

1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

### **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

John F. Buckman South Heart, North Dakota 58655

Dear John F. Buckman:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A Signature A Signature A Agent A Addressee B Received by (Printed Name) C. Date of Delivery D a h n F. Bucknum D (? D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
South Heart, North Dakota 58655	3. Service Type         Certified Mail       Express Mail         Registered       Return Receipt for Merchandise         Insured Mail       C.O.D.         4. Restricted Delivery? (Extra Fee)       Yes
2. Article Number (Transfer from service label)	80 0002 5955 9645
PS Form 3811, February 2004 Domestic Re	turn Receipt 102595-02-M-1540



January 3, 2008

John F. Buckman 2891 122<sup>nd</sup> Ave SW Belfield, ND 58622

Dear John F. Buckman:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

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We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 5.74 acres and is described as T139N R98W Section 15: Tract in the SE1/4SE1/4. This parcel's current land use is broken down as follows:

Cropland 0.60	Farmstead Yard2.33
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence0.06
Shelterbelt1.50	Structures0.06
Corral/Feedlot0.06	Waste Dump
Tame Pasture	Industrial/Utilities
Tame Pasture Woodland0.06	Mines
Driveway0.09	Woodland
Roads Surface0.37	Reservoirs - Open Water
Right-of-Way/Lane 0.61	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

QA is now áno

Thank you for your cooperation.	
Landowner Signature John F. Buckman	Date 1-9-08
Landowner Signature John F. Buckman Name John F. Buckman	a ata ma <sub>n d</sub>
Address 3891 122ND Ave S.W.	-
P.O. Box 344	
South Heart W.P. 58655	



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February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Emmil, Leocadia Family Trust Delores Baudoin, Lydia Meduna, Trustees 11435 Hwy 10 W. Dickinson, North Dakota 58601

Dear Emmil, Leocadia Family Trust (Delores Baudoin, Lydia Meduna, Trustees):

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

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Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

Leocadia Emmil Family Trust 11435 Hwy 10 Dickinson, ND 58601

Dear Leocadia Emmil Family Trust:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

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In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

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We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 9.41 acres and is described as T139N R98W Section 33: W1/2, SE1/4. This parcel's current land use is broken down as follows:

Cropland	8.33	Farmstead Yard
Cropland Waterwa	ny	Feed / Hay Lot
Native Vegetation		Garden
Native Vegetation	– Tame Pasture	Residence
Shelterbelt		Structures
Corral/Feedlot		Waste Dump
Tame Pasture		Industrial/Utilities
Tame Pasture Woo	odland	Mines
Driveway		Woodland
Roads Surface		Reservoirs - Open Water
Right-of-Way/Lan	ne1.09	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

Landowner Signature	Date
Name	
Address	

Thank you for your cooperation.

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 182.45 acres and is described as T139N R98W Section 34: N1/2. This parcel's current land use is broken down as follows:

Cropland169.70	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt0.45	Structures
Corral/Feedlot	Waste Dump
Tame Pasture	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland1.71
Roads Surface0.70	Reservoirs - Open Water
Right-of-Way/Lane9.87	Wetlands0.01

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Landowner Signature	Date
Name	
Address	

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The parcel being considered on this page, of which you are the owner, totals 100.78 acres and is described as T139N R98W Section 34: S1/2. This parcel's current land use is broken down as follows:

Cropland99.84	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane0.94	Wetlands

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Thank you for your cooperation.



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February 26, 2010

### **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Larry R. Klein 525 Weatherby Way Bismarck, North Dakota 58503-0139

Dear Larry R. Klein:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

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Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

Larry R. Klein 525 Weatherby Way Bismarck, ND 58503

Dear Larry R. Klein:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

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Cropland14.90	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
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Thank you for your cooperation	
Landowner Signature Sangh. Klein	_Date 1/10/08
Name Jany R. Flein	
Address 524 Weatherboy Way	
Promarch MA 58403	



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February 26, 2010

## **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Kenneth D. Kudrna 11961 41st Street SW South Heart, North Dakota 58655

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Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

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January 3, 2008

Kenneth D. Kudrna 11961 41<sup>st</sup> Street SW South Heart, ND 58655

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Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 5.53 acres and is described as T139N R98W Section 20: SE1/4. This parcel's current land use is broken down as follows:

Cropland5.10	Farmstead Yard
Cropland Waterway0.20	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.07	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane0.15	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Mõr R lay a

Thank you for your cooperation.
Landowner Signature Kenneth D. Kudung Date 1-11-08
Name Kenneth D. Kudana
Address 1/961 41 St St SW
South Heart, ND 58655



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

## **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Patrick and Katherine Kuylen 12230 40th St. SW South Heart, North Dakota 58655

Dear Patrick and Katherine Kuylen:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

Patrick and Katherine Kuylen PO Box 184 South Heart, ND 58655

Dear Patrick and Katherine Kuylen:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

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We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

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Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 14.52 acres and is described as T139N R98W Section 20: NW1/4 less a tract in the NW1/4NW1/4, NE1/4 less a tract in the SW1/4NE1/4. This parcel's current land use is broken down as follows:

Cropland7.81	Farmstead Yard
Cropland Waterway0.15	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt0.52	Structures
Corral/Feedlot	Waste Dump
Tame Pasture1.17	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface0.04	Reservoirs - Open Water
Right-of-Way/Lane4.83	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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Please sign and return this form to South Heart Coal LLC, At	ttn: Rich Voss, 1022 East Divide Avenue, Suite I

Ξ, Bismarck, ND 58501

Thank you for your cooperation.		
Landowner Signature Pat Kuylen	Date	1-17-08
Landowner Signature <u>Pat Kuylen</u> Name <u>PAT Kuyl EN</u>		
Address $Boy 184$		
SOUTH HEART NID. 58655		

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 641.42 acres and is described as T139N R98W Section 27: All. This parcel's current land use is broken down as follows:

Cropland310.65	Farmstead Yard4.31
Cropland Waterway	Feed / Hay Lot3.41
Native Vegetation151.02	Garden
Native Vegetation – Tame Pasture15.72	Residence0.05
Shelterbelt0.93	Structures0.37
Corral/Feedlot 7.15	Waste Dump
Tame Pasture 10.73	Industrial/Utilities
Tame Pasture Woodland	Mines0.19
Driveway0.97	Woodland104.15
Roads Surface6.52	Reservoirs - Open Water0.41
Right-of-Way/Lane16.10	Wetlands8.72

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Thank you f	for your cooperation.			
Landowner	Signature Pat X myler		Date _	1-17-08
Name	PAT KUYCEN			
	Box 184			
	SOUTH HEART N.D.	58655		

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 104.58 acres and is described as T139N R98W Section 28: NE1/4. This parcel's current land use is broken down as follows:

Cropland22.56	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation56.46	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump0.41
Tame Pasture4.14	Industrial/Utilities
Tame Pasture Woodland	Mines0.59
Driveway	Woodland12.10
Roads Surface0.03	Reservoirs - Open Water0.39
Right-of-Way/Lane0.02	Wetlands7.87

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Thank you fo	or your cooperation.	
Landowner S	Signature Cat X unle	Date 1-17-08
Name	PAT KUXLEN	
Address	Box 184	genteettii - tee genteettii - teet
	SOUTH HEART N.L.	).AK 58655

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 40.78 acres and is described as T139N R98W Section 28: W1/2, SE1/4. This parcel's current land use is broken down as follows:

Cropland29.02	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation0.85	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture8.71	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface0.85	Reservoirs - Open Water
Right-of-Way/Lane1.35	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Thank you for your co	operation.	
Landowner Signature	Catkingler	Date _/~/ 7~08
Name	PAT KUYLEN	
Address	Box 184	
	SOUTH HEART N.D.	58655



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Robert F. and Brenda K. Kuylen P.O. Box 273 South Heart, North Dakota 58655

Dear Robert F. and Brenda K. Kuylen:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has


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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

Robert F. and Brenda K. Kuylen PO Box 273 South Heart, ND 58655

Dear Robert F. and Brenda K. Kuylen:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 158.97 acres and is described as T139N R98W Section 16: SW1/4. This parcel's current land use is broken down as follows:

Cropland	Farmstead Yard
Cropland Waterway	Feed / Hay Lot3.74
Native Vegetation88.24	Garden
Native Vegetation – Tame Pasture20.85	Residence
Shelterbelt 5.20	Structures0.03
Corral/Feedlot11.87	Waste Dump
Tame Pasture 22.03	Industrial/Utilities
Tame Pasture Woodland	Mines1.10
Driveway	Woodland
Roads Surface1.35	Reservoirs - Open Water0.46
Right-of-Way/Lane 1.07	Wetlands 3.02

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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Thank you for your cooperation.	
Landowner Signature Robert Kun Brenda Kuylen Date 1-16-C	<u> 8 (</u>
Name Robert and Brenda Kuylen	-
Address Dox 273	
South HEart, ND 58655	

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 297.69 acres and is described as T139N R98W Section 17: All less a tract in the SW1/4SW1/4. This parcel's current land use is broken down as follows:

Cropland217.55	Farmstead Yard
Cropland Waterway8.67	Feed / Hay Lot
Native Vegetation58.80	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt0.06	Structures
Corral/Feedlot	Waste Dump
Tame Pasture6.21	Industrial/Utilities0.08
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface2.15	Reservoirs - Open Water0.35
Right-of-Way/Lane2.46	Wetlands1.37

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Rasture land will be reclaimed to clop land

Thank you for your cooperation.
Landowner Signature Rohit Kur Brenda Huyten Date 1-16-08
Name Robert - Brenda Kuylen
Address BOX 273
South Heart, ND 58655

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 641.73 acres and is described as T139N R98W Section 21: All. This parcel's current land use is broken down as follows:

Cropland 389.86	Farmstead Yard4.95
Cropland Waterway	Feed / Hay Lot
Native Vegetation174.36	Garden
Native Vegetation – Tame Pasture	Residence0.07
Shelterbelt 2.92	Structures0.22
Corral/Feedlot0.66	Waste Dump
Tame Pasture46.26	Industrial/Utilities0.09
Tame Pasture Woodland	Mines
Driveway0.70	Woodland1.61
Roads Surface0.31	Reservoirs - Open Water0.42
Right-of-Way/Lane19.03	Wetlands0.28

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

land will be reclaimed to Clop

Thank you for your cooperation.
Landowner Signature Bohrt Kulm Brenda Kuyber 1-16-08
Name Robert + Brenda Huylen
Address Box 273
South Heart ND 58655



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

## **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Gary L. and Barbara Meduna P.O. Box 123 South Heart, North Dakota 58655

Dear Gary L. and Barbara Meduna:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map

SENDER: COMPLETE THIS SECTION	
	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature X Da Melura Agent B. Received by Printed Name) C. Date of Delivery Z-ZZ-(\ D. Is delivery address different from item 1? Yes
Gary L. and Barbara Meduna P.O. Box 123	If YES, enter delivery address below:  No
South Heart, North Dakota 58655	3. Service Type         Certified Mail       Express Mail         Registered       Return Receipt for Merchandise         Insured Mail       C.O.D.
	4. Restricted Delivery? (Extra Fee)
	80 0002 5955 9706
PS Form 3811, February 2004 Domestic Retu	urn Receipt 102595-02-M-1540



January 3, 2008

Gary L. and Barbara Meduna PO Box 123 South Heart, ND 58655

Dear Gary L. and Barbara Meduna:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

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In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 43.01 acres and is described as T139N R98W Section 9: SW1/4. This parcel's current land use is broken down as follows:

Cropland29.36	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation7.98	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture	Industrial/Utilities
Tame Pasture Woodland2.24	Mines0.01
Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane	Wetlands 3.42

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

POI USC migins

Thank you for your cooperation.	
Landowner Signature Day Meduna	Date <u>1-19-09</u>
Name Gary Medung	1 104
Address Box 123	
South Heart N.D. 58655	



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

## **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Robert B. Pavel 3113 Daytona Dr. Bismarck, North Dakota 58503-0139

Dear Robert B. Pavel:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

Robert B. Pavel 1376 High Street W Dickinson, ND 58601

Dear Robert B. Pavel:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 43.86 acres and is described as T139N R98W Section 10: SW1/4 less railroad tracts. This parcel's current land use is broken down as follows:

Cropland41.19	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.90	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane1.78	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

No changes from pro-mine Land 115C.\_\_\_\_

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Thank you for your cooperation.	
Landowner Signature	Date 1-21-08
Name Raport Bo Lavel	·
Address 3/13 Daytona Dr.	
Bismarck ND 58503	
· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 40.77 acres and is described as T139N R98W Section 14: NW1/4. This parcel's current land use is broken down as follows:

Cropland	_28.79	Farmstead Yard3.23
Cropland Waterway		Feed / Hay Lot0.01
Native Vegetation_		Garden
Native Vegetation -	Tame Pasture	Residence
Shelterbelt	_1.20	Structures
Corral/Feedlot		Waste Dump
Tame Pasture	1.04	Industrial/Utilities
Tame Pasture Wood	land	Mines
Driveway		Woodland
Roads Surface	2.12	Reservoirs - Open Water
Right-of-Way/Lane	4.37	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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Thank you for your cooperation		
Landowner Signature	Da	te 1-21-08
Name NUMENT B. Fave	· · · · · · · · · · · · · · · · · · ·	an ine in the second
Address 3/13 Daytona Dry		9 
Bizmanck, ND 58503		



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

James D. and Rosella J. Perdaems P.O. Box 45 South Heart, North Dakota 58655

Dear James D. and Rosella J. Perdaems:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map

	We want the second s
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>James D. and Rosella J. Perdaems P.O. Box 45</li> </ul>	A Signature X Jume Level Aum ☐ Agent ☐ Addressee B. Fecelved by (Printed Name) C. Date of Delivery JGmes Perflerms
South Heart, North Dakota 58655	3. Service Type         Z Certified Maii       Express Mail         Registered       Return Receipt for Merchandise         Insured Mail       C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number 7007 2 (Transfer from service label)	680 0002 5955 9720
PS Form 3811, February 2004 Domestic Retu	um Receipt 102595-02-M-1540



January 3, 2008

James D. and Rosella J. Perdaems PO Box 45 South Heart, ND 58655

Dear James D. and Rosella J. Perdaems:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

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To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

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We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 80.79 acres and is described as T139N R98W Section 14: E1/2 less a tract in the NW1/4NE1/4. This parcel's current land use is broken down as follows:

Cropland29.95	Farmstead Yard0.24
Cropland Waterway	Feed / Hay Lot
Native Vegetation1.36	Garden
Native Vegetation – Tame Pasture3.48	Residence
Shelterbelt0.06	Structures
Corral/Feedlot	Waste Dump
Tame Pasture25.92	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland17.00
Roads Surface0.02	Reservoirs - Open Water
Right-of-Way/Lane0.46	Wetlands 2.29

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Thank you fo	r your coope	nation.	/	$\mathcal{O}$			
Landowner S	ignature	In	rest e	ulun	ne)	 _Date _	1-17-03
Thank you fo Landowner S Name	/	JAN	1ES	PERD	AEUS	 	
Address	3911	122	AVP	SW		 	
	South	140	part	ND	59655	 	

÷.

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 101.39 acres and is described as T139N R98W Section 14: SW1/4. This parcel's current land use is broken down as follows:

Cropland 57.32	Farmstead Yard
Cropland Waterway	Feed / Hay Lot0.06
Native Vegetation1.60	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump0.66
Tame Pasture9.75	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland22.78
Roads Surface2.33	Reservoirs - Open Water0.15
Right-of-Way/Lane4.59	Wetlands2.15

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Thank you for	your cooperation.	
Landowner Sig	gnature Amis Carlacing	Date /-17-08
Name	your cooperation. gnature JAMB Culaumo JAMES PERDAEMS	
Address	3911 122 AVE SW	
	south Heart NO 586	\$\$

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 853.83 acres and is described as T139N R98W Section 22: Section 22 N1/2, Section 23 All. This parcel's current land use is broken down as follows:

Cropland667.75	Farmstead Yard3.08
Cropland Waterway1.86	Feed / Hay Lot0.85
Native Vegetation9.35	Garden0.11
Native Vegetation – Tame Pasture1.64	Residence0.06
Shelterbelt5.78	Structures0.58
Corral/Feedlot10.63	Waste Dump
Tame Pasture 58.54	Industrial/Utilities0.19
Tame Pasture Woodland	Mines0.49
Driveway3.12	Woodland46.92
Roads Surface 5.28	Reservoirs - Open Water1.45
Right-of-Way/Lane26.88	Wetlands9.29

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Please sign and return	this form to	o South He	art Coal LL	C, Attn:	Rich Voss,	1022 H	East Divide	Avenue,	Suite E
Bismarck, ND 58501									

Thank you for you Landowner Signat	ur coopera	tion.	$\bigcirc$				
Landowner Signat	ture	amest	end	im		Date	17-08
Name	U	JAME	S PI	ERDAE	2 MS		
Address	3911	122	Ave	SW			
	Sou	th f	teart	ND	53655		



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Jerry F. and Sandra M. Perdaems P.O. Box 45 South Heart, North Dakota 58655

Dear Jerry F. and Sandra M. Perdaems:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature       Agent         A. Mut utture       Agent         B. Received by (Printed Name)       C. Date of Delivery         James       Pevalums         J. Is delivery address different from item 1?       Yes         If YES, enter delivery address below:       No
Jerry F. and Sandra M. Perdaems P.O. Box 45 South Heart, North Dakota 58655	3. Service Type         X Certified Mail         Express Mail         Registered
	Insured Mail C.O.D.
2. Article Number	
(Transfer from service label) 7007 260	0002 5955 9737
PS Form 3811, February 2004 Domestic Retu	urn Receipt 102595-02-M-1540



January 3, 2008

Jerry F. and Sandra M. Perdaems PO Box 45 South Heart, ND 58655

Dear Jerry F. and Sandra M. Perdaems:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

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At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 5.74 acres and is described as T139N R98W Section 22: Tract in the N1/2SE1/4. This parcel's current land use is broken down as follows:

Cropland1.04	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.89	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland 3.32
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane	Wetlands0.49

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

where that mined land be returned to

Thank yo	ou for your coop	peration.		
Landown	er Signature	Jung	A to dawa	Date 1-20-08
Name	JERN	F. FER daem	/	
Address	PO	Box 45	n 2 <sup>7</sup> 15 - 8-	16 T
$(a,b) \in \mathbb{N}$	South	HEART-	NOAKUta	58655



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

## **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

PHP, LLP 965 11th Ave. W. Dickinson, North Dakota 58601

Dear PHP, LLP :

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mallpiece, or on the front if space permits.</li> </ul>	A. Signature X. Blue dian Ille Agent B. Received by (Printed Name) C. Date of Delivery 22 0-10
1. Article Addressed to: PHP, LLP 965 11th Ave. W.	D. Is delivery address different from item 1?  Yes If YES, enter delivery address below: No
965 11+6	
965 11th Ave. W. Dickinson, North Dakota 58601	3. Service Type         Ø Certified Mail       Express Mail         Registered       Return Receipt for Merchandise         insured Mail       C.O.D.
965 11th Ave. W. Dickinson, North Dakota 58601 2. Article Number	Certified Mail     Express Mail     Registered     Receipt for Membrandian



January 3, 2008

Mary Louise Peters, et. Al 965 11<sup>th</sup> Avenue W Dickinson, ND 58601

Dear Mary Louise Peters, et. Al:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

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16.1

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 636.06 acres and is described as T139N R98W Section 15: All less a tract in the SE1/4SE1/4. This parcel's current land use is broken down as follows:

Cropland591.20	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt4.00	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.04	Industrial/Utilities
Tame Pasture Woodland 25.70	Mines
Driveway	Woodland
Roads Surface2.59	Reservoirs - Open Water0.30
Right-of-Way/Lane9.87	Wetlands2.36

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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acre	Dond	South	side	three	rows	offre	els all
						· ( la	100

Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

25' apart, East end, 2 tree rows returned 25 apart.

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1

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 407.88 acres and is described as T139N R98W Section 16: N1/2, SE1/4. This parcel's current land use is broken down as follows:

Cropland355.58	Farmstead Yard
Cropland Waterway3.34	Feed / Hay Lot0.53
Native Vegetation15.26	Garden
Native Vegetation – Tame Pasture2.24	Residence
Shelterbelt	Structures
Corral/Feedlot0.16	Waste Dump
Tame Pasture0.19	Industrial/Utilities
Tame Pasture Woodland18.70	Mines2.78
Driveway	Woodland0.88
Roads Surface1.26	Reservoirs - Open Water0.99
Right-of-Way/Lane0.99	Wetlands 4.98

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

Thank you for your cooperation.
Landowner Signature Mary Liters Etm Date 1-16-08
Name MARUL. PETERS, ETAL
Address 965-11th Ave. W.
Dickinson, MD 58601

edge, keep existing pond and two tree rows - 25 ft. apart. .



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Glen R. Wagner P.O. Box 245 South Heart, North Dakota 58655

Dear Glen R. Wagner:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

In our January 3, 2008 letter to you, we requested and received your input regarding your preference for the use of your land after mining and reclamation are complete. This information will be used to guide our reclamation planning for this mine permit.

We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





February 11, 2008

Glen Wagner 4024 122<sup>nd</sup> Ave SW South Heart, ND 58655

Dear Glen Wagner:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

We're writing to you to let you know of our plans to apply for a surface mining permit from the State of North Dakota for approximately 4,825 acres of land, some of which is under your ownership. The South Heart Project (SHP) Mine Permit Area, as we refer to it, is located in Stark County, N.D., approximately two miles southwest of South Heart.

In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

At this time, we'd also like some feedback from you. Please tell us your preferences about the postmine uses of land owned by you that will be disturbed by mining or mining-related activities within the proposed SHP Mine Permit Area. Take a moment to complete the enclosed preference statement form and indicate your preferences. If you don't have any changes from pre-mine land uses, please indicate that in the space provided. If no comments are indicated in the Landowner's Preference Statement or if no response is received, then the pre-mine land use will serve as a guide during our reclamation planning.

We will consider all land use change proposals and do our best to incorporate your preferences into the mine reclamation plans. Please note that due to surface water, soil, topographic and/or regulatory limitations, we may not be able to incorporate all preferences for land use changes in our plan.

To help you visualize the permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet, showing the specific locations to be affected either directly or indirectly by the proposed mining operations. The map also shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, and other mine support facilities and disturbance areas within the permit area.

Please review this map and note projected mining operations that will result in disturbance to your land. In addition, please review the current or pre-mining land use acreage information shown on the enclosed preference statement and indicate any changes.

We're very excited about this important project in Stark County. At a time when energy security is important to the U.S., we're able to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart project will use state-of-the-art technology that has been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bick Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

The parcel being considered on this page, of which you are the owner, totals 0.20 acres and is described as T139N R98W Section 29: All less a tract in the SW1/4SW1/4. This parcel's current land use is broken down as follows:

Cropland0.11	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.10	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane	Wetlands

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

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Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

Thank you for your cooperation.

Landown	er Signature	Core	too f	oore_	Date	17-08	
	CORNE				oded.		
Address	331	5th	AUE	WEST	DICKINSON	N. DAK.	58601

# CC: & lenn Wagner

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Subsection 3 of Section 69-05.2-09-13 of the North Dakota Administrative Code requires a surface coal mining company to obtain a preference statement from a landowner owning land located within the proposed coal mining permit area. This land use statement will be included as part of the SHP Mine Permit Application. The total lands to be included in this surface coal mining permit application are 4,825 acres.

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Corral/Feedlot	Waste Dump
Tame Pasture0.10	Industrial/Utilities
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Driveway	Woodland
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane	Wetlands

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Back pre-mining land Status

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Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

Thank you for your cooperation.

Landowner Signature	lenn Wagne	7	Dat	e_2-13-08
Name Glenn U	Wagner		1	
Address Box 20	7			
South A	Veart, NO	58655		



1022 East Divide Avenue, Suite E Bismarck, ND 58501 701-223-8783

February 26, 2010

# **CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

James and Lisa Wagner 12274 Hwy 10 South Heart, North Dakota 58655-9754

Dear James and Lisa Wagner:

We have previously notified you of our plans to develop the South Heart Project. This letter updates the information previously provided to you, and provides notice of our intention to apply to the State of North Dakota for a surface mining permit that will include land under your ownership. The mine will be located near South Heart and is being referred to as the South Heart Lignite Mine (SHLM).

In 2008 and early 2009, the South Heart Project was planned as a coal-gasification project where the SHLM supplied coal to an adjacent synthetic natural gas (SNG) plant. In early 2009, current and expected long term natural gas prices had fallen to a point where development of the SNG concept was no longer considered economically feasible. In May 2009, the SNG concept was formally abandoned in favor of a hydrogen power project which will convert coal from the SHLM into electrical power at an integrated gasification combined cycle (IGCC) power facility. Ongoing engineering evaluations of the IGCC facility indicate that a coal production rate of 2.4 million tons per year will be required for the project.

South Heart Coal LLC (SHC), a subsidiary of Great Northern Project Development, anticipates filing a mine permit application with the North Dakota Public Service Commission in the next couple of months. The SHLM will encompass approximately 4,581 acres of land. To help you visualize the mine permit area, we've included a topographic map at a scale of 1 inch = 1,500 feet. This map replaces the map attached to our previously submitted letters. The map shows the proposed year-by-year mine pit progression, stockpiles, ponds, main haul roads, other mine support facilities, and other disturbance areas within the mine permit area. For planning purposes, please assume that mining or mining-related activities will occur throughout the permit area. Please review this map and note projected mining operations that will result in direct or indirect disturbance to your property.

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We are very excited about this important project in Stark County. At a time when energy security is important to the U.S., we hope to use North Dakota's lignite coal to reduce the nation's dependence on foreign energy. In addition, the South Heart Project will use state-of-the-art technology that has



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been developed and proven over the past 25 years, making it one of the cleanest coal-based plants in the world.

Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Rich Voss

**Rich Voss** Vice President, Power Development Great Northern Project Development, L.P. 701-223-8783

Attachment: Land Owner Notification Map





January 3, 2008

James and Lisa Wagner 12274 Hwy 10 W Dickinson, ND 58601

Dear James and Lisa Wagner:

Recently, Great Northern Power Development announced the development of a \$1.4 billion coal gasification project near South Heart. This project will use North Dakota's abundant lignite coal to produce pipeline quality synthetic natural gas to heat more than 300,000 homes, while bringing more than 200 skilled, high-paying jobs to southwest North Dakota. This truly is an exciting time for Stark County.

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In our application, we'll file as South Heart Coal LLC (SHC), which is a wholly owned subsidiary of Great Northern Power Development L.P. (GNPD). We plan to submit the mine permit application to the North Dakota Public Service Commission in the near future and anticipate approval of the application one year later, during the winter of 2009. Initial mining-related activities will commence fall 2011.

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We look forward to receiving your information. Your prompt attention to this matter is greatly appreciated. We ask that you please sign and date the form and return it in the enclosed self-addressed, stamped envelope no later than February 1, 2008. Please contact us if you have any questions about the enclosed information. Thank you.

Sincerely,

Bich Voss

**Rich Voss** Vice President, Power Development Great Northern Power Development, L.P. 701-223-8783

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The parcel being considered on this page, of which you are the owner, totals 80.05 acres and is described as T139N R98W Section 9: SE1/4 less railroad tracts. This parcel's current land use is broken down as follows:

Cropland59.27	Farmstead Yard
Cropland Waterway	Feed / Hay Lot
Native Vegetation16.32	Garden
Native Vegetation – Tame Pasture	Residence
Shelterbelt	Structures
Corral/Feedlot	Waste Dump
Tame Pasture0.74	Industrial/Utilities
Tame Pasture Woodland	Mines
Driveway	Woodland2.09
Roads Surface	Reservoirs - Open Water
Right-of-Way/Lane1.45	Wetlands0.18

The land uses were determined through field review and analysis of aerial photographs. Please state your preference for the post-mining land uses for lands in the proposed permit area owned by you. If these are different from the pre-mining land uses, please include supporting reasons for the changes.

Reclaim	to arigin	ral state	_ eg	land	ar	<u>as</u>	Clase	
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Please sign and return this form to South Heart Coal LLC, Attn: Rich Voss, 1022 East Divide Avenue, Suite E, Bismarck, ND 58501

Thank you for your cooperation.		
Landowner Signature	- Lie Wagner Date_	1-24-08
Name James + Lisa Wagn	V	
Address 12274 thur 10 W	° L <sup>6</sup> €no	
South Deart, ND	58655	