

TRAPPER MINING INC.

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June 27, 2022

Ms. Robin Reilley Environmental Protection Specialist Colorado Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

Re: Trapper Mining Inc., Permit No. C-1981-010

Technical Revision, TR-130, Response to Adequacy Review No. 1

Dear Ms. Reilley:

Below is our response to your Adequacy Review #1 letter of May 11, 2022 to Trapper's Technical Revision TR-130 application. We have used your original letter as the base format, with our response following each of your comments. Several of these items were also verbally discussed at the mine site on May 17th.

The attached image demonstrates areas of the L-Pit highwall crest that may be excavated for the H-Seam coal and attain the PMT as approved in PR-09. Red shaded areas are cut and the blue areas demonstrate fill from this material.

DRMS May 2022

DRMS compared the Life of Mine Maps for TR130 and TR128, noting that stripping for the J pit comprising approximately 389 acres has not yet occurred. The total I and J pit area at TR128 comprised approximately 606 acres. In I Pit, DRMS noted that TR130 constitutes an expansion of approximately 20 acres.

DRMS also compared the Life of Mine maps TR130 and PR9 for the L Pit. The TR130 Map indicates overburden removal is proposed for approximately 37 acres (H seam), and the 2022 mining limit comprises 34.8 acres. H seam and the 2022 mining limit account for 71.3 acres in total. The TR128 2022 mining limit comprised 16.7 acres. The difference between the TR128 and TR130 mining limit acres represents a net gain of 18.1 acres. DRMS understands that the opening of the H seam Pit will be addressed in an upcoming PR, and so, mine limit acreages associated with H Pit and any update to the reclamation bond would be addressed at the time of the PR, (PR11). Once the H

seam is designated for mining, the total mining limit appears to total 71.3 acres. This may represent a potential increase in volume of material to be moved.

1. Please indicate on a map or explain in text where the H seam overburden will be placed or stored for placement.

Trapper Response to Comment 1: H-Seam overburden removed from the highwall area of the current L-Pit cut 18 will be placed in the spoil benches west of the L-Pit cut in the same manner as the current spoils awaiting regrade. The material will need to be removed from the highwall crest to attain the currently permitted PMT for L-Pit.

2. Please demonstrate that the reclamation costs for H seam overburden removal and stripping have been accounted for in previous permitting actions.

Trapper Response to Comment 2: As demonstrated in the attached Figure 1 and discussed verbally on May 17th the material proposed to be removed on the highwall of L-Pit will need to be removed to attain the currently approved PMT. These costs would be calculated in the PR-09 worst cast bonding scenario as regrade costs for L-Pit. No new stripping is currently proposed in the L-Pit area with this proposed overburden removal.

DRMS notes from conversations with Trapper Mine staff, that stripping is planned in J Pit in 2022. Depending on when and how much stripping is planned for J Pit, there may be an update to the reclamation cost estimate required with the I Pit expansion. DRMS also notes that J Pit 2022 pit limits are indicated on the worst case bonding map (M6), but not on the M10B map depicting stripping and reclaim activities.

DRMS compared the stripping maps *M10 B Topsoil Stripping and Reclaim* for TR130 and PR10, noting that stripping for the J pit comprising approximately 388.8 acres has not occurred. It appears that the M 10B map submitted with TR 130 is erroneous as it depicts proposed stripping and reclaim in the J pit for 2020, 2021 and 2022. DRMS understands that no stripping has yet occurred in the J Pit as of May 2022. Therefore, the map does not accurately depict what is currently on the ground in the J Pit. The map depicts stripping in 2022 occurring in portions of the I Pit Middle, I Pit West and J Pit West comprising approximately 18.5 acres.

3. When does Trapper expect to begin stripping the J Pit West and East Pits? Please update Map M10B showing the correct timeline for acreages to be stripped, and reclaimed in the various J Pit pits.

Trapper Response to Comment 3: Trapper is currently stripping the approved J-Pit West area. Trapper will <u>not</u> be stripping or mining J-Pit East at this time. The current M10B map as submitted with PR-10 depicts the worst case bonding scenario and bond calculation for PR-10. The timeframes as represented on that map depict the proposed pit advancement at the time of submittal. Map M10A and M10B have been updated and attached showing a new mining plan for this area. J-Pit East has been removed in lieu of extending J-Pit West further west.

DRMS compared the post mining topography (PMT), map entitled *M6 Updated PMT for WCB year for extended I Pit* submitted with TR130 with the previously approved PMT Map. The PMT associated with the westward expansion of I Pit appears unchanged with TR130. No similar map for

L Pit PMT was submitted with TR130. Trapper has stated that although the dimensions of the L pit remains the same with only the orientation changing, the volumes associated remain the same.

4. Please either submit an updated PMT map for the L Pit or explain why an updated map is not needed.

Trapper Response to Comment 4: Proposed actions in TR-130 will not significantly alter the currently approved PMT in L-Pit. The extension of I-Pit was included on the M6 map to demonstrate the new PMT for that area, which is not significantly different from the current pre-mining topography. A revised map M6 has been included to show proposed PMT with revised mining of J-Pit West and excluding J-Pit East.

Rule 3.02.2 Performance Bond

DRMS understands that no additional disturbance is requested for TR130. DRMS also notes that in PR10 an additional 206.7 acres were approved for disturbance.

5. Has the opening of H seam been calculated in the reclamation bond to date?

Trapper Response to Comment 5: As noted above, no new topsoil stripping will take place to mine the H Seam coal in the L-Pit high highwall. As the attached pit image demonstrates this material would cut from the highwall crest in order to attain the currently approved PMT for the area.

6. Please verify that I pit expansion and the change in L Pit orientation, both scenarios that appear to increase Pit limits, have been adequately bonded for in previous permitting actions.

Trapper Response to Comment 6: A new bond estimate has been calculated to cover anticipated stripping and reclamation activities in I and J Pits. Additional liability has been added in addition to liability already held for PR-10. In other words, open acres needing topsoiled and seeded have been added accordingly for this calculation as has BCYs needed to regrade and fill open pits as they would exist at the end of 2022 on top of previously held liability in PR-10. The combined bond held should cover all future and current stripping and pit excavation for the worst case bond scenario established at the end of 2022.

Revised permit materials are also included with this response to address the change in pit advancement timing and stripping for I and J Pits.

Permit Page 4-177; Table 4.8-3 has been revised to show the proposed design for the "J Pit Diversion" and the "Coyote Diversion" has been removed as it will no longer be needed in lieu of the new diversion.

Permit Maps:M4; revised I-Pit and J-Pit West limitsM6, Sheet 1; revised I-Pit and J-Pit West limits and open pit area to be regraded.M10A, Sheet 1, New strip outline for J-Pit WestM10B, Sheet 1, New strip outline for J-Pit West and regrade areas.

Appendix Q:

The SedCad run for "J-Pit Diversion" had been included in this submission. It will need to be added to Appendix Q; Section XVII, Temporary Diversion Ditch Design.

Please get back to us with any questions, comments or concerns.

Sincerely,

Dahan Rober

Graham Roberts Environmental Supervisor Trapper Mining Inc.

c TR-130 revision binder File 109.2.3.4



Figure 1. H-Seam overburden removal area. Red denotes cut to attain PR-09 PMT on east highwall of L-Pit.