Denver Field Branch Bond Release Evaluation Report

Permittee:	Oxbow Mining, LLC
Operator:	Oxbow Mining, LLC
Site:	Elk Creek Mine
Permit No:	C-1981-022
Date of Inspection:	October 25, 2023
Inspection Type:	Partial Phase III bond release
Weather: Operator Representative: State Official: USFS Official: OSMRE Official:	Doug Smith Leigh Simmons Dan Gray Tom Medlin #562

Background

This was a partial Phase III bond release inspection of reclaimed mine ventilation and coal exploration boreholes, drill pads, and associated road segments at the Elk Creek Mine in Delta and Gunnison counties, Colorado.

Under Surety Release 8 (SL-8) Oxbow Mining, LLC (OMLLC) proposes Phase III bond release on approximately 9.50 acres where it indicates all mining and reclamation activities have been completed in accordance with the terms of its approved permit and in support of the undeveloped land postmining land use. This includes successfully establishing on affected lands a vegetative community that is diverse, effective, and permanent. The ten-year revegetation responsibility period must also be met and the vegetative community must meet the approved standards for cover, herbaceous production, and species composition. The areas proposed for release lie within Delta and Gunnison counties; Sections 27 – 34, Township 12 South, Range 90 West; Sections 25 - 27 and 34 - 36, Township 12 South, Range 91 West; Sections 6 and 7, Township 13 South, Range 89 West; Sections 1 - 12 and 17, Township 13 South, Range 90 West; and Sections 1 - 3and 11 – 13, Township 3 South, Range 91 West; 6th Principal Meridian. OMLLC's SL-8 bond release application was found administratively complete by DRMS on November 21, 2022. Notification of the proposed Phase III bond release was posted in the Delta County Independent for four consecutive weeks, beginning October 26, 2022 and ending November 16, 2022. Under SL-8 OMLLC requests full release of the remaining bond amount for the 9.50 acres of affected area, approximately \$11,273.50.

Release of Performance Bonds, Rule 3.03; Revegetation, Rule 4.15

The SL-8 field inspection was conducted October 25, 2023. The inspection team evaluated each parcel below to determine suitability for Phase III bond release and qualitatively affirm the 2021 and 2022 bond release vegetation surveys. Overall the final reclamation was excellent. Reclaimed surfaces were stable, roughened, and well-blended with the native, often steep, topography. By private landowner request two road segments along the inspection route, shown in violet on Figure 1, were left in place.

Revegetated areas were diversely populated and mature. Grasses, forbs, and shrubs of note included Western wheatgrass, great basin wildrye, needle and thread, elk sedge, mountain

brome, yarrow, cicer milkvetch, field mint, willow, and Woods' rose. Throughout the inspection evidence of wildlife was noted, including bear, elk, and deer. Overall very few noxious weeds were noted and at no point in a quantity or density to cause concern.

SL - 8 / Phase III

GVB-LW12-03 road: 0.83 acres (ac.) Road permanently retained on landowner request. GVB-LW12-03 pad previously reclaimed and fully released under SL-5. No issues were noted. See Figure 2.

GVB-LW10-05 and road: 0.79 ac. Road permanently retained on landowner request. No issues with the pad were noted. See Figure 3.

GVB-LW09-05 and road: 1.15 ac. No issues were noted. See Figure 4.

GVB-LW15-01A, -01B, and -02: 1.77 ac. A minor slide had occurred in an undisturbed area along the road between pads GVB-LW09-05 and GVB-LW15-01A, -01B, and -02. Mr. Smith hand sown seed from the approved mix to help stabilize the disturbance. No issues with pad GVB-LW15-01A, -01B, and -02 were noted. See Figures 5 - 8.

GVB-LW17-01A, -01B, and road: 1.09 ac. No issues were noted. See Figures 9 – 11.

GVB-LW17-03 and road: 0.86 ac. No issues were noted. See Figures 12 – 14.

GVB-LW17-04, -04B, and -04C: 0.96 ac. No issues were noted. See Figures 15 – 16.

GVB-LW15-08 and road: 0.91 ac. No issues were noted. See Figures 17 – 18.

GVB-LW17-09: 0.98 ac. No issues were noted. See Figures 19 - 20.

GVB-LW08-03: 0.16 ac. No issues were noted. See Figure 21.

Conclusion

Observations made during this inspection uphold the 2021 and 2022 vegetation surveys, are consistent with the approved reclamation plan, and support the undeveloped land postmining land use. Partial Phase III bond release is recommended for the 9.50 acres as requested. No enforcement actions were taken as a result of this inspection, nor are any pending.

Figures



Figure 1. Map of SL-8 reclaimed roads and pads. Violet road segments are permanently retained on landowner request.



Figure 2. Pad GVB-LW12-03, previously reclaimed and fully released under SL-5.



Figure 3. Pad GVB-LW10-05.



Figure 4. Pad GVB-LW09-05.



Figure 5. Road to GVB-LW15-01A, -01B, and -02, as seen from GVB-LW09-05.



Figure 6. Small slide in undisturbed area along road between pads GVB-LW09-05 and GVB-LW15-01A, -01B, and -02.



Figure 7. GVB-LW15-01A, -01B, and -02.



Figure 8. GVB-LW15-01A, -01B, -02.



Figure 9. Road to GVB-LW17-01A and -01B.



Figure 10. GVB-LW17-01A and -01B.



Figure 11. GVB-LW17-01A and -01B.



Figure 12. Road to GVB-LW17-03.



Figure 13. GVB-LW17-03.



Figure 14. GVB-LW17-03.



Figure 15. GVB-LW17-04, -04B, and -04C.



Figure 16. GVB-LW17-04, -04B, and -04C.



Figure 17. GVB-LW15-08.



Figure 18. GVB-LW15-08.



Figure 19. GVB-LW17-09.



Figure 20. GVB-LW17-09.



Figure 21. GVB-LW08-03.