



July 12, 2022

Kurt Blunt
Blue Mountain Energy, Inc.
3607 County Rd. 65
Rangely, CO 81648

RE: Deserado Mine, C-1981-018, Technical Revision No. 74 Preliminary Adequacy Review Letter

Dear Mr. Blunt,

The Colorado Division of Reclamation, Mining and Safety (the Division) received the Deserado Mine's application for a technical revision to combine the RP-2/3/4 and RP-5a refuse piles. The application was received on April 28, 2022. The Division deemed the application complete on May 4, 2022. The Division has completed the preliminary review of the application and has the following adequacy items:

Rule 2.10:

1. When reviewing proposed Map 165, a cross-section "Structure 8 Profile" has been shown however, it is unclear to the location of the Structure 8 Profile cross-section as it has not been identified on plan view of the proposed RP-2/3/4/5. It appears that this cross-section might be located in the area located between the current gap of RP-2/3/4 and RP-5A showing the foundation cut prior to refuse placement. If this is the case, including the proposed refuse slope and profile would be beneficial for the Division's review. Please provide an updated Map 165 showing the location of cross-section Structure 8 Profile. If the location of the Structure 8 Profile is located within proposed RP-2/3/4/5, please include the refuse slope and profile associated with the location of Structure 8 Profile.

Rule 4.10:

2. Rule 4.10.4(2) states, coal mine waste banks shall have a minimum static safety factor of 1.5. Based on the proposed TR-74 application, no slope stability analysis of the proposed coal mine waste bank RP2/3/4/5 has been provided. When reviewing the map notes on proposed Map 165 it states, "geotechnical stability analysis demonstrates adequacy stability with 3H:1V slopes (Illustration 42C)". Illustration 42C is specific to the geotechnical analysis to RP-A and has no reference to the proposed RP-2/3/4/5. Additionally, while individual geotechnical analyses have been performed for the existing piles RP-2/3/4 and RP-5a, the combination and redesign to RP-2/3/4/5 will need to be evaluated to ensure this Rule is complied with. Please provide a geotechnical analysis for the proposed RP-2/3/4/5 to ensure a minimum static safety factor of 1.5 is met along with discussion regarding the coal mine waste bank.



This concludes the Division's preliminary adequacy review of the Deserado Mine's technical Revision No. 74 application. If you have any questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink that reads "Clayton Wein". The signature is written in a cursive, slightly slanted style.

Clayton Wein
Environmental Protection Specialist