

# STATE OF COLORADO

## DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

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April 20, 2012

Scott Cowman  
Peabody Sage Creek Mining, LLC  
PO Box 250  
36600 RCR 27  
Hayden, CO  
81639-0250

John W. Hickenlooper  
Governor

Mike King  
Executive Director

Loretta E. Piñeda  
Director

**RE: Red Rock Pit, Permit No. M-1978-315, Conversion application (CN1), Approval**

Dear Mr. Cowman:

On April 20, 2012 the Division of Reclamation, Mining and Safety (Division) approved the 112c Conversion application (CN1) submitted to the Division on May 9, 2011.

The terms of the CN1 approved by the Division are hereby incorporated into Permit No. M-1978-315. All other conditions and requirements of the permit remain in full force and effect.

The Division currently holds a financial warranty amount of \$31,550.00 for this site. The Division has reevaluated the reclamation costs for this site, in order to reflect the operational changes proposed through CN1, and determined that the current financial warranty amount held is sufficient at this time.

If you require additional information, have questions or concerns, please contact me at the DRMS Grand Junction Field Office at 101 South 3<sup>rd</sup> Street, Suite 301, Grand Junction, CO, 81501, Phone: (970) 243-6299, Fax: (970) 241-1516.

Sincerely,

**Dustin Czaplak**

Environmental Protection Specialist  
Division of Reclamation, Mining and Safety