



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

October 28, 2022

Tony Tennyson
Colowyo Coal Company L.P.
5731 State Highway 13
Meeker, CO 81641

**Re: Colowyo Coal Mine (Permit No. C-1981-019)
Permit Renewal No. 08 (RN-08)
Third Adequacy Review**

Dear Mr. Tennyson:

After reviewing responses from Colowyo Coal Company L.P. (Colowyo) in regards to the Division's third adequacy letter dated August 29, 2022, the Division has the following comment:

1. Division: *The Division has reviewed Colowyo's reclamation plan and associated reclamation cost estimate. The reclamation parcels for the West Pit and South Taylor Pit were last updated with MR-243 when reviewing Map 29. Based on the reclamation progression of the West Pit and South Taylor Pit, these parcels no longer match last site wide cost estimate performed with Colowyo Mine RN-07. In order for the Division to perform an accurate updated reclamation cost estimate for the Colowyo Mine, please provide the Division with the volumes associated with the each of the reclamation parcels for the West and South Taylor Pits as shown on approved Map 29.*

Colowyo: *A spreadsheet has been provided to the Division which contains all cut/fill balances and centroid to centroid haul; distances for all the polygons shown on Map 35A.*

Division: *Based on the provided information, the Division has performed an updated reclamation cost estimate for the Colowyo Mine. The total value of this estimate is \$164,132,650.00 (see attached cost estimate). The Division's cost estimate is consistent with previous cost estimates approved by both the Division and Colowyo. Attached is a change sheet showing changes and updates from the last site wide estimate performed with Midterm No. 8. The Division respectfully requests a response from Colowyo with any questions regarding the cost estimate or an acceptance of the Division's estimate.*

Colowyo: *Tri-State has reviewed the Division's reclamation cost estimate and is providing the attached spreadsheet with comments tailored directly to specific tasks. The spreadsheet reflects the summary pages of the reclamation cost estimate provided by the Division but includes a column with*



Tri-State comments for certain tasks. The tasks that have comments have also been colored for ease of locating comments.

Based on the provided information and discussions held between both parties, the Division has performed an updated reclamation cost estimate for the Colowyo Mine. The total value of this estimate is \$155,594,849.00 (see attached cost estimate). The Division's cost estimate is consistent with previous cost estimates approved by both the Division and Colowyo. Attached is a change sheet showing changes and updates from the last site wide estimate performed with the Division's RN-08 adequacy letter dated August 29, 2022. Also attached are reclamation tables detailing additional information regarding new reclamation Task 97 through Task 100. The Division respectfully requests a response from Colowyo with any questions regarding the cost estimate or an acceptance of the Division's estimate.

Adequacy Items 2. through 9. have been satisfied and no longer require additional comments.

If you have any questions, feel free to contact me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'ZTJ' or similar, with a stylized flourish at the end.

Zach Trujillo
Environmental Protection Specialist
(303) 866-3567 ext. 8164
Zach.Trujillo@state.co.us

Cost Estimate Change Sheet

RN8		
29-Aug	25-Oct	Notes
Task #	Task #	
1	1	Updated task hours to accurately reflect operations.
2 thru 23	2 thru 23	Volume units updated based on discussion w/Colowyo and associated engineers.
24	24	No changes.
25	25	No changes.
26	26	Acreages corrected after review.
27 thru 31	27 thru 31	No changes.
33	33	Task moved and incorporated into 99c. See Task 99c for more info.
34	32	Beginning of task numbering shift. Task renumbering. No changes.
35 thru 45	33 thru 43	Task renumbering. No changes.
46	44	Incorrect task name. Renamed.
47 thru 55	45 thru 53	Task renumbering. No changes.
56	54	Incorrect task name. Renamed.
57	55	Incorrect task name. Renamed.
58 thru 96	56 thru 94	Task renumbering. No changes.
97	95	While wells and piezometers associated with East, West and South Taylor Pit haven been plugged and abandoned, they have not gone through the proper bond release process as required by Rule 3. No changes.
98	96	In-Pit Exploration holes have not gone through the proper bond release process required by Rule 3. No changes.

99	97a	Reseeding task has been broken out in to three sections - No release (100% of cost/acre), Phase 1 Release (40% of associated cost/acre) and Phase 2 Release (15% of associated cost/acre). These are based on the approved bond release of the reclamation parcel acreage and associated percent releasable required by Rule 3. Bond release and total acreages were taken from the Colowyo Mine 2021 ARR Figure 2-2 and Exhibit 2. See the attached table found below in this document for additional details.
	97b	
	97c	
100	98a	
	98b	
	98c	
101	99a	
	99b	
	99c	
102	100a	
	100b	
	100c	
103	101	Updated acreage for Grazing Land Seed Mix for South Taylor.
	102	New task for updated acreage for Sage Brush Steepe Seed Mix for South Taylor.
102	103a	New task for reseeding facilities from old Task 102.
	103b	
104 thru 117	104 thru 117	No changes.
119	-	Incorrect task name. Removed due to duplicative tasks.
120 thru 126	120 thru 126	No changes.
127	127	Updated with salt storage building from Task 402.
128 thru 132	128 thru 132	No changes.
133	133	This task is to ensure ponds can be properly cleaned with water levels lowered. Based on the Division's experience at the Colowyo Mine, ponds have the potential to hold water year round due to contribution from seeps and springs. Additionally, the task is designed for water to be pumped and trucked offsite and not into hydrologic balance. No changes.

134	134	No changes.
135	-	Duplicative task. Task removed. See comments for Task 33 and 99c.
136	136	No changes.
137	137	No changes.
138	-	Task incorrectly carried over. Task removed.
139 thru 153	139 thru 153	No changes.
-	154 thru 160	New tasks. TR-155.
401	401	No changes.
402	402	Removed salt storage building from this task and incorporated into Task 127. The associated substation demo task is an approved task that has been carried over from PR-03, PR-04, ect. Colowyo and the Division have documented the White River Substation as a non-mine related structure after the approval of the substation demo task seen in Task 402. Since no substation exists with the Collom Pit and associated facilites, this item can be removed through the appropriate permitting process. If Colowyo wishes to remove this task from the reclamation cost estimate, please submit a bond reduction Technical Revision.
403 thru 429	403 thru 429	No changes.
430	430	While Ditch D6 is no longer part of the Colowyo's approved reclamation plan, the Division cannot release bond liability through the Renewal process and it must go through the proper revision process. If Colowyo wishes to remove this task from the reclamation cost estimate, please submit a bond reduction Technical Revision. No changes.
431 thru 435	431 thru 435	No changes.
436	436	See comment for Task 430.
437 thru 446	437 thru 446	No changes.

447	447	While the approved Colowyo reclamation plan has permanent excess spoil to remain out of pit at the Collom Pit (6,608,464 c.y.), the spoil pile currently contains an amount well in excess that is placed there temporarily. If the Division were to have to currently perform the reclamation at the Colowyo Mine, it would incur the costs associated with moving the temporary spoil. As such, the Division will need to hold a cost for the removal of the temporary spoil back to the Collom Pit. Additionally, the Division cannot release bond liability through the Renewal process and it must go through the proper revision process. If Colowyo wishes for the Division to reevaluate this task in the reclamation cost estimate, please submit a bond reduction Technical Revision with all necessary support material. No changes.
448 thru 460	448 thru 460	No changes.

Remaining Reclamation Seed Mixture Acreage

East Pit										
Reclamation Parcel	Total Acreage	Approved Bond Release Acreage			Seed Mix Acreage		Released Acreages		Remaining Acreages	
		None	Phase 1*	Phase 2**	Grazingland	Sagebrush	Grazingland	Sagebrush	Grazingland	Sagebrush
51	32	-	-	32	32	-	27.20	-	4.80	-
52	37	-	-	37	37	-	31.45	-	5.55	-
53	17.4	-	-	17.4	17.4	-	14.79	-	2.61	-
54	17.4	-	-	17.4	17.4	-	14.79	-	2.61	-
55	8.8	-	-	8.8	8.8	-	7.48	-	1.32	-
56	34.8	-	34.8	-	34.8	-	20.88	-	13.92	-
57	70.7	8	-	62.7	70.7	-	53.30	-	17.41	-
58	33.4	-	-	33.4	33.4	-	28.39	-	5.01	-
59	48.9	18	-	30.9	48.9	-	26.27	-	22.64	-
60	5.5	-	-	5.5	4.6	0.9	3.91	0.77	0.69	0.14
61	14.5	-	14.5	-	-	14.5	-	8.7	-	5.80
62	7	-	7	-	-	7	-	4.2	-	2.80
Totals	327.4	26					228.5	13.7	76.55	8.74
Acreages from Colowyo 2021 ARR										
0% Released (No Phase Release)										
*60% Released (Phase I Bond Release)										
**85% Released (Phase II Bond Release)										

RN08 Revegetation Acreages - East Pit					
No Phase Release		Phase 1 Release Remaning		Phase 2 Release Remaining	
Grazingland	Sagebrush	Grazingland	Sagebrush	Grazingland	Sagebrush
26	-	13.92	8.60	62.63	0.14
0% Released (No Phase Release)					
*60% Released (Phase I Bond Release)					
**85% Released (Phase II Bond Release)					

West Pit										
Reclamation Parcel	Total Acreage	Approved Bond Release Acreage			Seed Mix Acreage		Released Acreages		Remaining Acreages	
		None	Phase 1*	Phase 2**	Grazingland	Sagebrush	Grazingland	Sagebrush	Grazingland	Sagebrush
10	5.20	-	5.20	-	5.20	-	3.12	-	2.08	-
14	47.30	-	-	47.30	47.30	-	40.21	-	7.10	-
15	94.00	-	-	94.00	94.00	-	79.90	-	14.10	-
16	146.10	14.20	-	131.90	146.10	-	124.19	-	21.92	-
17	12.60	-	-	12.60	12.60	-	10.71	-	1.89	-
18	31.20	-	-	31.20	24.10	7.10	20.49	6.04	10.72	25.17
19	35.90	-	-	35.90	34.40	1.50	29.24	1.28	6.66	34.63
20	95.80	-	-	95.80	9.20	86.60	7.82	73.61	87.98	22.19
21	75.40	-	11.00	64.40	75.40	-	64.09	-	11.31	-
22	0.50	-	-	0.50	0.50	-	0.43	-	0.08	-
23	105.40	-	-	105.40	105.40	-	89.59	-	15.81	-
24	98.20	80.90	-	17.30	80.90	17.30	68.77	14.71	29.44	83.50
25	23.30	-	-	23.30	-	23.30	-	19.81	-	3.50
26	54.20	-	54.20	-	54.20	-	32.52	-	21.68	-
27	17.80	-	17.80	-	17.80	-	10.68	-	7.12	-
28	17.90	-	17.90	-	17.90	-	10.74	-	7.16	-
29	38.20	-	38.20	-	38.20	-	22.92	-	15.28	-
30	12.10	-	12.10	-	-	12.10	-	7.26	-	4.84
31	45.80	-	45.80	-	32.50	13.30	19.50	7.98	26.30	37.82
32	10.50	-	10.50	-	10.50	-	6.30	-	4.20	-
33	3.30	-	3.30	-	3.30	-	1.98	-	1.32	-
34	10.00	-	10.00	-	10.00	-	6.00	-	4.00	-
Remaning Areas	380.30	380.30	-	-	239.00	141.30	-	-	-	-
Totals	1361.00						649.18	130.67	296.13	211.63
Acreages from Colowyo 2021 ARR										
0% Released (No Phase Release)										
*60% Released (Phase I Bond Release)										
**85% Released (Phase II Bond Release)										

RN08 Reveg Acreages - West Pit					
No Phase Release		Phase 1 Release Remaning		Phase 2 Release Remaining	
Grazingland	Sagebrush	Grazingland	Sagebrush	Grazingland	Sagebrush
239.00	141.30	49.21	42.66	246.92	168.97
0% Released (No Phase Release)					
*60% Released (Phase I Bond Release)					
**85% Released (Phase II Bond Release)					