Training Program (NTTP) provides a wide range of courses including engineering, hydrology, soils & revegetation, inspection & enforcement, and computer software. Training was provided to five PSC staff members this year. OSM support cost for this training was approximately \$12,680.

PSC staff members participated in each of the following NTTP sponsored training courses during the evaluation year:

<u>Course Title</u>	<u>No. Attendees</u>
Historic and Archeologic Resources	2
Underground Mining Technology	1
Permit Findings Workshop	1
SMCRA and Endangered Species Act	2

VII. General Oversight Topic Reviews

A. State Program Amendments

Overall, the PSC has kept its program in compliance with SMCRA and any changes to the counterpart Federal regulations. The North Dakota program has been maintained in a contemporaneous and professional manner. At this time, there are no outstanding programmatic issues unresolved in the North Dakota program.

North Dakota does an excellent job of keeping OSM informed of any proposed changes to its program. This informal process allows for input from industry, citizen groups, the general public and other agencies like OSM, prior to formalized rulemaking. Any issues or problems with the proposed rule changes can then be identified and dealt with early in the process, making the formal program changes proceed through the rulemaking process easier and more efficiently.

During this evaluation period, North Dakota had three formal amendments submitted for OSM's review and approval, one of which was approved shortly after the evaluation period closed (07/07/03). The other two amendment packages are currently in the OSM review process and are expected to be approved early in the next evaluation period.

B. Inspection and Enforcement

The CFO conducted one random sample inspection (RSI) in North Dakota during the EY2003 to evaluate North Dakota PSC's inspection and enforcement program. The CFO also conducted two bond release inspections. The CFO and PSC also conducted a joint partial inspection of all active coal mines in the State during an aerial overflight.

North Dakota PSC inspectors continue to exceed the number of inspections required to monitor and evaluate compliance at all coal mines in the State. All inspection reports prepared by PSC were reviewed by the CFO and were found to be complete, documented site/mine conditions, tracked violation status and provided continuity with previous inspections.

North Dakota issued two enforcement actions during the evaluation year. These enforcement actions were properly issued and terminated in a timely manner. Remedial measures and abatement periods were appropriate.

No ten-day-notices (TDN's) were issued by the CFO during this review period.

C. Financial Administration

CFO conducted financial oversight during the evaluation period. CFO visited PSC offices in Bismarck, North Dakota and reviewed financial information. Specifically, drawdowns, timeliness of grant applications and reports, program income, travel, Federal lands documentation, accounting, audits and property was reviewed.

A drawdown analysis was conducted for the existing Administration and Enforcement (A&E) grant as well as the previous grant. All draws from the grants were reviewed. North Dakota drew the correct amounts for each draw and the draws followed appropriate expenditures. All draws were reimbursable.

The PSC was timely regarding both reporting financial status of the existing Administration and Enforcement grant and filing their latest grant application.

All program income earned under the A&E grant was reported and applied to the grant. Permit fees are the primary source of program income.

Travel policies and procedures were reviewed. Travel vouchers for six Reclamation Division staff members were reviewed to ensure that the PSC is following their own travel policies and procedures. Authorization, per diem and other cost allowances were found to meet the requirements of the State's policies and procedures.

Because the State permits Federal lands, a review was made of how the Federal lands portion of the A&E grant was determined. This review helps ensure that the State/Federal split of the A&E grant is accurate. The Reclamation Division continually updates a data base containing the Federal lands included in each permit. Changes in permits are entered. Several of the permit acreages were checked against that amount submitted in the latest grant application. No problems were found.

No A-133 Audit was performed for the Title V program because under A-133 procedures the program does not meet the program dollar criterion as qualifying for audit. Discussions were held with the State Auditor's office. State Auditors had performed a risk analysis as required by A-133 and, as a result an audit was not deemed necessary.

The PSC continues to report property and transfer property in a timely matter. A new property inventory was taken early in CY2003, meeting Common Rule requirements.

APPENDIX A

Tabular Summaries of Data Pertaining to Mining, Reclamation and Program Administration

These tables represent data pertinent to mining operations, State and Federal regulatory activities within North Dakota. They also summarize funds provided by OSM and the North Dakota staffing. Unless otherwise specified, the reporting period for the data contained in all tables is the 2003 evaluation year (October 1, 2002 – June 30, 2003). Additional data used by OSM in its evaluation of North Dakota's performance is available for review in the evaluation files maintained by the Casper Field Office.



Combining wheat on reclamation lands at the Indian Head Mine

TABLE 1

COAL PRODUCTION (Millions of short tons)			
Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
Annual Period			
2000	31.163	0.000	31.163
2001	30.604	0.000	30.604
2002	31.013	0.000	31.013
Total	92.780	0.000	92.780

A Coal production as reported in this table is the gross tonnage which includes coal that is sold, used or transferred as reported to OSM by each mining company on form OSM-1 line 8(a). Gross tonnage does not provide for a moisture reduction. OSM verifies tonnage reported through routine auditing of mining companies. This production may vary from that reported by States or other sources due to varying methods of determining and reporting coal production. **Provide production information for the latest three full calendar years to include the last full calendar year for which data is available.**

TABLE 2

INSPECTABLE UNITS													
As of June 30, 2003													
Coal mines and related facilities	Number and status of permits								Insp. Units^D	Permitted acreage^A (hundreds of acres)			
	Active or temporarily inactive		Inactive		Abandoned		Totals						
	IP	PP	Phase II bond release										
			IP	PP	IP	PP	IP	PP		IP	PP	Total	
STATE AND PRIVATE LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	27	2	6	0	0	2	33		1.6	774.5	776.1	
Underground mines	0	0	0	0	0	0	0	0		0	0	0	
Other facilities	0	0	0	0	0	0	0	0		0	0	0	
Subtotals	0	27	2	6	0	0	2	33	0	1.6	774.5	776.1	
FEDERAL LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	21	0	5	0	0	0	26		0	774.5	774.5	
Underground mines	0	0	0	0	0	0	0	0		0	0	0	
Other facilities	0	0	0	0	0	0	0	0		0	0	0	
Subtotals	0	21	0	5	0	0	0	26	0	0	774.5	774.5	
ALL LANDS^B													
Surface mines	0	27	2	6	0	0	2	33		1.6	774.5	776.1	
Underground mines	0	0	0	0	0	0	0	0		0	0	0	
Other facilities	0	0	0	0	0	0	0	0		0	0	0	
Totals	0	27	2	6	0	0	2	33	0	1.6	774.5	776.1	
Average number of permits per inspectable unit (excluding exploration sites)									<u>1</u>				
Average number of acres per inspectable unit (excluding exploration sites)									<u>2217</u>				
Number of exploration permits on State and private lands:									<u>0</u>		On Federal lands ^C :		<u>0</u>
Number of exploration notices on State and private lands:									<u>1</u>		On Federal lands ^C :		<u>0</u>
<p>IP: Initial regulatory program sites PP: Permanent regulatory program sites</p> <p>^A When a unit is located on more than one type of land, include only the acreage located on the indicated type of land. ^B Numbers of units may not equal the sum of the three preceding categories because a single inspectable unit may include lands in more than one of the preceding categories. ^C Includes only exploration activities regulated by the State pursuant to a cooperative agreement with OSM or by OSM pursuant to a Federal lands program. Excludes exploration regulated by the Bureau of Land Management. ^D Inspectable Units includes multiple permits that have been grouped together as one unit for inspection frequency purposes by some State programs.</p>													

TABLE 3

STATE PERMITTING ACTIVITY												
As of June 30, 2003												
Type of Application	Surface mines			Underground mines			Other facilities			Totals		
	App. Rec.	Issued	Acres	App. Rec.	Issued	Acres^A	App. Rec.	Issued	Acres	App. Rec.	Issued	Acres
New Permits	0	0	0	0	0	0	0	0	0	0	0	0
Renewals	2	0	0	0	0	0	0	0	0	2	0	0
Transfers, sales and assignments of permit rights	0	0	0	0	0	0	0	0	0	0	0	0
Small operator assistance	0	0	0	0	0	0	0	0	0	0	0	0
Exploration permits	0	0	0	0	0	0	0	0	0	0	0	0
Exploration notices ^B	0	1	0	0	0	0	0	0	0	0	1	0
Revisions (exclusive of incidental boundary revisions)	0	24	0	0	0	0	0	0	0	0	24	0
Incidental boundary revisions	0	0	0	0	0	0	0	0	0	0	0	0
Totals	2	25	0	0	0	0	0	0	0	2	25	0

OPTIONAL - Number of midterm permit reviews completed that are not reported as revisions.

4

^A Includes only the number of acres of proposed surface disturbance.

^B State approval not required. Involves removal of less than 250 tons of coal and does not affect lands designated unsuitable for mining.

TABLE 4

OFF-SITE IMPACTS												
RESOURCES AFFECTED DEGREE OF IMPACT	People			Land			Water			Structures		
	minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
TYPE OF IMPACT AND TOTAL NUMBER OF EACH TYPE	0	0	0	0	0	0	0	0	0	0	0	0
Blasting	0	0	0	0	0	0	0	0	0	0	0	0
Land Stability	0	0	0	0	0	0	0	0	0	0	0	0
Hydrology	0	0	0	0	0	0	0	0	0	0	0	0
Encroachment	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0									
Total number of inspectable units: <u>35</u>												
Inspectable units free of off-site impacts: <u>35</u>												
OFF-SITE IMPACTS ON BOND FORFEITURE SITES												
RESOURCES AFFECTED DEGREE OF IMPACT	People			Land			Water			Structures		
	minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
TYPE OF IMPACT AND TOTAL NUMBER OF EACH TYPE	0	0	0	0	0	0	0	0	0	0	0	0
Blasting	0	0	0	0	0	0	0	0	0	0	0	0
Land Stability	0	0	0	0	0	0	0	0	0	0	0	0
Hydrology	0	0	0	0	0	0	0	0	0	0	0	0
Encroachment	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0									
Total number of inspectable units: <u>0</u>												
Inspectable units free of off-site impacts: <u>0</u>												

Refer to the report narrative for complete explanation and evaluation of the information provided by this table.

TABLE 5

ANNUAL STATE MINING AND RECLAMATION RESULTS		
Bond release phase	Applicable performance standard	Acreage released during this evaluation period
Phase I	- Approximate original contour restored - Topsoil or approved alternative replaced	458.60
Phase II	- Surface stability - Establishment of vegetation	28.60
Phase III	- Post-mining land use/productivity restored - Successful permanent vegetation - Groundwater recharge, quality and quantity restored - Surface water quality and quantity restored	220.69
	Bonded Acreage Status^A	Acres
Total number of acres bonded at end of last review period (September 30, 2002) ^B		77,722.00
Total number of acres bonded during this evaluation year		0.00
Number of acres bonded during this evaluation year that are considered remining, if available		0.00
Number of acres where bond was forfeited during this evaluation year (also report this acreage on Table 7)		0.00

^A Bonded acreage is considered to approximate and represent the number of acres disturbed by surface coal mining and reclamation operations.

^B Bonded acres in this category are those that have not received a Phase III or other final bond release (State maintains jurisdiction).

Table 6a

North Dakota Permanent Program Permits

Mine	Disturbed area		Long Term facilities	Active Mine Areas	Areas Graded		Phase I Bond Release		Areas Re-soiled and Seeded		Phase III (veg. est. Bond Release		Areas Seeded for 10 years *		Disturbed Lands Final Bond Release	
	2002	Total			2002	Total	2002	Total	2002	Total	2002	Total	2002	Total	2002	Total
Beulah	152	4584	1055	885	109	2644	0	469	107	2550	0	469	73	737	0	469
Center	274	6140	1245	1085	261	3810	72	198	169	3796	72	198	198	1541	72	198
Falkirk	747	13604	4903	1370	721	7331	0	1079	606	6937	0	246	393	3024	0	246
Freedom	969	16400	4465	3106	562	8829	0	315	789	8425	0	315	504	1914	0	295
Gascoyne	0	2360	79	0	0	2281	0	2215	0	1970	0	586	80	640	0	586
Glenharol	0	4355	30	0	0	4325	0	1060	0	4325	0	372	30	1715	0	372
IndianHee	0	2404	0	0	3	2404	0	2401	7	2404	0	2170	220	998	0	605
Larson	0	650	0	0	0	650	0	528	0	650	0	485	0	600	0	50
New Leip	0	25	0	0	0	25	0	25	0	25	0	25	0	0	0	25
Royal Oal	0	105	0	0	0	105	0	89	0	105	0	86	34	52	0	10
Royal Oal	0	318	0	0	0	318	0	312	0	318	0	177	0	72	0	237
Velva	0	387	0	0	0	387	0	387	0	387	0	387	0	0	0	387
	2142	51332	11777	6446	1656	33109	72	9078	1678	31892	72	5516	1532	11293	72	3480

(Note - Total disturbed areas, graded areas, and seeded areas include the disturbed acreage that has received final bond release)

* Does not include final bond release areas

Table 6b

North Dakota Initial Regulatory Program
(mined 1978-1980)

Mine	Disturbed Area*		Long Term facilities	Active Mine Areas	Areas Graded		Areas Re-soiled and Seeded		Jurisdiction Terminated	
	2002	Total			2002	Total	2002	Total	2002	Total
Beulah	0	210	0	0	0	210	0	210	0	210
Center	0	320	0	0	0	320	0	320	0	320
Falkirk	0	51	0	0	0	51	0	51	0	51
Glenharol	0	1184	0	0	0	1184	0	1184	0	1184
IndianHea	0	357	0	0	0	357	0	357	0	357
Larson	0	72	0	0	0	72	0	72	0	72
Royal Oat	0	43	0	0	0	43	0	43	0	43
Totals	0	2237	0	0	0	2237	0	2237	0	2074

* Includes final bond release acreage

Table 6c

North Dakota Permanent Program Permits

Mine	Total Final Bond Release Acreage	Postmining Land Use									
		Undisturbed	Cropland	Hayland	Native Grass	Tame Grass	Recreational	Industrial	Woodland	Ponds	
Beulah	519	50	138	0	0	0	0	331	0	0	
Center	198	0	0	51	15	0	0	132	0	0	
Falkirk	246	0	0	0	0	0	165	81	0	0	
Freedom	315	20	0	0	0	0	6	289	0	0	
Gascoyne	753	167	52	0	0	0	0	534	0	0	
Glenharold	512	140	0	0	0	0	0	372	0	0	
IndianHead	801	196	185	173	113	17	0	113	0	4	
Larson	114	64	0	0	0	0	0	50	0	0	
New Leipzig	35	10	0	25	0	0	0	0	0	0	
Royal Oak-	10	0	0	0	0	0	0	10	0	0	
Royal Oak	257	20	79	0	0	0	0	158	0	0	
Velva	802	415	94	0	277	0	0	0	14	2	
	4562	1082	548	249	405	17	171	2070	14	6	

TABLE 7

STATE BOND FORFEITURE ACTIVITY (Permanent Program Permits)		
Bond Forfeiture Reclamation Activity by SRA	Number of Sites	Acres
Sites with bonds forfeited and collected that were unreclaimed as of September 30, 2002 (end of previous evaluation year) ^A	0	0.00
Sites with bonds forfeited and collected during Evaluation Year 2003 (current year)	0	0.00
Sites with bonds forfeited and collected that were re-permitted during Evaluation Year 2003 (current year)	0	0.00
Sites with bonds forfeited and collected that were reclaimed during Evaluation Year 2003 (current year)	0	0.00
Sites with bonds forfeited and collected that were unreclaimed as of June 30, 2003 (end of current year) ^A	0	0.00
Sites with bonds forfeited but uncollected as of June 30, 2003 (end of current year)	0	0.00
Surety/Other Reclamation (In Lieu of Forfeiture)		
Sites being reclaimed by surety/other party as of September 30, 2002 (end of previous evaluation year) ^B	0	0.00
Sites where surety/other party agreed to do reclamation during Evaluation Year 2003 (current year)	0	0.00
Sites being reclaimed by surety/other party that were re-permitted during Evaluation Year 2003 (current year)	0	0.00
Sites with reclamation completed by surety/other party during Evaluation Year 2003 (current year) ^C	0	0.00
Sites being reclaimed by surety/other party as of June 30, 2003 (current evaluation year) ^B	0	0.00
^A Includes data only for those forfeiture sites not fully reclaimed as of this date ^B Includes all sites where surety or other party has agreed to complete reclamation and site is not fully reclaimed as of this date ^C This number also is reported in Table 5 as Phase III bond release has been granted on these sites		

TABLE 8

NORTH DAKOTA STAFFING (Full-time equivalents at the end of evaluation year)	
Function	EY 2003
Regulatory Program	
Permit review	4.80
Inspection	1.90
Other (administrative, fiscal, personnel, etc.)	2.00
Regulatory Program Total	8.70
AML Program Total	4.37
TOTAL	13.07

TABLE 9

FUNDS GRANTED TO NORTH DAKOTA BY OSM (Millions of dollars) EY 2003		
Type of Grant	Federal Funds Awarded	Federal Funding as a Percentage of Total Program Costs
Administration and Enforcement	\$0.49	66
Small Operator Assistance	\$0.00	0
Totals	\$0.49	

TABLE 10

STATE OF NORTH DAKOTA INSPECTION ACTIVITY		
PERIOD: OCTOBER 1, 2002 - JUNE 30, 2003		
Inspectable Unit Status	Number of Inspections Conducted	
	Complete	Partial
Active*	54	254
Inactive*	51	100
Abandoned*	0	0
Total	105	354
Exploration	3	0

* Use terms as defined by the approved State program.

State should provide inspection data to OSM annually, at a minimum, and maintain inspection data on a continual basis. OSM offices responsible for Federal and Indian Programs need not complete this table since data will be queried from the I & E Tracking System.

TABLE 11

**STATE OF NORTH DAKOTA
ENFORCEMENT ACTIVITY**

PERIOD: OCTOBER 1, 2002 - JUNE 30, 2003

Type of Enforcement Action	Number of Actions*	Number of Violations*
Notice of Violation	2	2
Failure-to-Abate Cessation Order	0	0
Imminent Harm Cessation Order	0	0

* Do not include those violations that were vacated.

State should provide enforcement data to OSM annually, at a minimum, and maintain data on a continuous basis. OSM offices responsible for Federal and Indian Programs need not complete this table since data will be queried from the I & E Tracking System.

TABLE 12

LANDS UNSUITABLE ACTIVITY			
PERIOD: OCTOBER 1, 2002 - JUNE 30, 2003			
Number of Petitions Received	0		
Number of Petitions Accepted	0		
Number of Petitions Rejected	0		
Number of Decisions Declaring Lands Unsuitable	0	Acreage Declared as Being Unsuitable	0
Number of Decisions Denying Lands Unsuitable	0	Acreage Denied as Being Unsuitable	0

State should provide lands unsuitable data to OSM annually if there is any activity in this program area. OSM OFFICES RESPONSIBLE FOR FEDERAL AND INDIAN PROGRAM STATES MUST ALSO COMPLETE THIS TABLE.