

February 14, 2022

Jared Ebert Division of Reclamation, Mining and Safety 1313 Sherman St., Rm. 215 Denver, Colorado 80203

Re: Lorencito Canyon Mine Permit C-1981-012 2021 Annual Reclamation Report

Dear Mr. Ebert:

Enclosed is the Annual Reclamation Report form for 2021 for Lorencito Canyon Mine, calculation sheet for areas on the mine site, and 2021 ARR Map.

Activities in 2021 included noxious weed control using Tordon to combat occurrences of Canadian Thistle, Hounds-Tongue, and Knapweed. The entire mine site was sprayed for noxious weeds from the months of April to September. NECC also performed ditch and culvert maintenance as appropriate throughout the mine site.

Areas of reclamation were regularly inspected for erosion including for the formation of rills or gullies that would require minor maintenance. Persisting rills were combated with the use of branches. NECC continues to work its way throughout the site to rid the site of all rills. These inspections, as required by the mine's Rill and Gully Inspection Plan were conducted at least monthly by NECC staff during the period from April to October and additionally, after significant precipitation events.

No major changes were made for the 2021 Annual Reclamation Report as the 2020 ARR thoroughly explained acreage calculation as shown below. The only minor change includes the disturbance and reclamation of approximately 0.2 acres of previously reclaimed acreage. These 0.2 acres have been moved to the seeded in the in the 9 years or less category.

Best Regards,

Micholas Mason

Nick Mason

Lorencito Acreage Calculation Sheet

Disturbance	
Area	Acres
Surface Disturbance	123.38
Phase III Released	27.20
Pond 5	0.93
Pond 6	1.27
Pond 7	1.12
Pond 8	1.45
Pond 9	0.67
Pond 9a	0.77
Road to Pond 8	0.35
Road to Pond 9	0.13
Road to Pond 9a	0.28
Borrow Area 3	1.80
Total	159.35

2021 Work	Acres		
Disturbance	0.2		
Reclaimed	0.2		

Permanent Facilities	
Area of Roads	Acres
Main Road Through Surface Disturbance	6.02
Road to Pond 8	0.35
Road to Pond 9	0.28
Road to Pond 9a	0.13
Total Area of Roads	6.78
Area of Ponds	Acres
Pond 5	0.93
Pond 6	1.27
Pond 7	1.12
Pond 8	1.45
Pond 9	0.67
Pond 9a	0.77
Total Area of Ponds	6.21
Total Permanent Facilities	12.99

Colorado Division of Reclamation, Mining and Safety

Annual Reclamation Report for Calendar Year –

Mine Name	Name
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Domosit	Number
Permi	Numper

Permittee

Address

This report, required by Rule 2.04.13, is due by February 15 of each year, or other date, as agreed upon by the Division. It should include text, discussion, and maps, at a minimum, in addition to any other reclamation monitoring data as required by the approved permit. The location of the acreage reported under each land status category and year of seeding (if applicable) should be clearly identified on a map included with the report.

Land Category	Last Year's Cumulative Total (from last year's ARR)	This Calendar Year			Cumulative Total
		Acres Added (+)	Acres Subtracted (-)		Cumulative Total
Acreage in Active Mining Areas ¹				=	
Land Catagory	Last Year's Cumulative Total (from last year's ARR)	This Calendar Year			Cumulative Total
Land Category		Acres Added (+)	Acres Subtracted (-)		Cumulative Total
Acres Disturbed ²				=	
Acres Backfilled and Graded				=	
Acres Topsoiled				=	

Acreage in Long-term	Last Year's Cumulative	This Cal	endar Year		
Facilities ³	Total (from last year's ARR)	Acres Added (+)	Acres Subtracted (-)		Cumulative Total
Non-Permanent Facilities				П	
Permanent Facilities (permitted)				=	
Totals				=	

Acres Seeded	Last Year's Cumulative Total	This Cale	endar Year		Cumulative Total
(permanent)	(from last year's ARR)	Acres Added (+)	Acres Subtracted (-)		Cumulative Total
9 Years and Less				=	
10 Years and Greater				=	
Totals				=	

D 1D 1	Last Year's Cumulative Total		This Calendar Year		
Bond Release (from last year's ARR)	Acres Added (+)	Acres Subtracted (-)		Cumulative Total	
Phase I Released				=	
Phase II Released				=	
Phase III Released				=	

¹Includes pits, topsoil stripped areas in advance of pits, and spoil not backfilled and graded

 2 Surface Mine Acres Disturbed = B&G + Long-Term Facilities + Active Mining Areas; Underground Mine Acres Disturbed = B&G + Long-Term Facilities; Separately-permitted Loadouts = B&G + Long-Term Facilities

³Includes haul, access and light-use roads, temporary dams and impoundments; permanent dams and impoundments; diversion and collector ditches, water and air monitoring sites; topsoil stockpiles; overburden stockpiles; repair, storage and construction areas; office area, repair shops, and parking; coal stockpiles, loading, and processing areas; railroads; coal conveyors; refuse piles and coal mine waste impoundments; head-of-hollow fills; valley fills; ventilation shafts and entryways; and non-coal waste disposal area (garbage dumps and coal combustion by-products disposal areas).