



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman St. Room 215
Denver, CO 80203

January 26, 2016

Louis Head
New Elk Coal Company, LLC
12250 Highway 12
Weston, CO 81091

**Re: Lorencito Canyon Mine (Permit No. C-1996-084)
Midterm Review No. 4 (MT-4)**

Dear Mr. Head:

The Division has completed a midterm review of the currently approved Lorencito Canyon Mine permit application package. The review was conducted in accordance with Rules 2.06.2(10), 2.06.3(4), 2.06.5(3), 2.06.7(5), 2.08.3, and 3.02.2(4). A copy of the midterm review document will be transmitted to you electronically.

The midterm review consists primarily of reviewing the permit application, the findings document, field inspection reports, recent revisions, annual reports, the current reclamation cost estimate, and the performance bond instrument. The main purpose of this review is to ensure that all areas of operations and permitting are in compliance with the Colorado Surface Coal Mining Reclamation Act. The enclosed document is a summary of the Division's findings as a result of this review.

Please be aware of any concerns identified in Section VI of the midterm review document and respond by letter or revision application(s) as outlined in the midterm review document.

If you have any questions, please contact me.



Sincerely,

A handwritten signature in blue ink, appearing to read "Robert D. Zuber".

Robert D. Zuber, P.E.
Environmental Protection Specialist
Rob.zuber@state.co.us

cc: Alan Boehms, Office of Surface Mining
Ron Thompson, New Elk Coal Company, LLC

C-MT-02