



STATE OF
COLORADO

Simmons - DNR, Leigh <leigh.simmons@state.co.us>

C1983059, Terror Creek Loadout, RN7, Adequacy Review

Simmons - DNR, Leigh <leigh.simmons@state.co.us>

Tue, Feb 19, 2019 at 4:03 PM

To: Mike Ludlow <Mike.Ludlow@oxbow.com>

Cc: Doug Smith <Doug.Smith@oxbow.com>, Pierre Azzi <Pierre.Azzi@oxbow.com>, Roy Schorsch <Roy.Schorsch@oxbow.com>, Scott Stewart <Scott.Stewart@oxbow.com>, Jason Musick <jason.musick@state.co.us>

Mr Ludlow,

The snip you quoted from the Division's website is consistent with the Act, the Rules, and the Division's policy and practice:

"The amount of required reclamation performance bond is based on the actual costs to reclaim all permitted disturbance at an operation"

If the Division were to remove the costs of demolishing a structure from the Reclamation Cost Estimate simply because the work had been completed, it would in effect be releasing a portion of the operator's bond release without going through the bond release process, and would be in contravention of the Act and the Rules.

The Reclamation Cost Estimate is calculated from information in the approved Permit Application Packet. The approach I have described has been applied at all sites permitted by the Division throughout its history. The Division is happy to review any of the line items in the estimate if you think they are in error, but tasks can't simply be removed because the work has been completed.

I understand that you may be in Denver next week for the CMA conference; we could arrange to meet while you're in town if you think it would helpful to talk through this in person.

Leigh Simmons
Environmental Protection Specialist



COLORADO
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