

1313 Sherman Street, Room 215 Denver, CO 80203

June 10, 2014

Town of Paonia P.O. Box 460 Paonia, CO 81428

Re: West Elk Mine (Permit No. C-1980-007)

Revision: SL-7

Partial Phase 1 Bond Release

Dear Sir or Madam:

The Division of Reclamation, Mining and Safety has received an application for the above referenced permitting action for the West Elk Mine. The application was deemed complete on June 9, 2014.

The Mountain Coal Company, LLC has submitted a Partial Phase I Bond Release application for the West Elk Mine. This release is for B and E-Seam methane drainage wells and their associated light-use roads within the West Flatiron and the Dry Fork of the Minnesota Creek areas. All of the request areas are on National Forest surface. The applicant is requesting the release of approximately 19.23 acres and \$97,871.00 for the backfilling and regrading and drainage control reestablishment of the requested areas. The requested acreage and liability amounts will be determined based on the Division's inspection. There is no proposed decrease in the mine's permitted, affected or disturbed acreages as a result of this revision. Since this is a Partial Phase I Bond Release, there will be a decrease in the mine's reclamation liability as a result of this revision.

Permit Revision, Permit Renewal, Technical Revision, or Bond Release application materials are available for review at the Gunnison County Clerk and Recorder, 221 N. Wisconsin, Suite C, Gunnison, CO 81230. Minor Revision application materials are available for review at the Division's Denver office.

If you have any questions, please contact me.



Sincerely,



James R. Stark Environmental Protection Specialist Jim.stark@state.co.us

C-CI-01