



STATE OF  
COLORADO

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## New Horizon Mine, C-1981-008, Midterm Review No. 9

1 message

Wein - DNR, Clayton <clayton.wein@state.co.us>  
To: "Tennyson, Tony (Colowyo)" <tony.tennyson@tristategt.org>

Wed, Nov 26, 2025 at 11:56 AM

Good morning Tony,

Attached with this email is a copy of the Division's Findings for Midterm Review No. 9 for the New Horizon Mine. A copy of the reclamation cost estimate has also been attached for your review. Please feel free to contact me if you have any questions or concerns. A paper copy will be mailed out as soon as possible.

Sincerely,  
**Clayton Wein**  
Environmental Protection Specialist



**COLORADO**  
Division of Reclamation,  
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### 2 attachments

- C1981008 MT9 findings New Horizon Mine.pdf**  
182K
- C-008, MT-9 Reclamation Cost Estimate.pdf**  
4420K

# **Midterm Permit Review**

## **MT-9**

**for the**

# **New Horizon Mine**

**Elk Ridge Mining and Reclamation, LLC.**

**Permit No. C-1981-008**



**Conducted by**  
**Colorado Division of Reclamation, Mining and Safety**  
**1313 Sherman Street, Room 215**  
**Denver, CO 80203**  
**303-866-3567**  
**Michael Cunningham, Director**

**Clayton Wein**  
**Environmental Protection Specialist**

**November 26, 2025**

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**In Fulfillment of C.R.S. 34-33-115(3), and the following Regulations of the Colorado Mined Land Reclamation Board for Coal Mining:**  
**2.08.3, 2.06.2(10), 2.06.3(4)(a), 2.06.5(3)(c), 2.06.7(5) and 3.02.2(4)**

**Midterm Review MT-9**  
New Horizon Mine  
C-1981-008

This document presents the results of the Midterm Permit Review (MT-9) of the Elk Ridge Mining and Reclamation, LLC's New Horizon Mine. The Colorado Division of Reclamation, Mining and Safety (Division) conducted this review for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining.

This Midterm Review was conducted to fulfill the requirements of Sections 2.08.3, 2.06.2(10), 2.06.3(4)(a), 2.06.5(3), 2.06.7(5) and 3.02.2(4).

Section 2.08.3 of the Regulations requires that the Division conduct a review of each permit issued, prior to its midterm. Based on this review, for good cause shown, the Division may require reasonable revisions or modifications of the permit provisions to ensure compliance with the Act and Regulation.

Section 3.02.2(4) requires that the Division review the amount of the bond and the terms of acceptance of the bond every 2 ½ years.

Sections 2.06.2(10), 2.06.3(4)(a), 2.06.5(3) and 2.06.7(5) require that experimental practices, mountaintop removal variances, variances from approximate original contour (AOC) for steep slope mining and variances from contemporaneous reclamation for combined surface and underground mining, respectively, be reviewed by the Division where applicable during the Midterm Review.

This Midterm Review consisted of a detailed review of the following documents:

- The New Horizon Mine permit application, including stipulations and responses,
- All revisions made to the permit since the issuance of the permit,
- The New Horizon Mine annual reclamation and hydrology reports,
- Bond surety and reclamation cost estimate,
- The Division's findings document,
- The Division's inspection reports,
- Any notices of violations since the issuance of the permit

## **SECTION I – HISTORY**

The New Horizon Mine is a surface coal mine located in western Montrose County, northwest of the town of Nucla, Colorado. Mining operations at the currently active New Horizon Mine permit area were begun in 1993 by Western Fuels – Colorado, LLC. Peabody Coal Company mined coal

from the New Horizon Mine 1 between 1983 and 1992. The permit was transferred from Peabody to WFC on May 15, 1992.

The original application for Permit C-1981-008 for the Nucla Mine (now known as the New Horizon Mine 1) was submitted by Peabody Coal Company on January 9, 1981 and was approved by the Division on April 14, 1983. The Nucla Mine covered 393 acres. The permit was subsequently renewed (RN-01) for a second five-year term by the Division in May of 1988.

On April 29, 1988, Peabody submitted an application for Permit Revision No. 2 (PR-2) to add approximately 220 acres to the permit, creating the Nucla East Mine immediately west of the Town of Nucla (now known as New Horizon Mine 2). This revision was approved on February 28, 1989.

On April 26, 1993, the Division approved an additional five-year renewal (RN-2) for Western Fuels-Colorado with a stipulation requiring that a permit revision be submitted to separate the permit application into two separate documents since the two mines were not contiguous. The stipulation was satisfied with the submission of PR-3 which was approved on June 1, 1994.

On April 22, 1996, the Division received an application for a permit revision (PR-4) to add an additional 100.7 acres to the New Horizon Mine 2 (formerly Nucla East) permit area. Adequacy issues were resolved on September 24, 1996, and the revision was approved and became final on December 9, 1996.

On September 26, 1997, the Division received an application to renew a valid existing permit to conduct coal mining in Colorado. All issues addressed in the adequacy reviews were resolved and the permit renewal (RN-3) became final on April 26, 1998.

On September 14, 1999, the Division received an application for a permit revision (PR-5) to add an additional 476.9 acres to the New Horizon Mine 2 permit area. The expanded acreage included properties north of BB Road and west of 2700 Road. Final adequacy issues were resolved on April 14, 2000, and the proposed decision for approval was issued on April 24, 2000.

On September 27, 2002, the Division received an application to renew a valid existing permit to conduct coal mining operations in Colorado (RN-4). The application was deemed complete on November 25, 2002. Adequacy issues were resolved on March 21, 2003 and the permit renewal proposed decision was issued on March 25, 2003.

On November 13, 2007, the Division received an application to renew a valid existing permit to conduct coal mining operations in Colorado (RN-5). The Division called the application complete on November 27, 2007. RN-5 was issued on October 8, 2009, with Stipulation Nos. 16 and 17 attached.

In response to Stipulation Nos. 16 and 17, WFC submitted an application for Permit Revision No. 6 on November 12, 2009. The Division issued its proposed decision to approve PR-6 on October 1, 2010. Objections to the decision were received, and the matter was heard by the Mined Land Reclamation Board on November 17, 2010. The Board upheld the Division's approval of PR-6.

On October 17, 2012, the Division received an application for a permit revision (PR-7) to incorporate the re-evaluation of prime farmland, suitability of soils and an irrigated cropland reference area. The application was deemed complete on January 3, 2013. WFC withdrew PR-7 on June 6, 2013.

On November 13, 2012, the Division received an application to renew a valid existing permit to conduct coal mining operations in Colorado (RN-6). The Division called the application complete on November 23, 2012. RN-6 was issued on December 10, 2013.

On September 26, 2013, the Division received an application for a permit revision (PR-8). PR-8 revised the prime farmland reclamation practices, topsoil redistribution, revegetation standards, irrigated cropland success standards and the determination of prime farmlands. The application was deemed complete on October 4, 2013 the permit revision proposed decision was issued on March 18, 2014.

On July 18, 2016, the Division received an application for a succession of operators (SO-2). The proposed decision for SO-2 was issued on November 3, 2022. The New Horizon Mine was transferred from WFC (Western Fuels-Colorado) to the current operator, Elk Ridge Mining and Reclamation, LLC.

On April 21, 2022, the Division received an application for a permit revision (PR-9). PR-9 revised the location of 4 acres of prime farmland located within Section 36. The prime farmland was moved within section 36 to be located next to irrigated pastures. The movement of the prime farmland was to provide a better opportunity for revegetation success. The application was deemed complete on April 29, 2022. The permit revision proposed decision was issued on November 15, 2022.

The New Horizon Mine used to encompass a total of 926.06 acres. Of this total, 98.62 acres were located within the New Horizon Mine 1 (Peabody's original Nucla Mine) permit block. Also known as the "Rice tract", this acreage was reclaimed by Peabody in approximately 1991. The New Horizon Mine occupied the remaining 827.44 acres of the permit area and is located immediately west of the town of Nucla. Mining commenced at the southeastern corner in 1993, progressed to the north and west, and was completed in June 2013. The current permit acreage totals 332.25 acres. Reclamation activities, including backfilling and grading, topsoil distribution, seeding, and irrigation (depending on post-mining land use) followed behind the active pit.

There have been no Notices of Violation issued since Permit Renewal 8.

This Midterm Review was due on November 26, 2025.

## **SECTION II – REVISIONS TO THE PERMIT**

The following is a summary of the revisions to the permit since the Permit Renewal 8 Findings Document dated August 28, 2023. There have been 12 minor revisions, 2 technical revisions and

4 bond releases processed since RN-8. One Permit Revision Application has been submitted and is currently in the review process.

Minor Revisions:

MR-127 was received on December 11, 2023, deemed complete on December 14, 2023, and Approved on December 22, 2023. MR-127 approved to move the surface water monitoring site SW-N1 to a location with easier access.

MR-128 was received on April 11, 2024, deemed complete on April 11, 2024, and approved on April 18, 2024. The revision approved an update the Permit Application Package to reflect the change in land ownership adjacent to the permit boundary.

MR-129 was received on May 13, 2024, deemed complete on May 20, 2024, and approved on June 3, 2024. The revision approved incorporating 3 geotechnical boreholes to be drilled within the disturbed area.

MR-130 was received on July 16, 2024, deemed complete on July 17, 2024, and approved on August 29, 2024. The revision approved updates to Section 2.05.4(2)(d) addressing the donation of topsoil materials to a local Nucla Project.

MR-131 was received on August 5, 2024, deemed complete on August 5, 2024, and approved on August 5, 2024. The revision approved adding an updated certificate of liability insurance for Elk Ridge Mining and Reclamation to the New Horizon Mine's Permit.

MR-132 was received on August 20, 2024, deemed complete on August 20, 2024, and approved on September 9, 2024. The revision approved seven wells to be installed adjacent to Pond 013 to conduct a hydrogeologic investigation of groundwater conditions in the vicinity of Pond 013. The wells would help define hydrologic condition of the pond to assist in long-term planning for Pond 013.

MR-133 was received on September 19, 2024, deemed complete on September 23, 2024, and approved on October 1, 2024. The revision approved the installation of two geotechnical drill holes and three shallow test pits to assess soil and ground conditions adjacent to Pond 013.

MR-134 was received on December 19, 2024, deemed complete on December 19, 2024, and approved on December 19, 2024. The revision was approved to update the permit with changes to the land ownership within and adjacent to the mine permit boundary.

MR-135 was received on February 3, 2025, deemed complete on February 4, 2025, and approved on February 6, 2025. The revision approved a geotechnical drill hole to support the design of a potential evaporation pond.

MR-146 was received on April 8, 2025, deemed complete on April 8, 2025, and approved on April 9, 2025. The revision approved to incorporate an updated certificate of liability insurance for New Horizon Mine to the permit.

MR-137 was received on July 30, 2025, deemed complete on August 4, 2025, and approved on August 12, 2025. The revision approved an updated topsoil movement map at the request of the surface landowners and provided landowner letters requesting specific items for their respective properties.

MR-138 was received on September 4, 2025, deemed complete on September 4, 2025, and approved on September 4, 2025. The revision updated topsoil movement at the request of the surface landowner.

Technical Revisions:

TR-108 was received on January 30, 2024, deemed complete on January 31, 2024, and approved on March 18, 2024. The revision approved the changing the post-mine topography on the Johnson/ERMR Property. The revision also reduced the permit boundary to remove Phase III released structures from the permit boundary.

TR-109 was received on July 15, 2025, deemed complete on July 25, 2025, and approved on October 22, 2025. The revision approved the reduction of the permit boundary by 3.2 acres, of which 2.9 acres were disturbed lands. The 2.9 acres of disturbance were approved for Phase III Bond Release, SL-29, which was issued on October 21, 2025.

Bond Releases:

SL-26 was received on August 15, 2023, approved on January 10, 2024, and issued on February 10, 2024. SL-26 approved Phase I release of 0.1 acres associated with the C-15 Ditch. Phase II release of 1.8 acres; 0.1 acres for the C-15 Ditch and 1.7 acres for the SP-2 Stock Pond. Phase III release for 1.8 acres; 0.1 acres for the C-15 Ditch and 1.7 acres for the SP-2 Stock Pond.

SL-27 was received on January 15, 2024, approved on June 19, 2024 and issued on July 20, 2024. SL-27 approved Phase I Bond Release of 85.5 acres that were backfilled and graded, including topsoil replacement and seeding, in 2023. The acreage requested for bond release is located in the southern part of Section 36, just north of BB Road.

SL-28 was received on February 29, 2024, approved on July 24, 2024, and issued on August 24, 2024. SL-28 approved the Phase I, Phase II and Phase III liability associated with the completed reclamation of 5 monitoring wells and 7 exploration holes. The proposed decision is for the monitoring wells and exploration holes only. There was no acreage approved for release under SL-28.

SL-29 was received on May 28, 2025, approved on September 17, 2025, and issued on October 18, 2025. SL-29 approved the Phase III Bond Release of 2.9 acres of Irrigated Pasture referred to as IP-10.

Permit Revision:

PR-10 was submitted on September 2, 2025. The permit revision is currently under review by the Division. The application proposes to increase the permit boundary and incorporate 61.2 acres into the permit area. The acreage that was requested to be added to the permit was previously located within the New Horizon Mine Permit. The acreage is a combination of acreage that has achieved Phase III bond release and acreage that was not disturbed.

### **SECTION III – STATUS OF STIPULATIONS**

There are no outstanding stipulations at the time of this midterm review.

### **SECTION V – PERMIT VARIANCES AND SPECIFIC APPROVALS**

The New Horizon Mine permit does not include a variance under Rules 2.06.2 (experimental practices), 2.06.3 (mountaintop removal), and 2.06.5 (approximate original contour (AOC) for steep slope mining). No variance from contemporaneous reclamation for combined surface and underground mining operations (2.06.7) is needed.

New Horizon received a variance for disturbances within the designated stream buffer zones of Tuttle Draw, Calamity Draw and Enstrom Draw. The variance was approved in TR-68.

### **SECTION VI – BONDING SUMMARY**

The Division updated the reclamation cost estimate with costs updated in July of 2025 to reflect 2025 CRG, Means and CDOT rates. As of November 26, 2015, the Division estimates the liability at the New Horizon Mine to be \$2,535,935.00. This estimate includes reclamation tasks identified in the permit and includes costs for Minor Revisions 129, 132, 133 and 135, which are the revisions that had an increase in liability since the estimate was last updated for the entire site with Permit Renewal No. 8 (RN-8). This 2025 Midterm Review revised cost estimate is \$12,941.00 more than the current bond held of \$2,522,994. The Division will be issuing a Surety Increase revision in the near future to update the permit with a bond to cover the reclamation cost estimate calculated with this Midterm Review

### **SECTION IV – MIDTERM ADEQUACY QUESTIONS**

Pursuant to 2.08.3, the Division finds that the permit application C-1981-008 contains deficiencies following the review for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act, and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining. The Division requests that the permittee correct the deficiencies by submission of revised permit pages under appropriate revision applications, or by activities on the ground, by February 26, 2026.

#### 2.03. – Legal, Financial, Compliance and Related Information

1. Please update this section of the permit which contains the names and addresses of the mine operator, the resident agent, surface landowners, subsurface landowners and contiguous surface and subsurface owners.
2. Please update this section with any new information regarding the ownership and controller information.
3. Please update the right of entry information if any new information is available.
4. Please update expiration dates for all the permits in this section.
5. Please update any of the maps associated with this section as needed to reflect any changes under items 1-4 of this midterm review.

#### 2.04.11 – Fish and Wildlife Information

1. Please update the threatened and endangered species section of the permit (p. 2.04.11-36) to reflect the addition of Grey Wolves to the Colorado listed species.