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 29, 2013

B. Scott CowmanPeabody Sage Creek Mining, LLCP.O. Box 25036600 Routt County Road 27Hayden, CO 81639-0250

Re: Peabody Sage Creek Mine (Permit No. C-2009-087) Bond Release Application No. 1 (SL-1)

Dear Mr. Cowman:

The Division has issued a proposed decision to Approve Bond Release Application No. 1 (SL-1) for the Peabody Sage Creek Mine. Enclosed is the Division's decision form and written findings. Notice of the proposed decision will be published in the *Steamboat Pilot*, as soon as possible. Publication of the notice initiates a thirty-day public comment period. If there are no requests for an adjudicatory hearing within the thirty days, the decision will become final.

As provided by Rule 3.03.2(6), should you object to the Division's proposed decision, you may request an adjudicatory hearing.

If there are stipulations attached, please sign and return the proposed decision form to the Division.

If you have questions or are in need of additional information, please contact me.

Sincerely,

Jason D. Musick

Environmental Protection Specialist

Jason.musick@state.co.us

Enclosures

C-SL-07



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda Director



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567

COAL MINING PERMIT - BOND RELEASE DECISION

Peabody Sage Creek Mine, Peabody Sage Creek Mining, LLC Permit No. C-2009-087

The Division of Reclamation, Mining and Safety has proposed the decision stated below. Provided there are no objections, the decision will become final in accordance with the requirements of Rule 3.03.2(5)(b).

Bond Release No. 1 Decision: Approve

Decision Date: July 22, 2013 Submittal Date: April 6, 2011

Description of Release: Phase II Bond Release on 445.8 Acres of Land at the Peabody Sage Creek

Mine.

Pane O Haward

DIVISION OF RECLAMATION, MINING AND PERMITTEE **SAFETY**

Authorized Representative	Authorized Representative

Date: July 29, 2013 Date:

CHANGE IN ACREAGE REVISED TOTAL ACREAGE PERFORMANCE BOND

Disturbed: 0.00 Disturbed: 1,912.80 Prior Liability: \$4,916,169.02 Affected: 0.00 Affected: Change in Liability:

2,638.30

(\$995,884.56)

Permit: 0.00 Permit: 10,164.00 Revised Liability: \$3,920,284.46

0.00 State: 5,208.00 Bond Held: \$6,160,431.65 State:

Federal: 0.00 Federal: 80.00 Private: 0.00 Private: 4,876.00

SL-1 RELEASED ACREAGE REMAINING IN PERMIT BOUNDARY

	Phase I	<u>Phase II</u>	Phase III
Disturbed	0.00	445.80	0.00

Affected	0.00	445.80	0.00
Permitted	0.00	0.00	0.00

REVISED APPLICATION PAGES REVISED MAPS

None None

<u>DELETED APPLICATION PAGES</u> <u>DELETED MAPS</u>

None None