
J. E. STOVER & ASSOCIATES, INC.

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MINE ENGINEERING
MINE RECLAMATION

CIVIL ENGINEERING
CONST. MANAGEMENT

July 25, 2016

Zach Trujillo
Division of Reclamation, Mining & Safety
1313 Sherman St., Room 215
Denver, CO 80203

Re: CAM-Colorado, LLC
Fruita Loadout
Permit No. C-2010-088

Dear Mr. Trujillo:

By letter dated July 26, 2016, DRMS notified CAM-Colorado that its Fruita Loadout permit was in jeopardy because CAM-Colorado has not commenced surface coal mining and reclamation operations at the site in a timely manner as required by Rule 2.01.5(2)(a). The DRMS noted that as per Rule 2.05(2)(b), the Division or Board may grant reasonable extensions of time for commencement of these operations, upon receipt of a written statement showing that such extensions of time are necessary.

The coal market nationally and locally is soft. The June 2016 edition of Coal Age has a table on Page 7 that shows coal production through week ending May 28, 2016. Colorado's production is down 38% and the U.S. total of the top 10 coal producing states is down 32.2%. The soft coal market is the reason CAM-Colorado has not commenced construction of the Fruita Loadout. On behalf of CAM-Colorado, LLC, please extend, by three years, the timeframe for the commencement of surface coal mining operations at the Fruita Loadout.

Please let me know if you have any questions.

Sincerely,

J. E. Stover

J. E. Stover, P.E.
Consulting Engineer