



June 9, 2022

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

Re: New Elk Mine
Permit C-1981-012
2019 and 2020 AHR Adequacy Review Response

Dear Mr. Ebert

This letter is in response to the 2019 and 2020 Annual Hydrology Report Adequacy Review from October 2021.

1. DRMS notes that well NE-1-10 was added to the monitoring program in 2018. In both the 2019 and 2020 AHR's Table 3 Lab Analysis calls out well New -1-10 while the text refers to NE-1-10.

Please see response to item number 2.

2. Please explain the discrepancy and if appropriate assure that future documents to avoid confusion utilize the correct terminology.

The discrepancy is a typo from NECC when submitting lab analysis samples for NE-1-10. The samples were mislabeled as New-1-10 instead of NE-1-10. NECC commits that all documentation submitted will only have NE-1-10 moving forward.

3. DRMS notes that Section 2.05 of New Elk's permit refers to CBM production. This acronym is not defined and is not familiar. Please reference what the acronym CBM refers to.

CBM is an acronym for "Coal Bed Methane," it is a common acronym used in the oil and gas field.

4. The inclusion in the AHR submittal of monitoring data comprising more than than the past year along with an analysis of any increasing and decreasing trends seems appropriate given the backfill in placed in the Purgatoire River. Going forward please consider include additional years of data. A discussion with DRMS as to what would be reasonable given the status of mining would be welcome.

Since mining once again began in 2021 at New Elk, all data moving forward will go back to five years prior to mining commencing (2016). In essence, each year's data will be added to a compiled data sheet that starts in 2016 in will contain all data from 2016 until that year's submittal.

5. As previously noted by the Division in the adequacy review of TR73, historic data from NE-1-10 should be included in the AHR together with data from the current monitoring period.

Since monitoring did not take place for a prolonged period for NE-1-10, the last five years of monitoring data will be complied into the sheet that is discussed in Item number 4. The years in which this monitoring data took place will be mentioned as a sub-note of the sheet.

Sincerely,

A handwritten signature in cursive script that reads "Nicholas Mason".

Nicholas Mason
Engineer