



MEMORANDUM

Date: October 28, 2024
To: Amy Yeldell
From: Rob Zuber
Cc: Travis Marshall, Amy Eschberger
RE: Request for assistance with the Bowie No. 2 bond and an informal conference with the operator

Hello, Amy –

I would like to request your help related to the bond for the Bowie No. 2 Mine and an informal conference with the operator, Bowie Resources, LLC (BRL). Your involvement would be a discussion of unit costs in CIRCES.

With the recent midterm review (MT-06), I updated the reclamation cost estimate in CIRCES. The result of this update is a proposed required surety of \$15,253,596.00. The current required surety set for the site is \$11,448,977.00. The current value is based on an update of the cost estimate in March 2022 (with the permit renewal, RN-05).

The proposed increase in required surety is \$3,804,619.00, which is an increase of 33 percent in two and a half years. Part of this is the result of adjustments to the tasks in the cost estimate, based on a bond compliance project performed in the spring of 2024. However, the vast majority of it is based on increases in unit costs. I can provide more information on the details of this in the future, if necessary.

For now, I am providing two documents related to this request for your help:

- My letter from October 4th, Proposed Bond Adjustment and Informal Conference Notice
- The request for an informal conference from Wolverine Fuels (parent company of BRL)

I will also send my MT-06 review document to you.

Thanks in advance for your help. Let me know if you have time to help with this conference. The date is not yet set.





COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

October 4, 2024

Mr. Basil Bear
Bowie Resources, LLC
P.O. Box 1488
Paonia, CO 81428

RE: Bowie No. 2 Mine, C-1996-083, Proposed Bond Adjustment and Informal Conference Notice

Dear Mr. Bear:

The Colorado Division of Reclamation, Mining and Safety (the Division) is proposing a bond adjustment/surety increase for the Bowie No. 2 Mine. During the midterm review (MT-06), the Division updated the reclamation cost estimate and provided a copy of the estimate to Bowie Resources, LLC (BRL) on October 3, 2024.

The Division proposes to increase the required surety at the site to \$15,253,596.00. The current required surety set for the site is \$11,448,977.00. The net increase in required surety is \$3,804,619.00. The Division currently holds a surety in the amount of \$11,448,977.58. Therefore, BRL will be required to submit an additional \$3,804,618.42 in bond.

In accordance with Rule 3.02.2(4)(a), the Division is required to the notify the permittee of any proposed bond adjustment and provide the permittee with an opportunity for an informal conference on the adjustment. This letter serves as the required notification. If BRL would like to participate in an informal conference, the Division asks that a written request be submitted by November 3, 2024. If no request for an informal conference has been submitted by this date, the Division will assume that BRL declines to participate in an informal conference, and the Division will issue a proposed decision to adjust the bond amount accordingly.

If you have any questions feel free to contact me at rob.zuber@state.co.us or 720.601.2276.

Sincerely,

Rob Zuber, P.E.
Environmental Protection Specialist

EC: Ryan Wilson, Wolverine Fuels
Tamme Bishop, Stover & Associates
Jeff Thompson, DRMS
Amy Eschberger, DRMS





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Telephone (970) 852-0110
rwilson@wolverinefuels.com

VIA EMAIL TO: *rob.zuber@state.co.us*

October 28, 2024

Colorado Department of Natural Resources
Division of Reclamation, Mining and Safety
Attn: Rob Zuber
1313 Sherman St, Room 215
Denver, CO 80203

Re: Bowie No. 2 Mine, C-1996-083, MT-06 Request for Informal Conference

Dear Mr. Zuber,

Pursuant to your letter dated October 4, 2024 and under the accommodations of Rule 3.02.2(4)(a), Bowie Resources, LLC respectfully requests an informal hearing with the Division to review the changes to its surety bond for Permit C-1996-083 under the midterm review (MT-06).

It would be Bowie's preference to have an in-person meeting for this informal hearing. Arrangements could be made to meet in Grand Junction or at the mine site, if so desired. Bowie is also willing to travel to Denver for the meeting.

Please contact me with some available dates that work for the Division and a preferred location. Thank you for your consideration.

Sincerely,

Ryan Wilson
Manager of Land and Regulatory Affairs
Bowie Resources, LLC
A subsidiary of Wolverine Fuels, LLC

Cc: Tamme Bishop
Art Etter
Basil Bear