

STATE OF
COLORADO

Musick - DNR, Jason <jason.musick@state.co.us>

Oxbow Mining Permitting Status Update

1 message

Musick - DNR, Jason <jason.musick@state.co.us>

Wed, May 1, 2019 at 2:19 PM

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

Good afternoon Mike,

I hope Spring is off to a good start out your way. I wanted to check the status of some projects for both the Elk Creek Mine and the Terror Creek Loadout.

As you know, the Terror Creek Loadout Permit Renewal No. 7 (RN7) was submitted in March of this year. The Division did not find any glaring adequacy issues; however, the reclamation cost estimate was updated based on the Division's updated costs to reflect the currently approved reclamation plan. Based on that update, Jim Stark and yourself had a conversation in March of this year concerning a path forward on the increase in bond liability costs.

It was the Division's understanding that a Permit Revision to the Terror Creek Loadout permit would be forthcoming to propose a change in the post-mining land use to industrial/commercial. To date, the Division has not received the permit revision application. This permit revision application to revise the post-mining land use would create a scenario in which certain portions of the reclamation plan would be removed and the bond liability reduced. It is vital for Oxbow Mining, LLC, to apply for the permit revision in order for the Terror Creek Loadout to not reflect a potential under bonded situation. I believe that a submittal date of **July 1, 2019** is appropriate for the permit revision application submittal. As always, the Division is here to answer any questions concerning the application process.

One additional item is any forthcoming bond release application of the mine ventilation borehole pads and roads within the Elk Creek Mine permit. As you know, a Phase I bond release for these portions of reclaimed lands would alleviate a substantial portion of bond liability for the mine and, in turn, create a scenario in which the Elk Creek Mine would have adequate liability in place during the on-going permit renewal. Please provide any update to the timing of the potential bond release application for the Elk Creek Mine.

Please let me know if you have any questions or comments.

Thanks,
Jason

Jason Musick
Senior Environmental Protection Specialist
Coal Regulatory Program



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

P 303.866.3567 x 8134 | F 303.832.8106
1313 Sherman Street, Room 215, Denver, CO 80203
jason.musick@state.co.us | <http://mining.state.co.us>