



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

August 14, 2017

Mr. Tom Bird
GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326

Re: King Coal Mine, Second adequacy letter for RN-07

Dear Mr. Bird:

As you know, I sent a preliminary adequacy review letter for the King Coal Mine permit renewal (RN-07) on May 15, 2017. The Division received your responses to my adequacy items in a letter dated July 12, 2017. I am requesting additional responses for the items listed in this letter. Regarding previously listed items that are not included (e.g., Adequacy Items 1 – 40), I have found that your responses, including any related permit application package (PAP) revisions, are sufficient, and no further GCC Energy action is required on these items.

Additional items that need to be addresses that have arisen since the previous adequacy letter:

- Please update legal descriptions of the permit area to include areas added with TR-24.
- Please resubmit PAP pages to include edits from recently approved revisions, such as MR-46.
- Please update the Reclamation Cost Estimate appendix to include the most recent estimate performed by the Division (to be sent in separate email).

In the Division's preliminary adequacy letter, it was stated that additional adequacy items related to the King Coal Mine's groundwater hydrology will be sent under separate cover. However, the Division has decided that additional study of groundwater in the King Coal area is not warranted for RN-07. This is for two reasons:

- 1. The hydrogeological consequences related to the King Coal Mine were recently studied in the context of TR-26.*
- 2. The Division shall be looking very closely at groundwater near King Coal Mine after monitoring results are available from the new well clusters completed this year, presumably in the next few months.*



Adequacy Item #41

KII Section 2.05.3, Page 5

The approved PAP text states that discharges from the SAE by the King II entrance will be sampled. Please explain GCC's rationale for altering this commitment.

Adequacy Item #42

KII Section 2.05.3, Page 6

Please add a statement that prior to water being pumped from the pond to the native channel, the water will be sampled, and it will not be discharged to the native channel unless it meets effluent limitations.

Adequacy Item #44

KII Section 2.05.3, Page 7 (formerly page 6a)

I believe that you misinterpreted my previous intent for editing this page. Please re-write the fourth paragraph as follows:

"A further discussion of topsoil salvage, protection, and stabilization at exploration drill pads (as well as monitoring well pads) is contained in Sections 2.04.6 and 2.04.9."

Adequacy Item #61

The King II Ditch Capacity table in Appendix 11 still has some values that do not match the as-built details (Map King II-007B, last updated in December 2015). For example, the bottom width of the lower portion of CWD-1A is 1.6 feet in the table but 1.0 feet in the details on the map. Also, there appears to be a discrepancy for the depths for CWD-1C and 1D. Please check all values and explain or revise.

Adequacy Item #65

Map King II-005

It appears that the area where pillars were pulled in Section 36 (and section to north) has lost the hatching on the map indicating this.

Adequacy Item #66

The Map King II-010 series

Please explain the purpose of this series of maps. Are they meant to accurately reflect the reclamation plan, including the post-mining topography and channel configuration, or are they supposed to be a guide only? Please provide an explanation, and we can discuss if it is worth updating these maps.



If you have comments or questions, please contact me at Rob.Zuber@state.co.us or 303.866.3567 (x8113).

Sincerely,



Robert D. Zuber, P.E.
Environmental Protection Specialist II

