

United States Department of the Interior



OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
Western Region
P.O. Box 25065
Lakewood, CO 80225-0065



February 6, 2023

Jason Musick
Coal Program Supervisor
Colorado Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203

Re: Partial Phase III Bond Release Application SL-7, Oxbow Mining, LLC, Elk Creek Mine, C-1981-022

Dear Mr. Musick,

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSMRE), Denver Field Branch's (DFB) receipt and review of the Colorado Division of Reclamation, Mining and Safety's (DRMS) January 18, 2023, Proposed Decision and Findings of Compliance pertaining to Oxbow Mining, LLC's (Oxbow) SL-7 partial Phase III bond release application. OSMRE agrees with the proposed decision and hereby provides concurrence in accordance with 30 CFR 740.15 (d)(3) and 30 CFR 906.30, Article IX, Section 24 of the State-Federal Cooperative Agreement.

The surface and mineral ownership associated with this bond release is federal and private. On May 20, 2022, DRMS invited The Bureau of Land Management (BLM), the U.S. Forest Service (USFS) and OSMRE to attend the bond release inspection on July 12 and 13, 2022: the USFS and OSMRE attended. By letter signed February 2, 2023, BLM provided its concurrence with DRMS's proposed decision. OSMRE interprets this to mean Oxbow is in compliance with all stipulations associated with its federal surface use agreements and coal lease stipulations.

DRMS's proposed decision notes Oxbow's compliance with the approved Colorado regulatory program at Rules 3.03.1(2)(c) and recommends authorizing partial Phase III bond release on 21.24 acres at the Elk Creek Mine. DRMS currently holds a performance bond in the amount of \$2,000,000.00 which covers the entire permit area, including the acreage proposed for release. Under SL-7, DRMS proposes to release a total of \$57,592.78 from Phase III bond liability. DFB concurs with DRMS's proposed decision and recommends Phase III bond release for the requested areas at the Elk Creek Mine.

Thank you and your staff for coordinating this bond release action through the DFB. Please direct any questions to Dan MacKinnon, AML and Regulatory Program Specialist, at dmackinnon@osmre.gov or (303) 236-4681.

Sincerely,

Howard E. Strand, Manager
Denver Field Branch

Cc: Oxbow Mining, LLC