STATE OF COLORADO

Jesse - DNR, Todd <todd.jesse@state.co.us>

2024 AHR Review

1 message

Jesse - DNR, Todd <todd.jesse@state.co.us> Thu, Mar 20, 2025 at 1:40 PM
To: Kurt Blunt <kblunt@deserado.com>
Cc: Clayton Wein - DNR <clayton.wein@state.co.us>

Kurt,

Attached is the adequacy review for the 2024 AHR. Hope you have a good afternoon.

Todd

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Environmental Protection Specialist
Minerals Program, Grand Junction Field Office
Colorado Division of Reclamation Mining and Safety

2025-03-18 AHR Review C-1981-018.pdf
171K

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

March 20, 2025

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

RE: Deserado Mine, Permit No. C-1981-018
2024 Annual Hydrology Report Review

Dear Kurt,

The Division of Reclamation, Mining and Safety (the Division) has completed its review of the 2024 Annual Hydrology Report (AHR) for the Deserado Mine. The AHR was received on February 3, 2025 The Division finds the reports to be in compliance with the following Rules:

Rule 4.05.13(4)(a) – The data collected for the 2024 AHR is kept and maintained at the Deserado Mine Office.

Rule 4.05.13(4)(b) – The 2024 AHR is compiled from the analysis of hydrologic data collected from the monitoring period of October 1, 2023 to September 30, 2024.

Rule 4.05.13(c)(i), (ii), (iii) – The 2024 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 2024 data support the predictions of the Probable Hydrologic Consequences (PHC) of the Deserado Mine permit. The following is a review of the 2024 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 2024 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 2024 water year was 30,029,760 gallons or 57.14 gpm. Water pumped from the SDH-3/5 D-Seam Dewatering System during the 2024 water

year was 122,113,856 gallons or 232.33 gpm.

- Predicted by the PHC, Monitoring wells within 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. Five wells, 2-17U, 30-8U, 30-8M, 32-7U and 22-3M were dry. Three wells have been plugged to eliminate connection with the surface; 29-4M, 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 recorded to be dry during the 2024 water year. Exhibit C indicates that field samples were attempted to be collected on September 18, 2024.

- Discharge monitoring reports and the 2024 AHR indicate that outfalls 001 (DP-1), 026 (SDH-3), and 029 (B Seam Dewatering System No. 1) discharged continuously during the water year. WET Testing for the D-Seam discharge, Outfall 026 has shown excessive toxicity to Daphnia magna and Fathead minnows. The Facilities Area Pond PP-2 did not discharge to Scullion Gulch during the 2024 water year. There was no discharge to Red Wash from any of the ponds treating water from the refuse disposal area. Ponds RP-1, RP2/3/4 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.

Adequacy Item No. 1: Water pumped from the SDH-3/5 D-Seam Dewatering System during the 2024 water year was 122,113,856 gallons. This is an increase of 284% over the previous year. What was the reason for the increase?

The Division has no further comments. This concludes the Division's review of the 2024 Annual Reclamation Report. If you have any questions, please contact me at (720) 688-0626

Sincerely,

Todd Jesse
Environmental Protection Specialist
todd.jesse@state.co.us

cc: Travis Marshall, DRMS, Senior Environmental Protection Specialist GJFO
Clayton Wein, DRMS, Environmental Protection Specialist