

1313 Sherman Street, Room 215 Denver, CO 80203

February 25, 2019

Louis Head New Elk Coal Company, LLC 12250 Highway 12 Weston, CO 81019

Re: Lorencito Canyon Mine, Preliminary review of 2018 ARR

Dear Mr. Head:

I have the following comments and questions regarding the 2018 ARR for the Lorencito Canyon Mine. After we resolve these items, I may identify other issues or questions. However, I am optimistic that the following should encompass most or all of the substantive items.

- 1. With the new version of the ARR form, we ask that you <u>not</u> subtract the Phase III areas from acres disturbed, acres backfilled and graded, acres topsoiled, or acres seeded.
- 2. The acres disturbed value should include the areas for the six sediment ponds on the site and the area for BA-3. If it does not include the ponds and BA-3, please explain why.
- 3. The acres backfilled and graded and acres topsoiled are possibly too low. It appears that the 27.2 acres of Phase III released area should not have been subtracted from these numbers because the area released in SL-02 did not include backfilling, grading, or addition of topsoil. Please review this matter and we can discuss.
- 4. In your submittal, the value in long-term mining or reclamation facilities is 5.9 acres. Does this area include only ponds and roads? Is the value of 5.9 correct? I have discussed this with Nick Mason, and he stated that he will check this number. I also discussed with him the fact that road areas should include the cut and fill areas, and pond areas should include the outslopes of dams.
- 5. I have another question regarding the long term facilities. Does the current plan in the PAP indicate that they are not permanent? My understanding is that NECC will seek approval from the land owner to make these permanent, but that has not been done yet. Let me know if I am correct.
- 6. Please check the value of 1.8 acres under acres seeded. What does this acreage entail? It appears that this is the BA-3 area and a small service area. As I discussed with Nick, the correct number for BA-3 appears to be 1.4 acres. (It is possible that BA-3 was reported as 1.8 acres, but that may include a double counting of a re-disturbed part.) The small service area could be the additional 0.4 acre.
- 7. Another question related to the value of 1.8 acres under acres seeded. Was this acreage ever included in past ARR forms?



If you have any questions to discuss before you send a formal response, please do not hesitate to contact me at Rob.Zuber@state.co.us or 303.866.3567 (x8113). Thank you very much for your attention to this matter.

Sincerely,

Robert D. Zuber, P.E.

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Environmental Protection Specialist II