



Mr. Laurie Brlas
Cliffs Natural Resources Inc.
November 26, 2008
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Note 2 – Acquisitions and Dispositions

Sonoma, page 83

1. We note the combination of interrelated agreements through which you obtained a 45 percent economic interest in the collective operations of Sonoma. Please clarify the terms of these interrelated agreements and how they result in your obtaining a 45 percent interest in Sonoma.

Note 4 – Segment Reporting, page 86

2. We note the negative sales margins for North American Coal for the year ended December 31, 2007, and also for the nine months ended September 30, 2008. We also note from your Full-Year Outlook included in your Form 8-K filed October 23, 2008 that you are projecting reduced revenue per ton and increased cost per ton for this segment which will further erode your sales margins. Your critical accounting policies state you monitor conditions that indicate that the carrying value of an asset or asset group may be impaired. Given the historical results and

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- Disclose if the coal is steam or metallurgical, if it is leased or owned, and what is the heat value (BTU) per pound and sulfur content. Do not report BTU content as “dry,” but include natural moisture in the calculation.
- If coal is reported as tons in the ground, disclose in another column the average mining and wash plant recoveries in percent; and indicate whether these losses have or have not been reflected in the total recoverable reserves.
- In either case, with a footnote clearly disclose if the reserves reported are “in the ground” or “recoverable.”
- Provide totals to the table where appropriate
- Disclose your percentage of compliance and non-compliance coal, if applicable.

Closing Comments

As appropriate, please amend your filing and respond to these comments within 10 business days or tell us when you will provide us with a response. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company’s disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

- the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated

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by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

You may contact Bob Carroll at (202) 551-3362, or Sandy Eisen at (202) 551-3864 if you have questions regarding comments on the financial statements and related matters. You may contact Ken Schuler at (202) 551-3718 if you have questions regarding the engineering comments and related matters. You may contact Anne Parker at (202) 551-3611 or me at (202) 551-3740 with any other questions.

Sincerely,

/s/ Roger Schwall

H. Roger Schwall
Assistant Director