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 FAX: (303) 832-8106

May 7, 2012

Steve Baker 3B Enterprises, LLC P.O. Box 1665 Craig, CO 81625



John W. Hickenlooper Governor

Mike King Executive Director

Loretta Piñeda Director

RE: Deakins Pit, Permit No. M-2001-060, Problem(s) Abated

Dear Mr. Baker:

On July 25, 2011 the Division of Reclamation, Mining and Safety (Division) conducted an inspection of the Deakins Pit and found that coal mine waste material, that was to be used for reclamation backfill, had been imported to the site. The stockpiled material observed during this inspection was not consistent with the import fill notice submitted to the Division on December 30, 2008. Subsequent to this inspection, Twentymile Coal, LLC (Twentymile) removed the approximately 250 cubic yards of coal mine waste material that was stockpiled at the Deakins Pit. Twentymile was required to transport the material back to their waste rock staging area as part of the corrective actions imposed by NOV-CV-2011-005.

In order to demonstrate that the imported material which was already placed into the ground as backfill at the Deakins Pit was in compliance with the conditions of Permit No. M-2001-060, a soil and groundwater sampling and analysis program was conducted by Greg Lewicki and Associates (GLC). On March 26, 2012 the Division received the *Deakins Pit Sampling Results Report* that was submitted by GLC. The report showed that the material backfilled at the Deakins Pit is not having a negative effect on the local groundwater. Therefore the problems noted in the Division's July 25, 2011 Inspection Report are considered abated at this time.

If you require additional information, have questions or concerns, please contact me at the DRMS Grand Junction Field Office.

Sincerely, Dustin Czapla

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