

April 24, 2025

Rob Zuber Division of Reclamation, Mining & Safety 1313 Sherman St., Room 215 Denver, CO 80203

Re: Bowie Resources LLC, Bowie No. 2 Mine Request for Partial Phase I Bond Release Response to incomplete notice Permit C-1996-083

Dear Mr. Zuber:

DRMS' letters dated April 15, and 17, 2025 deemed the original bond release application incomplete. On behalf of Bowie Resources LLC, following are the items necessary to make the bond release application complete.

1. **DRMS:** Per Rule 3.03.2(1)(e), a bond release application must include a notarized statement that certifies that all applicable reclamation activities have been accomplished in accordance with the Act, rules, and approved reclamation plan. The submittal for SL-04 does not include this statement.

**BRL:** Please see the attached certification statement.

 DRMS: Per a Division guideline ("Guideline Regarding Selected Coal Mine Bond Release Issues," 1995), a bond release application must include maps illustrating the areas related to the application. However, the SL-04 application does not include maps showing the Terror Creek fan site or the applicable gob vent boreholes.

**BRL:** Please see the attached Map (2023 ARR Map) showing the locations of the Terror Creek Shaft and GVBs: B-17 C, D, E & F. In addition, the application was revised to show the "B" designation in front of the GVB-B 17-C, D, E &F holes. See revised pages 3 & 4.

3. **DRMS:** Per Rule 3.03.2(1), a bond release application must include copies of notices to surface owners. However, the SL-04 application does not include a notice to Legacy

Ranches, LLC, which is the owner of the land where the gob vent boreholes are located.

**BRL:** Please see the updated Certificate of Service showing Legacy Ranches as a recipient of the partial bond release letter, which was sent on April 21, 2025.

The revised SL04 application document is included as part of the incomplete notice response, minus the public notice.

Please feel free to contact me if you have any questions.

Sincerely,

Tamme Bishop

Tamme Bishop, P.E. Consulting Engineer



April 24, 2025 (Revisions shown in italics)
April 7, 2025 (Initial application date)

Rob Zuber Division of Reclamation, Mining & Safety 1313 Sherman St., Room 215 Denver, CO 80203

Re: Bowie Resources LLC, Bowie No. 2 Mine Request for Partial Phase I Bond Release Incomplete Notice response Permit C-1996-083

Dear Mr. Zuber:

The follow information comprises Bowie Resources LLC's application for a partial bond release for its Bowie No. 2 Mine.

- 1. Date of Request: April 7, 2025 (*Initial request date*)
- 2. Permittee: Bowie Resources LLC
- 3. Permit No. C-1996-083
- 4. Date Permit was approved:

Initial Permanent Program Permit Issuance April 4, 1977 Current Permit Issued April 4, 2021

- 5. Mine Name: Bowie No. 2 Mine
- 6. Phase of Bond Release Requested: Phase I
- 7. Number of Acres:

Total:

Gob Pile #1: 1.2 acres Gob Pile #3: 15.6 acres Gob Pile #2: 6.2 acres Gob Pile #4: 4.5 acres Gob vent boreholes: 4 acres

8. Bond Companies: Lexon Insurance Company

**Endurance Assurance Corporation** 

9. Bond: Number: Corporate Surety, Bond \$3,154,277.10

Corporate Surety, Bond \$1,502,277.97 Corporate Surety, Bond \$2,217,169.51 Corporate Surety, Bond \$2,500,000.00 Corporate Surety, Bond \$2,075,253.00

10. Current Total Bond Amount: \$11,448,977.58

11. Original Total Bond Amount: \$4,200,000

12. Dollar Amount Requested for Release: \$1,295,743

Task	
27	\$8,285.00
37	\$198,603.00
38	\$4,165.00
40	\$430,198.62
41	\$51,943.00
43	\$16,755.00
44	\$138,309.75
45E	\$47,930.00
46	\$208,626.00
47	\$6,121.00
93	\$15,255.00
106gb	\$12,499.00
106gc	\$14,410.00
106gd	\$17,270.00
106gi	\$17,628.00
241	\$13,560.00
261	\$92,335.00
302	\$1,850.00
Total:	\$1,295,743.37

13. Legal Description of Area Requested: Portions of:

Township 13 South, Range 91 West, 6th PM

Sec 5: SE/4SW/4, SW/4SW/4 Sec. 14: Portion of NE/4NW/4

Sec. 15: Portions of SE/4NE/4, NE/4SE/4

- 14. A Map Showing Areas: Please see Figure 1 for the as-built gob pile #1, 2 & 4 configuration. Please see Figure 2 for the as-built gob pile #3 configuration. Maps 15-1 and 15-3 are herein incorporated by references as the approved configurations of gob piles 1-4. Please see the 2023 ARR map for Terror Creek shaft and GVB locations.
- 15. Dates Reclamation Work Performed: 2013 through 2023
- 16. A description of results achieved:

This partial bond release will seek partial release (Phase I) of tasks associated with hauling gob out of the drying area at Gob Pile 3, spreading gob at Gob Pile 3, compacting gob at gob pile 3, placing cover fill at Gob Piles 1, 2, 3, 4 and finish grading the Gob Piles. In addition, partial release will be sought for plugging and sealing gob vent bore holes *B*-17C, 17D, 17E and 17F and partial release of plugging and backfilling the Terror Creek Shaft.

Reclamation activities at the Gob Piles has been an ongoing process and has involved removing waste from the drying area as well as re-configuring the existing piles to achieve final configuration as approved in the associated permit documents. The final configuration of gob pile #3 was achieved in 2022. The final configuration of a portion of gob pile #2 was achieved in 2015. Plugging and sealing of the gob vent bore holes was completed in 2023, plugging and sealing of the Terror Creek shaft was done during 2021. All reclamation activities were achieved in accordance with the approved permit documents.

The current approved design for gob pile #1 is to be graded to 2H:1V, with a 20 foot wide haul road and a roadside ditch. There is a small section on the western edge of the pile (0.1 acres) of the pile that exceeds the 2H:1V design criteria and is graded at 1.5H:1V. A geotechnical analysis was performed on this area under TR-97 and was found to be stable and therefore became part of the approved design. The overall as-built of gob pile #1 is in compliance with the design approved in the permit. The upper portion of gob pile #1 was "absorbed" into gob pile #4 with the approval of TR-44. There is only 1.1 acres of gob pile #1 remaining and all 1.1 acres is included in the bond release application.

The current approved design for gob pile #2 is to have 2.5H:1V slopes on the first

50' and 3H:1V slope for the upper benches with 15' wide benches. Overall, the asbuilt sections on gob pile #2 (Sections A-E) show compliance with the approved design, with the exception of the first bench on sections A and B. The approved design as mentioned is 2.5H:1V, but the first 50' are graded at 2H:1V. Gob pile #2 has had number approved configurations since its inception and the first design was for the pile to be graded at 2H:1V with 15' benches and a maximum height of 230' (Lambert & Associates, November 10, 2003), followed by another evaluation by Lambert & Associates (March 17, 2005) which changed the design to be 2.5H:1V for the first 50 and 5H:1V for the upper benches. The next design as evaluated by Buckhorn Geotech (September 22, 2008) was a design of 2.5H:1V on the first bench up to a maximum heigh of 300'. The first bench has been graded to 2H:1V since 2003; there have been no issues with surficial stability, or global stability at gob pile #2.

The area included in the application for gob pile #2 include the first four benches east of the haul road and are covered with four feet of coverfill, no topsoil is in place. Bowie was granted a topsoil variance under TR-77. Placement of coverfill on the first bench was in place in 2007. An August 2013 Aerial photo shows that coverfill is in place on bench 1, and partially on benches 2, 3, and 4, the remainder of the coverfill was placed on benches 2, 3 and 4 during 2015 and 2016

Coverfill was placed on gob pile #3 during 2023. Topsoil and seed were placed on gob pile #3 during 2024. The current approved design for gob pile #3 is for 3H:1V, one 15' bench and a maximum height of 70'. The as-built survey which was completed by Steve Cragg in 2024 has slopes constructed at 3H:1V, one 15' terrace bench and has a maximum height of 66'. Overall, the as-built sections on gob pile #3 comply with the approved design. One small difference is the first bench on the as-built is at forty-six feet instead of fifty as approved in the permit.

Coverfill, topsoil, seed, and erosion control mats were placed on gob pile #4 during 2014. Vegetation began to show the first quarter of 2015. The current approved design for gob pile #4 (also referred to as the West Expansion) is for the first bench to be no great then 2.5H:1V and the upper slopes to be between 2H:1V to 3H:1V, with 15' wide terraces on 50' intervals. The overall as-built as compared to design for gob pile #4 is in compliance with the design approved in the permit as can be seen on sections F, G and H.

In order to evaluate establishment of drainage control, SedCad designs were compared to the as-built configurations. With the exception of Ditches D-3 and D-11 which exceed the design slope by 5%, there were only slight variations in a few channel slopes, varying from 0.5% to 1% greater. All ditches drain into the approved sediment control structures.

Gob Vent Bore Hole *B*-17C was reclaimed to approximate original contours and is in general compliance with the reclamation plan. Gob Vent Bore Holes *B*-17C, D, 17E, and 17F were reclaimed but a flat pad was left in place per the request of the

landowner to facilitate recreation and ranch support.

The Terror Creek Shaft was reclaimed with a concrete cap put in place, then backfilled and graded to approximate original contour.

All reclamation work has been performed in accordance with plans approved by the Division of Reclamation Mining and Safety.

17. Copies of the written notice to seek release to parties identified in Rule 3.03.2(1):

A Certificate of Service which documents the notices required under Rule 3.03.2(1) have been mailed is enclosed.

18. Copy of newspaper advertisement: Proof of publication is attached.

# Sincerely,

# Tamme Bishop

Tamme Bishop, P.E. Consulting Engineer

cc: Office of Surface Mining
Bureau of Land Management
Delta County Clerk & Recorder
Paonia Public Library

## Enclosures

- 1. Proof of Public Notice
- 2. Certificate of Service for Partial Bond Release Letter
- 3. Partial Bond Release Letter
- 4. Figures 1 & 2
- 5. Public Notice
- 6. Certification Statement

## PARTIAL BOND RELEASE LETTER

April 21, 2025 (sent only to Legacy Ranches on this date)

Re: Bowie Resources, LLC

P.O. Box 483 Paonia, CO 81428

Dear People:

Bowie Resources, LLC has submitted an application for a partial bond release to the Division of Reclamation, Mining and Safety for its mining permit No. C-1996-083.

One provision of the Division of Reclamation, Mining and Safety's Rules is that the mine must be bonded for the estimated reclamation cost. Now that a portion of the reclamation work has been performed, Bowie Resources LLC has formerly requested a partial bond release from the Division of Reclamation, Mining and Safety. Bowie Resources LLC has a posted liability of \$10,971,057 and has requested that about \$1,295,745 of that amount be released. In accordance with the Division's Rule 3.03.2(1), Bowie Resources LLC is required to send written notice of its partial bond release request to adjacent land owners, surface owners and various local governing bodies.

This partial bond release will seek partial release (Phase I) of tasks associated with hauling gob out of the drying area at Gob Pile 3, spreading gob at Gob Pile 3, compacting gob at gob pile 3, placing cover fill at Gob Piles 1, 2, 3, 4 and finish grading the Gob Piles. In addition, partial release will be sought for plugging and sealing gob vent bore holes 17C, 17D, 17E and 17F and partial release of plugging and backfilling the Terror Creek Shaft.

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Please feel free to contact me with any questions.

Sincerely,

Tamme Bishop

Tamme Bishop, P.E. Consulting Engineer 970-261-8920 tammekb@gmail.com

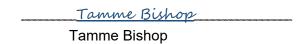
#### **CERTIFICATE OF SERVICE**

#### **BOWIE RESOURCES LLC**

## PARTIAL RELEASE OF BOND LIABILITY - BOWIE NO. 2 MINE

Rule 3.03.2(1) requires that notice of intention to seek release from bond be sent to adjoining property owners, surface owners, appropriate local government bodies, municipalities, regional planning commissions, boards of county commissioners, county planning agencies, sewage and water treatment authorities, and water conservancy and water conservation districts.

I hereby certify that I have served a true and correct copy of the attached partial bond release letter for adjacent landowners and local governing bodies by placing same in the U.S. Mail, first class postage prepaid, on April 4, 2025,



Bowie Resources LLC P.O. Box 483 Paonia, CO 81428

Mayor, Town of Paonia P.O. Box 460 Paonia, CO 81428

Delta County Commissioners
Delta County Courthouse
5th & Palmer
Delta, CO 81416

Delta County Planning Department 5<sup>th</sup> & Palmer Delta, CO 81416

Gunnison County Planning Department Blackstock Government Center 221 N. Wisconsin St. Gunnison, CO 81230

Gunnison County Commissioners Gunnison County Courthouse 200 East Virginia Gunnison, CO 81230

Ken Nordstrom
Delta County Health Department
225 West 6<sup>th</sup> Street
Delta, CO 81416

Region 10 League for Economic Assistance and Planning 300 North Cascade, Suite #1 Montrose, CO 81401

North Fork Water Conservancy District P.O. Box 217 Hotchkiss, CO 81419

Division of Water Resources Division No. 4 P.O. Box 456 Montrose, CO 81402

Bureau of Land Management Montrose District Office 2505 So. Townsend Ave. Montrose, CO 81401

USDA- Forest Service Paonia Ranger District P.O. Box 1030 Paonia, CO 81428

Colorado Parks and Wildlife 2300 So. Townsend Ave. Montrose, CO 81401

Colorado Department of Transportation 222 So. 6<sup>th</sup> Street Grand Junction, CO 81501

Fire Mountain Canal & Reservoir Co. P.O. Box 543
Paonia, Colorado 81428

Terror Ditch and Reservoir Company P.O. Box 313 Paonia, CO 81428

Overland Ditch & Reservoir Company 28444 Redlands Mesa Road, C-104 Hotchkiss, CO 81419

Roberts Stucker Ditch Association P.O. Box 399 Paonia, CO 81428

Oak Mesa Ditch Grant Farnsworth 1378 4100 Road Paonia, CO 81428 Legacy Ranches, LLC (Notice sent on April 21, 2025) 21263 Hwy 550 Montrose, CO 81403

## Certification Statement

I, Art Etter, hereby certify that all applicable reclamation activities performed at the Bowie No. 2 Mine, mining permit C-1996-083, have been accomplished in accordance with the requirements of the Act, the rules and the approved reclamation program.

Art Etter

Subscribed and sworn to or affirmed before me this \_\_\_\_\_ day of April, 2025 in the County of Delta, State of Colorado.

Signature of Notary

ANN NOELLE HARRING
Notary Public
State of Colorado
Notary ID # 20234030434
My Commission Expires 08-09-2027

My Commission expires: 8.9.2027