

**STATE OF  
COLORADO****Wein - DNR, Clayton <clayton.wein@state.co.us>**

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**Deserado Mine, C-1981-018, 2022 Annual Hydrology Report Review**

1 message

**Wein - DNR, Clayton <clayton.wein@state.co.us>**

Wed, Feb 5, 2025 at 2:45 PM

To: Kurt Blunt &lt;kblunt@deserado.com&gt;

Good afternoon Kurt,

Attached is the Division's review letter for the Deserado Mine's 2022 AHR. The Division has no adequacy concerns. Please feel free to contact me if you have any questions.

Sincerely,

**Clayton Wein****Environmental Protection Specialist****COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

P 720.762.6156 | F 303.832.8106

1313 Sherman Street, Room 215, Denver, CO 80203

[clayton.wein@state.co.us](mailto:clayton.wein@state.co.us) | <https://www.drms.colorado.gov>**Deserado Mine, C-1981-018, 2022 AHR Review Letter.pdf**

198K



February 5, 2025

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

**RE: Deserado Mine, Permit No. C-1981-018  
2022 Annual Hydrology Report**

Dear Mr. Blunt,

The Division received the 2022 Annual Hydrology Report (AHR) on February 1, 2023. Thank you for your timely submittal. The Division finds the 2022 AHR in compliance with the following Rules:

Rule 4.05.13(4)(a) – The data collected for the 2022 AHR is kept and maintained at the Deserado Mine Office.

Rule 4.05.13(4)(b) – The 2022 AHR is compiled from the analysis of hydrologic data collected from the monitoring period of October 1, 2021 to September 30, 2022.

Rule 4.05.13(c)(i), (ii), (iii) – The 2022 AHR was submitted to the Division by the determined date on which the permittee and the Division agreed to. The report included an interpretation of the collected data and identified mining related impacts to the hydrologic balance.

The 2022 data support the predictions of the Probable Hydrologic Consequences (PHC) of the Deserado Mine permit. The following is a review of the 2022 data as per the PHC:

- Groundwater inflow is usually 20 to 40 gallons per minute (gpm), occasional increased inflows occur when a localized perched water table is encountered. Other inflows to the mine are the result of water from leaks and water line brakes. The total incidental inflow of water into the mine was approximately 8.21 gpm in the 2022 water year. The value is in the predicted range of 5 to 10 gpm. In May of 2012 a dewatering pump system was installed to pump excess water captured in the underground mine to the surface. Water pumped to the



surface from the B Seam in the 2022 water year was 30,038,400 gallons or 57.17 gpm. Water pumped from the SDH-3/5 D-Seam Dewatering System during the 2022 water year was 68,993,152 gallons or 131.27 gpm.

- Predicted by the PHC, Monitoring wells in close proximity to the mine workings show a decrease in piezometric levels. Well 29-4U was subsided in 2013 and the well became blocked. Five wells showed an increase in piezometric level and five wells showed a decrease in piezometric level. Two wells, 30-8M and 32-7U were dry. Four wells have been plugged to eliminate connection with the surface; 29-4M, 29-4U, 32-7M and 32-7L. Well Qal-5 is the only remaining alluvial well. The data from the full suite analysis are all within the historical ranges.
- The point of compliance well, 22-3M, was sampled for the correct parameters in the 2022 water year. Exhibit C indicates that field samples were collected in September of 2022. The sample from September 20, 2022 was collected and analyzed in a lab for total dissolved solids, dissolved iron and dissolved manganese.
- Discharge monitoring reports and the 2022 AHR indicate that outfalls 001 (DP-1), 026 (SDH-3), and 029 (B Seam Dewatering System No. 1) discharged during the 2022 water year. The Facilities Area Pond PP-2 did not discharge to Scullion Gulch during the 2022 water year. There was no discharge to Red Wash from any of the ponds treating water from the refuse disposal area. Ponds RP-1, RP-2/3/4 and RP-5 are designed to treat all the run-off from the waste piles. There are no springs or seeps located in the refuse disposal area. The ponds associated with the Slot Storage and Rail Loadout did not record any discharge. The mine site also receives a low amount of annual precipitation.
- The effects of subsidence on Red Wash were predicted to be short-term. Ponding in the stream bed and surface cracks in the alluvium were created by subsidence of the drainage. Red Wash contains a high content of clay and silt sediments that have filled in the cracks and depressions, maintaining the original stream channel. Scullion Gulch has no observed surface hydrologic consequences due to the effects of subsidence.

This concludes the Division's review of the 2022 Annual Hydrology Report for the Deserado Mine. The Division has no further comments or questions. If you have any questions, please contact me at (720)-762-6156.

C-1981-018  
2021 AHR Review  
2/5/2025

Sincerely,

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

Clayton Wein  
Environmental Protection Specialist  
clayton.wein@state.co.us

cc: Travis Marshall, Senior Environmental Protection Specialist, GJFO