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

July 22, 2013

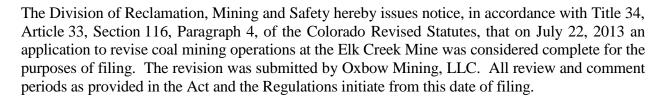
Ryan Taylor U.S. Forest Service Paonia Ranger District P.O. Box 1030 Paonia, CO 81428

Re: Elk Creek Mine (Permit No. C-1981-022)

Technical Revision No. 75 (TR-75)

TR-75 Sanborn Creek Pipeline and Borehole

Dear Mr. Taylor:



Oxbow Mining, LLC proposes to construct an elevated pad to facilitate a drill rig, methane pump and monitoring equipment at the sealed and reclaimed Sanborn Creek portal area. Oxbow plans to drill a degas borehole into the Sanborn Creek sealed mine to recover methane gas and transfer the gas via a pipeline to the Elk Creek electrical generating facility that was approved in TR-73. The proposed project will be on surface owned by Oxbow, LLC. No new disturbance is proposed and a COGCC permit will be obtained for the degas borehole.

The Underground coal mining operation is on land located approximately 0 miles North of Somerset, Colorado. The permit area is further described as follows:

Township 12 South, Range 90 West, 6th PM - all or parts of Sections 29 - 32 Township 12 South, Range 91 West, 6th PM - all or parts of Sections 25 - 27 and 34 - 36 Township 13 South, Range 89 West, 6th PM - all or parts of Sections 6 and 7 Township 13 South, Range 90 West, 6th PM - all or parts of Sections 1 - 12 and 17 Township 13 South, Range 91 West, 6th PM - all or parts of Sections 1 - 3 and 11 - 13

The above-mentioned tracts of land are shown on the following USGS 7.5 minute Quadrangle map(s): Somerset.

The applicant is required to publish notice in a local newspaper that this application has been deemed complete. At the time of publication of this notice, the applicant is additionally required to



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda

place a copy of this application at the Delta County Clerk and Recorder, 501 Palmer Street, Room 211, Delta, CO 81416, and at the Division office. For additional information or to provide written comments, contact the Division of Reclamation, Mining and Safety, Room 215, 1313 Sherman Street, Denver, Colorado 80203, (303) 866-3567. In order for us to comply with regulatory time frames, we request that comments be submitted within fifteen (15) days of this letter. If no comments are received by then, we will proceed on the assumption that you have no concerns with, or objections to, the applicant's proposal.

Sincerely, Scale Sames

Brock F. Bowles

Environmental Protection Specialist

Brock.bowles@state.co.us

C-TR-03