

July 1, 2025

Tony Tennyson Colowyo Coal Company L.P. 5731 State Highway 13 Meeker, CO 81641

Re: Colowyo Coal Mine (Permit No. C-1981-019), Proposed Bond Adjustment; Informal Conference Notice (SI2)

Dear Mr. Tennyson,

The Colorado Division of Reclamation, Mining and Safety (DRMS or Division) is proposing a bond adjustment/surety increase for the Colowyo Coal Mine. During the midterm review (MT9), the Division and Colowyo Coal Company, L.P. (CCC) reviewed the reclamation liability at the site and an updated reclamation cost estimate was produced by the Division. The Division provided a copy of the reclamation cost estimate on June 25, 2025. CCC subsequently reviewed and accepted the Division's estimate in a letter dated June 27, 2025. Therefore, the required surety needs to be updated through the bond adjustment/surety increase process outlined in Rule 3.02.2(4).

The Division proposes to increase the required surety at the site to \$131,989,553.00. The current required surety set for the site is \$117,304,293.00. The net increase in required surety is \$14,685,260.00. The Division currently holds a surety in the amount of \$119,000,000.00. Therefore, CCC will be required to submit an additional \$12,989,553.00 in bond.

In accordance with Rule 3.02.2(4)(a), the Division is required to 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 Colowyo Coal Company, L.P. would like to participate in an informal conference the Division asks that a written request be submitted by August 29, 2025. If no request for an informal conference has been submitted by this date, the Division will assume that Colowyo Coal Company, L.P. declines to participate in an informal conference and the Division will issue a proposed decision to adjust the bond amount accordingly.

If you require additional information, or have questions or concerns, please feel free to contact me at 720-868-7757 or <u>hunter.ridley@state.co.us</u>

Sincerely, Hunter C. Ridley

Hunter Ridley

Environmental Protection Specialist CC: Zach Trujillo, DRMS

