



Peabody Sage Creek Mining, LLC

Peabody Sage Creek Mine
29515 Routt County Road 27
Oak Creek, CO. 80467

July 2, 2025

Ms. Robin Reilley
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203-2273

RE: Sage Creek Mine; C-2009-087: Permit Renewal No. 3 (RN3) Adequacy Review Response

Dear Ms. Reilley,
Peabody Sage Creek Mining, LLC (PSCM) has reviewed the adequacy review regarding RN3 and is providing the following responses:

Rule: 2.03.4 Identification of Interests

2025 April DRMS: The information required by this Rule is located in Section 2.03 pgs. 10-16, T and on Maps M1 through M3 of section 2.03.4 portions of this information were updated with RN2 (2020). DRMS finds this section of the permit **adequate with the exception of the following:**

1. Please review ownership and control information provided in Section 2.03.4(3) of the permit and provide any necessary updates. Please update any ownership and controls information that may have changed during the process of this renewal. The last updated was in 2020.
 - EX 2.03.4-E3 has been updated and submitted with this adequacy response.
2. Please review Surface Ownership Map. If any updates have occurred, please provide the information required by Rule 2.03.4(6)(a) for these entities/persons. Please ensure that any entity/person that is listed in this section of the permit has their property correctly depicted and labeled on the associated map. The current surface ownership map was updated in 2020.
 - Map 2.03.4-M1, surface ownership, has been updated and submitted with this adequacy.
3. In accordance with Rule 2.03.12, please revise Exhibit 2.03.12-E1 by submitting a copy of the newspaper publication and affidavit of publication required by Rule 2.07.3(2) no later than four weeks after the last day of the publication
 - The public notice was submitted with the original application and the affidavit is attached to this submittal.



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Rule: 2.03.6 Right of Entry

The information required by this Rule is located in Section 2.03 pgs. 16-18

2025 April DRMS:

4. Please verify Right of Entry information is up to date.
 - Right of entry information remains current.

Rule: 2.03.8 Permit Term Information

2025 April DRMS:

5. Please verify that above referenced information is up to date in the permit.
 - The permit terms remain the same with a request for a 5 year renewal. Once mining commences the potential surface area to be affected will be updated.

Rule: 2.03.12 Proof of Publication

2025 April DRMS: DRMS finds this section of the permit **adequate**, with the exception of the following:

DRMS is unaware that the permitting action has been published in the local newspaper. At the time of this writing, DRMS has not yet received the affidavit of publication.

6. Please provide the affidavit of publication.
 - Affidavit of publication is provided with this adequacy submittal.

2.04.11 (1)-(4) – Fish and Wildlife Information

2025 April DRMS: Supporting documentation and data can be found in 2.04 pgs. 149-172 and 2.04.11 pgs. Maps M1 through M4.

7. Please update as necessary the information for Rule 2.04.11 with the updated list of threatened and endangered species.
 - Page 2.04-169, Table 2.04.11-T6 has been updated to include the grey wolf. The updated table is included with this submittal.

2.05.6(2) – Fish and Wildlife Plan

2025 April DRMS: DRMS finds this section of the permit adequate. with the exception of the following:

8. Please verify the Threatened and Endangered Species listed in the permit - Fish and Wildlife Resources Information is up to date with the current list issued by Federal and State agencies in accordance with Rule 2.04.11(4).
 - Page 2.04-169, Table 2.04.11-T6 has been updated to include the grey wolf. The updated table is included with this submittal.

2.05.6(1)-(2) – Mitigation of the Impact of Mining Operations

2025 April DRMS: Supporting Documentation can be found in section 2.05.6 pgs. 63-105. DRMS finds this section of the permit adequate with the exception of the following.

9. Please update the fish and wildlife plan to conform with the updated threatened and endangered species list.
 - The Gray Wolf will be covered under the general wildlife protection measures so no updates are needed.



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2.05.6(3) – Mitigation of the Impact of Mining Operations-Protection of Hydrologic Balance

2025 April DRMS: DRMS finds this section of the permit adequate with the exception of the following:

10. Please provide a summary of the results of hydrologic monitoring and recent hydrologic reports. In this discussion make explain why or why not the probable hydrological consequences of the PAP are current and accurate. Also, please discuss the trends in the selenium data.
 - With the mine operating under temporary cessation the current PHC's of the PAP are current and accurate. No changes have occurred at the site in the recent years that would change the PHC. Attached to this submittal in the "Peabody RP Tech Memo" that provides a good summary of the state of the selenium in regards to the discharge permit.
11. Please discuss in the fish and wildlife plan how adverse impacts to fish and wildlife will be minimized from any chemical storage at the site, discuss impact controls measures in place, management and monitoring schedule.
 - Page 2.05-65 has been updated to include verbiage on chemical storage and routine inspections. Updated page included with this adequacy submittal.

3.03.2; –Determination of the Bond Amount

DRMS conducted a reclamation cost estimate for the site and found that the liability to reclaim the Peabody Sage Creek Mine to be \$4,384,631. The currently held surety is \$3,681,766. Given this, the bond held is less than the current costs of reclamation at this time and an increase in the reclamation bond of \$702,865 is necessary. Attached is a copy of the reclamation cost estimate conducted, including a Cost Summary, Task Summary and CIRCES task sheets.

12. Please procure a **\$702,865** increase to the currently held liability.
 - A bond rider increase has been sent to the state to be processed and a copied is attached to this submittal.

4.04(1) & (2); Support Facilities

2025 April DRMS: DRMS finds this section of the permit **adequate**. With the exception of:

13. Please explain how fuel, and other chemicals are stored on site.
 - Fuel details are cross referenced to 2.05 Surface Facilities. Details regarding the fuel storage area is on page 2.05-11. Fuel is only stored at the Fuel Tanks & Containment Area.
14. Please list all chemicals stored and their locations.
 - With the site in temporary cessation chemicals onsite are minimal and have all been located to the spill containment pad at the fuel tanks.



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15. Please explain the secondary containment in place in the areas where chemicals are stored to prevent damage to fish wildlife and environmental resources such as water quality and soil.

- The fuel location consists of a 70 yds³ containment that prevents any harmful spills from reaching areas that would harm the fish or wildlife. This area is routinely inspected.

If you have any questions or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Miranda Kawcak". The script is fluid and cursive.

Miranda Kawcak
Environmental Manager
Peabody, Colorado Operations

Enclosures:

1. *Pages 2.03.12, 14, 16, & 20 Permit Text updates*
2. *Map 2.03.4-M1 Surface Ownership*
3. *Exhibit 2.03.12-E1 Public Notice*
4. *Exhibit 2.03.5-E3 Officer information*
5. *Pages 2.04-169 Table 2.04.11 T6*
6. *2.05-65 page update*
7. *Peabody RP Tech Memo*