



July 10, 2025

Ms. Hunter Ridley
Environmental Protection Specialist
Colorado Division of Reclamation, Mining & Safety
Department of Natural Resources
1313 Sherman Street, Room 215
Denver, CO 80203

**RE: Colowyo Coal Company L.P.
Permit No. C-1981-019
SL-24 Adequacy Review Response**

Dear Ms. Ridley,

Tri-State Generation and Transmission Association Inc. (Tri-State) is the parent company to Axial Basin Coal Company, which is the general partner to Colowyo Coal Company L.P. (Colowyo). Therefore, Tri-State on behalf of Colowyo is submitting this adequacy response for surety release request SL-24 to Permit No. C-1981-019.

On July 8, 2025, the Division issued an adequacy for SL-24. Tri-State has reviewed the Division's concerns and has the following responses:

1. *Regarding release Area 1, the Division has already Phase I released this reclamation area (labeled as 'C05') under Surety Release No. 13 (SL-13). The SL-13 Findings are attached below for reference. The Division cannot locate any other associated reclamation tasks for this area which could be returned upon a Phase II or Phase III release of the area. The three borehole tasks associated with Collom (Tasks #461, 466, and 468) cover reclamation costs for Collom in pit drillholes, geotechnical boreholes, and wells MC-04-01, MC-04-02, MLC-04-01, MJ-95-03, MJ-95-01, Trout Creek Well, and the potable water well. None of the aforementioned wells are that which have been requested for release under release Area 1. The area requested for release is also not listed in the most recent Cumulative Bond Area 13C Map or on Exhibit 27 Item 3 Map. In summary, while the acreage for Area 1 can be released under SL-24, no money can be returned for reclamation. Colowyo may provide further comment if desired via this adequacy review process.*

Response: Colowyo agrees with the Division's assessment that Area 1 was already Phase I released under approval granted under the SL-13 application. Colowyo apologizes for the oversight including Area 1 in the SL-24 application. The Division states that acreage from Area 1 can be released under SL-24. Colowyo disagrees with the approach as that acreage has already been Phase I released under SL-13. If the Division approves additional acreage to be Phase I released under SL-24 for Area 1, the acreage associated with it will be duplicated. Therefore, Colowyo suggests the Division remove Area 1 from the total acreage that is proposed to be released under SL-24.



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2. *Regarding release Area 2 and Area 4, Colowyo is currently bonded for two tasks related to the reclamation of these areas of the raw water line. These are Task #444 (Regrade Topsoil for Raw Water Line) and Task #445 (Reseed Collom Raw Water Line). The acreages/topsoil volumes in Tasks #444 and #445 are taken directly from Exhibit 13C-19 and 13C-20. Exhibit 13C-20 states that there are 36.37 acres of revegetation work related to the raw water pipeline and 28,657 CY of topsoil necessary for raw water line reclamation. Bond release Areas 2 and 4 add up to a total of 42.9 acres. However, the Division cannot release more acreage / topsoil amounts than what is currently bonded for. Therefore, with the approval of SL-24, the Division can only return 60% of the total cost for 36.37 acres of reseed costs and 28,657 CY of topsoil replacement- not the cost for reseeding and topsoil replacement on 42.9 acres. Colowyo may provide further comment if desired via this adequacy review process.*

Response: The Division is incorrectly applying Exhibit 13C to Area 4 proposed for Phase I released under SL-24. Exhibit 13C was developed and approved when Colowyo commenced ground disturbing activities related to the development of the Collom Pit and associated infrastructure. As shown on Map 13C-2 Sheet 2, the areas bonded for under Exhibit 13C do not include Area 4 as applied for under SL-24. Area 4 was disturbed historically when Colowyo originally commenced mining operations at the site. Colowyo proposes to the Division that the acreages associated with Area 4 are proposed for Phase I release, and the Division does not include any monetary release in the proposed decision for these areas. Colowyo will work with the Division through the current surety increase process to capture the reclamation costs associated with Area 4.

As discussed with the Division via email, Area 2 can be addressed for monetary costs from Tasks 415, 416, and 453 of the reclamation cost estimate for Colowyo.

If you should have any additional questions or concerns, please feel free to contact Tony Tennyson at (970) 824-1232 at your convenience.

Sincerely,

DocuSigned by:

Chris Gilbreath

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Chris Gilbreath
Senior Manager,
Remediation and Reclamation

CG:TT

Enclosure

cc: Tony Tennyson (via email)
File: C. F. 1.1.1.24