



STATE OF
COLORADO

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

Corrected SL-13 Response Letter

Poulos, Nicki <npoulos@archrsc.com>

Mon, Aug 16, 2021 at 2:27 PM

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

Cc: "Welt, Kathy" <KWelt@archrsc.com>

Leigh,

Here is the corrected Response Letter.

Thank you,

Nicki Poulos

Environmental Engineer

Mountain Coal Co. LLC

West Elk Mine

5174 HWY 133

Somerset, CO 81434

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SL-13 Adequacy response letter.docx

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Mountain Coal Company, LLC
A subsidiary of Arch Resources, Inc.
West Elk Mine
5174 Highway 133
Somerset, CO 81434

Mr. Leigh Simmons
Colorado Department of Natural Resources
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203
August 16, 2021

Re: West Elk Mine (Permit No. C-1980-007)
Surety Release No. 13, (SL-13)
Initial Adequacy Review

Dear Mr. Simmons,

Mountain Coal Company, LLC (MCC), Permit No. C-1980-007, submits this letter and attachments in response to your adequacy letter dated June 24, 2021, regarding MCC's SL-13 Bond Release application for the West Elk Mine.

MCC has copied the comment from your letter and provided our responses after each comment.

Please contact me or Kathy Welt with any other questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Nicki Poulos".

Nicki Poulos
Environmental Engineer

“1. The pad associated with the 17-08b and 17-08c holes has been reclaimed (see June Inspection Report, Figure 59) and is included on the SL-13 map, but is not included in SL-13 Table 1.

Please clarify whether 17-08b, -08c is included in the SL-13 application or not.”

17-08a and 17-08b (there is not a 17-08c) is to be included in SL-13 Phase II Bond Release as it was included in SL-03 Phase I Bond Release and was approved.

“2. Based on the SL-13 Bond Release inspection, the E2-34 pad has been reclaimed, but the road segment from the Dry Fork Road, past E2-34, to the hairpin to E2-30.5 has not been reclaimed or has been re-disturbed (see June Inspection Report, Figure 36). The road segment is shown on the SL-13 map and included in SL-13 Table 1.

It appears that the “E2-34 & Access Road” was included in the SL-07 Partial Phase I Bond Release Findings, Table II. Due to the E2-34 Access Road not being reclaimed to meet Phase I standards, the inclusion of the E2-34 Access Road as a part of SL-07 was in error.

Please withdraw the E2-34 access road from the SL-13 application. Once reclamation has been achieved to meet Phase I standards it may be included with a future Bond Release application. Due to the acreage and liability of the E2-34 access road being released as a part of Bond Release SL-07, the acreage of the E2-34 access road will not be included in the calculations for the dollar amount to be released with the future Bond Release.”

E2-34 access road segment should not to be included in SL-13. The road may be used to access a future B seam pad. E2-34 pad should remain in SL-13 application.

“3. Based on the SL-13 Bond Release inspection, the pad associated with the E2-51, -52 and -54 holes has not been reclaimed (see June Inspection Report, Figures 66 and 67), but is shown on the SL-13 map and included in SL-13 Table 1. It appears that the pad has not received Phase I Bond Release. Please withdraw the pad associated with the E2-51, -52 and -54 holes from the SL-13 application.”

E2-51, E2-52 and E2-54 have not been reclaimed or Phase I Bond released
MCC has removed them from the SL-13 application.

“4. Based on the SL-13 Bond Release inspection, the pad associated with the E2-13 hole has not been reclaimed (see June Inspection Report, Figures 75 and 76) and is not shown on the SL-13 map, but it is included in SL-13 Table 1. It appears that the pad has not received Phase I Bond Release. Please withdraw the pad associated with the E2-13 hole from the SL-13 application.”

E2-13 has not been reclaimed or Phase I Bond Released. It
Has been removed from the SL-13 application.

“5. The pad and access road associated with the E4-80.5, -81.5 and -83 holes went through Phase I release with SL-05, and has been reclaimed (see June Inspection Report, Figure 8). The pad is shown on the SL-13 map, but is not included in SL-13 Table 1. Please clarify whether E4-80.5, -81.5 and -83 is included in the SL-13 application or not.”

E4-80.5, E4-81.5, E4-83 have been added to the SL-13 application.

“6. Based on the SL-13 Bond Release inspection, the pad associated with the E3-68 and -72 holes has not been reclaimed (see June Inspection Report, Figure 9), but is shown on the SL-13 map and included in SL-13 Table 1.

It appears that “E3-68” and “E3-72” are line items included in the SL-08 Partial Phase I Bond Release Findings, Table II. Due to the E3-68 and E3-72 pad not being reclaimed to meet Phase I standards, the inclusion of E3-68 and E3-72 pad as a part of SL-08 was in error.

Please withdraw the “E3-68” and “E3-72” line items from the SL-13 application. Once reclamation has been achieved to meet Phase I standards it may be included with a future Bond Release application. Due to the acreage and liability of the E3-68 and E3-72 pad being released as a part of Bond Release SL-08, the acreage of the pad will not be included in the calculations for the dollar amount to be released with the future Bond Release.”

E3-68 and E3-72 are removed from SL-13 application. E3-68 and E3-72 were P&A only in SL-08 in 2014. Once E3-68 and E3-72 have been reclaimed MCC will include them in a future Phase II application as it has already received credit for Phase I with SL-08.

“7. Based on the SL-13 Bond Release inspection, the pad and spur road associated with the E3-64 and -65 holes has not been reclaimed (see June Inspection Report, Figures 12-15), but is shown on the SL-13 map and included in SL-13 Table 1.

It appears that “E3-64”, “E3-65” and “Access Road to E3-64 & E3-65” are line items included in the SL-08 Partial Phase I Bond Release Findings, Table II. Due to E3-64, E3-65, and the Access Road to E3-64 & E3-65 not being reclaimed to meet Phase I standards, the inclusion of these sites as a part of SL-08 was in error.

Please withdraw the “E3-64 & access road” and “E3-65 & access road” line items from the SL-13 application. Once reclamation has been achieved to meet Phase I standards these sites may be included with a future Bond Release application. Due to the acreage and liability of the E3-64 and E3-65 pads and Access Road being released as a part of Bond Release SL-08, the acreage of the pad and spur road will not be included in the calculations for the dollar amount to be released with the future Bond Release.”

E3-64 and E3-65 have been removed from the SL-13 application due to not having been reclaimed. MCC will resubmit for a Phase I in the future after reclamation has been completed

“8. Based on the SL-13 Bond Release inspection, the pad associated with the E3-51 hole has not been reclaimed (see June Inspection Report, Figure 59), but is shown on the SL-13 map and included in SL-13 Table 1. It appears that the pad has not received Phase I Bond Release.

Please withdraw the pad associated with the E3-51 hole from the SL-13 application.”

E3-51 was removed from the SL-13 application. E3-51 was P&A only in 2014 and has not been Phase I Bond Released.

“9. Based on the SL-13 Bond Release inspection, the pad associated with the E3-29 hole had not been reclaimed (see June Inspection Report, Figure 70), but is shown on the SL-13 map and included in SL-13 Table 1.

The plugging and abandonment of the E3-29 hole was released with SL-10, but it was noted in the SL-10 Findings document that the pad had not been reclaimed, and no acreage was released.

Please withdraw the E3-29 pad from the SL-13 application. Once reclamation has been achieved to meet Phase I standards the pad may be included in a future Bond Release application. The acreage of the E3-29 pad will be included in the calculations for the dollar amount to be released with that future Bond Release application.”

E3-29 is not included in SL-13. It was included in SL-10 as a P&A only and does not meet Phase I Bond Release requirements.

“10. The pad and access road associated with the E4-68 hole went through Phase I release with SL-05, and has been reclaimed (see June Inspection Report, Figure 10). The pad is included on the SL-13 map, but is not included in SL-13 Table 1. Please clarify whether E4-68 is included in the SL-13 application or not.”

E4-68 and access has been added to the SL-13 application due to it going through Phase I Bond Release with SL-05.

“11. Pads in Box Canyon (19-07, -08; 19-06; 20-23, -25; and 6-21-25.5, 5-21-28) were shown on the SL-13 map and in SL-13 Table 1, but the Box Canyon Road was not included in either. The road was reclaimed in 2012 and went through Phase I release with SL-05, it was inspected during the June SL-13 inspection (see June Inspection Report, Figure 78). Please clarify whether the Box Canyon Road is included in the SL-13 application or not.”

Box Canyon Road is included in the SL-13 application.

“12. The following holes are not associated with disturbed acreage – per previous communication with MCC they were either drilled without a pad or were drilled on previously existing pads. They have not received Phase I Bond Release, and the only reclamation task associated with them is plugging and abandonment, which is a Phase I task.

- RPEE I12-04*
- RPEE I12-05*
- Well 96-2-2*
- Well SOM-3B*
- Well SOM-3E*

Please withdraw these holes from the SL-13 application and include them with the SL-14 Partial Phase I application.”

RPEE I12-04 and RPEE I12-05, have been removed from the SL-13 application. Hydrology Monitoring Wells, Well 96-2-2, Well SOM-3B and Well SOM-3E were P&A'd in 2013 with MR-420 and the sites had been reclaimed many years ago. These sites were added to SL-14 for Phase I Bond Release.

“13. “West Flatiron Road” is included as a line item in SL-13 Table 1, but does not appear to be shown on the SL-13 map or to have been sampled by Cedar Creek Associates. It appears that the “West Flatiron Road” was included in the SL-07 Partial Phase I Bond Release Findings, Table II. The line item in that table specifies 5.80 acres for the feature.

Please clarify whether the “West Flatiron Road” is included in the SL-13 application or not, and if so, whether and how it was included in Cedar Creek Associates’ sampling program.”

West Flat Iron Road should be included in SL-13 application. Cedar Creek and Associates' random sampling process was reviewed and agreed upon with the DRMS (see L. Simmons and J. Binns emails, etc.) prior to initiating sampling. Not every site was visited, but the process was deemed to be appropriate and statistically valid.

“14. “Portal Investigation Holes – Lick Creek” are included as a line item in SL-13 Table 1, but are not shown on the SL-13 map, (or on the MCC Reclamation Photograph Project 2020 map).

Please clarify the location, acreage, and previous Bond Release status of “Portal Investigation Holes – Lick Creek”.”

The Lick Creek Portal Investigation holes, 10LC01 and 10LC02, are located on Lick Creek Road on MCC's property and no acreages are associated with the sites as they were drilled in the existing roadway. Reference MR-406

“15. SL-13, Table 1 does not include the acreage associated with each itemized disturbance.

Please update Table 1 to incorporate the responses to items 1-13 above, and to include the acreage with each line item. Going forward, where there are conflicts between the SL-13 map and the table, it will be assumed that the table is authoritative so there is no need to update the map.”

Table 1, below, has been corrected with the changes detailed above and includes acreages associated with each area included in the SL-13 Bond Release application.

Table 1

West Elk Mine Phase II Eligibile Areas: 2019 B Seam MVB's/ Monitoring Wells		
Site Name/ Number	Year Reclaimed	Arces *
18-43, 1-18-41, 2-1840, 3-18-39 & Access Road	2013	0.7
4-18-34 & Access Road	2013	0.7
17-08a & 17-08b	2010	0.5
19-01, 19-02, 19-03	2013	0.81
19-06	2012	0.23
19-07, 08	2012	0.1
20-01, 20-03 & 20-36.5, 20-38	2013	1.24
20-23 & 20-25	2012	0.4
5-21-28 & 6-21-25.5	2012	0.25
22-05 & Access Road & 22-06	2013	1.2
22 TG3 E32XC & 22-03	2013	0.3
West Flat Iron Road	2013	5.8
Monument Dam Borrow Area	2011	1.9
Box Canyon Road	2012	4.03

Table 1 Continued

West Elk Mine Phase II Eligible Areas: 2019 E Seam MVB's		
Site Name/ Number	Year Reclaimed	
E1-55	2011	0.34
E1-53, E-52	2011	0.68
E1-48	2011	0.21
E1-45	2012	0.3
E1-41.5	2012	0.43
E1-38	2011	0.42
E1-34 & Access Road	2011	0.87
E1-30 & Access Road	2012	0.72
E1-26.5	2012	0.69
E1-19 & Spur Road	2012	0.92
E1-15 & Spur Road	2012	0.77
E1-8	2012	0.31
E2-47.5 & Access Road	2013	0.23
E2-44.5 & Access Road	2013	0.23
E2-42 & Access Road	2013	0.62
E2-38 & Access Road	2013	0.8
E2-30.5 & Access Road	2013	2.59
E2-26.5 & Access Road	2013	1.19
E2-23 & Access Road	2013	1.07
E2-19 & Access Road	2013	0.97
E2-34 & Access Road	2013	1.95
E3-64, E3-65	2014	0.61
E3-78, E3-75, E3-76	2014	0.87
E3-63, E3- 61, E3-59	2014	0.53
E3-55 & Access Road	2014	0.54
E3-47 & Access Road	2014	0.68
E3-44 & Access Road	2014	1.31
E3-40	2014	0.51
E3-36 & Access Road	2014	0.49
E3-32.5 & Access Road	2014	0.81

Table 1 Continued

West Elk Mine Phase II Eligible Areas: 2019 Miscellaneous Boreholes and Wells		
Site Name/ Number	Year Reclaimed	
Portal Investigation Holes- Lick Creek	2014	0
West Elk Mine Phase II Eligible Areas: 2019 Possible Eligible Four Years Old Sites		
Site Name/ Number	Year Reclaimed	
E3-25	2015	0.54
E3-21	2015	0.32
E3-17.5	2015	0.58
E3-12 & Access Road	2015	0.88
E4-1, E4-2, E4-3	2015	1.65
E4-4 & Road Spur	2015	0.53
E4-5, E4-6 & Road Spur	2015	0.63
E4-7, E4-8 & Access Road	2015	1.15
E4-9	2015	0.39
E4-10	2015	0.61
E4-11 & Access Spur	2015	1.06
E4-12 & Access Spur	2015	0.25
E4-13 & Access Spur	2015	0.75
E4-14	2015	0.61
E4- 80.5, 81.5, 83	2012	0.36