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 23, 2013

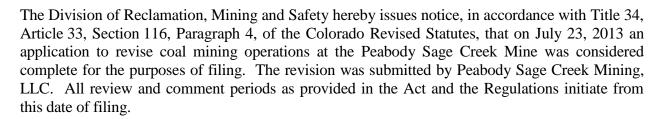
Shannon V. Johnson Department of Natural Resources Division of Water Resources 1313 Sherman Street, Room 818 Denver, CO 80203

Re: Peabody Sage Creek Mine (Permit No. C-2009-087)

Technical Revision No. 7 (TR-7)

Sump and Road As-Builts and Draingae Updates

Dear Ms. Johnson:



Based on on-going start-up construction of the Peabody Sage Creek Mine, Technical Revision No. 07 (TR-07) updates the drainage and sediment control plan for the site. In addition, TR-07 includes the as-built information for the Upper and Lower Sumps and the haul roads and access roads within the South Facilities Area.

The Underground coal mining operation is on land located approximately 9 miles Southeast of Hayden. The permit area is further described as follows:

Township 5 North, Range 87 West, all or portions of Sections 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 21 and 22; Township 6 North, Range 87 West, all or portions of Sections 27, 28, 29, 32, 33, 34, 35 and 36

Approximately 9 miles south and east of the town of Hayden, CO to the East of Routt County Road 27 at an approximate elevation of 6800 feet AMSL Mount Harris/Milner Quadrangle Map

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

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 place a copy of this application at the Routt County Clerk and Recorder, 136 6th Street, Steamboat



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda

Springs, CO 80477, 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,

Jason D. Musick

Environmental Protection Specialist

Jason.musick@state.co.us

C-TR-03