
J. E. STOVER & ASSOCIATES, INC.

2352 NORTH 7TH STREET, UNIT B
GRAND JUNCTION, COLORADO 81501
PHONE: (970) 245-4101, FAX: (970) 242-7908

MINE ENGINEERING
MINE RECLAMATION

CIVIL ENGINEERING
CONST. MANAGEMENT

June 9, 2022

Rob Zuber
Division of Reclamation, Mining & Safety
1313 Sherman St., Room 215
Denver, CO 80203

Re: Bowie Resources LLC, Bowie No. 1 Mine
Request for Phase III, West Mine
Permit C-1981-038

Dear Mr. Zuber:

The follow information comprises Bowie Resources LLC's application for a Phase III bond release for the West Mine, not including the two sediment ponds at its Bowie No. 1 Mine.

1. Date of Request: May 18, 2022 (*revised June 9, 2022*)
2. Permittee: Bowie Resources LLC
3. Permit No. C-1981-038
4. Date Permit was approved:
Initial Permanent Program Permit Issuance September 24, 1981
Current Permit Issued April 20, 2018
5. Mine Name: Bowie No. 1 Mine
6. Phase of Bond Release Requested:
Phase III –West Mine area (13.1 Ac.)
7. Number of Acres: 13.1 Ac.
8. Bond Company: Lexon Insurance Company
9. Bond: Number: Corporate Surety, Bond No. 1071400, \$2,500,000
Corporate Surety, Bond No. 1071399, \$329,346
10. Current Total Bond Amount: \$2,829,346 (actual posted amount)

11. Original Total Bond Amount: 1981 East Mine Bond - \$1,116,500
1986 West Mine Bond - \$1,025,000

12. Dollar Amount Requested for Release: \$58,000 (See Task 131)

13. Legal Description of Area Requested: Portions of:

Township 13 South, Range 92 West, 6th P.M.

Sec 23: Lots 2, 3, 6, & 7

14. A Map Showing the Area: Figures 1& 2 are enclosed and shows the reclaimed configuration

15. Dates Reclamation Work Performed: 2000, 2001 and 2002. Figure 1, from BRLs ARR is included to document reclamation dates. Normal site maintenance has been performed since the initial reclamation dates. The area has been sprayed for weeds on an as-needed basis.

16. A description of results achieved: Excerpts below are from the attached Cedar Creek report;

During 2000 through 2002 a portion of the west mine was returned to approximate original contour and seeded. During 2003 the west mine vent shaft was sealed and returned to approximate original contour and seeded.

Vegetation has flourished since initial reclamation efforts and passed all success criteria in 2019 and 2021. The area surpassed the total plant cover success criterion of $\geq 54\%$ with 79.8% in 2019 and 54.6% in 2021. (Table 1 in attached Cedar Creek report).

The annual (total) herbaceous production success criterion ≥ 405 per acre (90% of the technical standard value of 450 pounds per acre) was surpassed with 1089 pounds per acres in 2019 and 549 in 2021 (Table 1 in attached Cedar Creek report).

A total of 336 trees, shrubs, and sub-shrubs per acre were sampled in 2019 which equates to a lower 80% confidence limit of 91 that surpasses 90% of the technical standard when the reverse null ranked "L" test is utilized (Chart 7). A total of 341 trees, shrubs, and sub-shrubs per acre were sampled in 2021 surpassing the woody plant density success criterion of 90 per acre (90% of the technical standard value of 100 woody plants per acre).

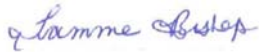
With regards to diversity, the West Mine unit surpasses the required number of total native or introduced perennial herbaceous species with between 0.5% and 60.0% relative cover (\geq five species) with eleven in 2019 and nine in 2021 (Chart 8). The total native perennial cool-season grasses with between 0.5% and 60% relative cover (\geq three species) was surpassed with four in both 2019 and 2021 (Chart 9). The total native or introduced forb species with between 0.5% and 60.0% relative cover (\geq two species) was met with six in 2019 and four in 2021 (Chart 10). And finally, the total number of native trees, shrubs, and sub-shrubs with $<80\%$ relative cover (\geq two species) was surpassed with five in 2019 and three in 2021 (Chart 11).

All reclamation work has been performed in accordance with plans approved by the Division of Reclamation Mining and Safety.

17. Copies of written notice to seek release to parties identified in Rule 3.03.2(1): A Certificate of Service which documents the notices required under Rule 3.03.2(1) have been mailed is enclosed.
18. Copy of newspaper advertisement: Proof of Publication of the public notice has been uploaded to the DRMS' ePermitting site.

Please call if you have any questions.

Sincerely,



Tamme Bishop, P.E.
Project Engineer

Enclosures

1. Partial Bond Release Letter
2. Public Notice
3. Certificate of Service for Partial Bond Release Letter
4. Figures 1 & 2
5. Cedar Creek Vegetation Study
6. Bond Release Certification Statement

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Supplemental Information

Surface and Groundwater impact analysis:

Surface water monitoring point SW-06 is located downstream of the West Mine. Review of the SW-06 data which is submitted as part of the Bowie No.1 Annual Hydrologic Review shows that there has not been a negative impact on the waters of East Roatcap creek, and the average values for laboratory parameters do not show any negative water quality trends. Further, approval of TR-58 documented that drainage from the reclaimed West Mine area does not contribute suspended solids to streamflow or runoff outside the permit area in excess of pre-mining levels.

There are no nearby groundwater monitoring points upstream or downstream of the West Mine from which to analyze data. However, since data for SW-06 shows no negative impacts to surface waters, it would lead to the conclusion that no negative impacts to the groundwater resources would be seen.

Post Mining Land Use

The Post Mining Land Use of the West Mine area is livestock grazing as well as deer and elk winter habitat. This designation is consistent with the historical land use of the area and the management plans of the Bureau of Land Management.

Review of collected data demonstrates success and utility of the vegetated areas especially given the vegetative ground cover and favorable results with regard to diversity and production despite wildlife grazing. The 2019 and 2021 vegetation reports indicate the ground cover of perennial plants within the reclaimed areas are comparable to adjacent undisturbed native communities and plant succession is occurring and progressing in a positive direction, indicating that plants are self-sustaining. This demonstrates the success and utility of the vegetated areas to be used for the approved post mining land use of livestock grazing and deer and elk winter habitat.

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PARTIAL BOND RELEASE LETTER –
BOWIE NO. 1, WEST MINE

June 9, 2022
(Revised)

Re: Bowie Resources, LLC
P.O. Box 483
Paonia, CO 81428

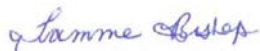
Dear People:

Bowie Resources LLC, is the successor in interest to Cyprus Orchard Valley Coal Company and Colorado Westmoreland Inc's. responsibilities under Division of Reclamation, Mining and Safety, Permit No. C-1981-038. Bowie Resources LLC backfilled, graded and seeded the West Mine area during 2000 through 2002. During the following years, vegetation has flourished. Vegetation studies were performed during the summer of 2019 and 2021 which indicates the vegetation meets the requirements of a Phase III bond release at the West Mine.

One provision of the Division of Reclamation, Mining and Safety's Rules is that the mine must be bonded for the estimated reclamation cost. Now that a portion of the reclamation work has been performed, Bowie Resources LLC has formerly requested a partial bond release from the Division of Reclamation, Mining and Safety. Bowie Resources LLC has a bond liability of approximately \$2,800,000.00 and has requested about \$58,000 of that amount be released. In accordance with the Division's Rule 3.03.2(1), Bowie Resources LLC is required to send written notice of its partial bond release request to adjacent land owners, surface owners and various local governing bodies.

The area for which partial bond release is being requested is at the Bowie No. 1, West Mine, located in Delta County, approximately four (4) miles north of Paonia, CO. The west mine area is located in Lots 2, 3, 6, & 7 of Section 23, Township 13 South, Range 92 West, 6th P.M.

Sincerely,



Tamme Bishop, P.E.

Project Engineer

PUBLIC NOTICE

Bowie Resources LLC, P.O. Box 1488, Paonia, CO, 81428 has submitted an application for a final Phase III bond release to the Division of Reclamation, Mining and Safety for its mining permit No. C1981-038. The mining permit was initially approved on September 24, 1981 and renewed on April 20, 2018. The current reclamation bond is \$2,800,000 and is in the form of two corporate surety bonds. This permit action will release about \$58,000 from the reclamation bond. The area for which the bond release is being requested is at the Bowie No. 1, West Mine area, excluding the two sediment ponds. The total disturbance associated with this bond release application is approximately 13.1 acres.

Reclamation work was performed in 2000, 2001 and 2002. The West Mine area is located in Lots 2, 3, 6, & 7 of Section 23, Township 13 South, Range 92 West, 6th P.M. The area has been backfilled, graded to approximate original contour and hydroseeded. Vegetation has flourished and meets the permit criteria to qualify for a Phase III bond release.

The Bowie No. 1 Mine is located in Delta County, approximately four (4) miles north of Paonia, CO. The surface facilities, located north of the North Fork of the Gunnison River, are located in portions of Sections 23 and 24, Township 13 South Range 92 West; and Section 29, Township 13 South, Range 91 West of the 6th P.M. The areas within the mine permit area that are requested for release are located on the U.S. Geological Survey 7.5-minute Bowie and Gray Reservoir, Colorado Quadrangle maps within the following sections.

Township 13 South, Range 92 West, 6th P.M.

Sec 23: Lots 2, 3, 6, & 7

Written comments or objections to the proposed release, and a request for a public hearing or informal conference may be submitted to and additional information obtained from the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, Co. 80203-2273, phone (303) 866-3567. Comments, objections or requests for a public hearing or informal conference must be made within thirty (30) days of the last publication of this notice or within thirty (30) days of the completed bond release inspection, whichever is later.

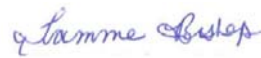
CERTIFICATE OF SERVICE

BOWIE RESOURCES LLC

FINAL RELEASE OF BOND LIABILITY - BOWIE NO. 1 MINE

Rule 3.03.2(1) requires that notice of intention to seek release from bond be sent to adjoining property owners, surface owners, appropriate local government bodies, municipalities, regional planning commissions, boards of county commissioners, county planning agencies, sewage and water treatment authorities, and water conservancy and water conservation districts.

I hereby certify that I have served a true and correct copy of the attached partial bond release letter for adjacent landowners and local governing bodies by placing same in the U.S. Mail, first class postage prepaid, on June 9, 2022.



Tamme Bishop, P.E.

Bowie Resources LLC
P.O. Box 483
Paonia, CO 81428

Mayor, Town of Paonia
P.O. Box 460
Paonia, CO 81428

Delta County Commissioners
Delta County Courthouse
5th & Palmer
Delta, CO 81416

Delta County Planning Department
5th & Palmer
Delta, CO 81416

Gunnison County Planning Department
Blackstock Government Center
221 N. Wisconsin St., Ste. D
Gunnison, CO 81230

Gunnison County Commissioners
Gunnison County Courthouse
200 East Virginia
Gunnison, CO 81230

Ken Nordstrom
Delta County Health Department
225 West 6th Street

Delta, CO 81416

Region 10 League for Economic
Assistance and Planning
300 North Cascade, Suite #1
Montrose, CO 81401

Robert Starr
Commissioner Irrigation Dist. 4
1167 3100 Road
Hotchkiss, CO 81419

Bureau of Land Management
Montrose District Office
2505 So. Townsend Ave.
Montrose, CO 81401

USDA- Forest Service
Paonia Ranger District
P.O. Box 1030
Paonia, CO 81428

Colorado Parks and Wildlife
2300 S Townsend Ave.
Montrose, CO 81401

Fire Mountain Canal & Reservoir Co.
P.O. Box 414
Paonia, Colorado 81428

Terror Ditch and Reservoir Company
P.O. Box 313
Paonia, CO 81428

Overland Ditch & Reservoir Company
Pete Kasper
1321 2900 Road
Hotchkiss, CO 81419

Roberts Stucker Ditch
Steve Wolcott
P.O. Box 6
Paonia, CO 81428

Oak Mesa Ditch
Grant Farnsworth
1378 4100 Road
Paonia, CO 81428

Bruce Ditch
c/o Merritt Denison
3760 J 75 Road
Paonia, CO 81428

Roatcap Owners Access Road Maintenance Association
John Egger
1552 4005 Drive
Paonia, CO 81428

North Fork Farmers Ditch Association
Jess Campbell
1323 3750 Road
Hotchkiss, CO 81419

Stewart Ditch Company
Dee Burns
3865 J 75 Drive
Paonia, CO 81428

The Pitkin Mesa Pipe Line Company
P.O. Box 402
Paonia, CO 81428

Keeling Land Cattle KS CO LLC
P.O. Box 326
Monett, MO 65708-0326

Mary E McCarney
PO Box 685
Paonia, CO 81428-0685

Michael David McClellan
P.O. Box 1162
Paonia, CO 81428-1162

Kirk Morgan
P.O. Box 281
Paonia, CO 81428-0281