

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

Sage Creek Coal Company, LLC
701 Market Street, Suite 707
St. Louis, MO 63101

Re: Peabody Sage Creek Mine (Permit No. C-2009-087)
Bond Release Application No. 1 (SL-1)
Bond No. SB-007

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Pineda
Director

Dear Sir or Madam:

This letter, as required by Rule 3.03.2(5)(a) of the Rules and Regulations, is to inform you that the Division of Reclamation, Mining and Safety has issued a proposed decision to Approve Bond Release Application No. 1 for the Peabody Sage Creek Mine. This decision will be published in the *Steamboat Pilot* as soon as possible. Publication of the notice initiates a thirty (30) day public comment period. If, within thirty days, there are no requests for an adjudicatory hearing, the decision will become final.

The bond for the operation is a Self Bond issued by your company (Bond No. SB-007), in the amount of \$6,160,431.65. The proposed release amount is (\$995,884.56).

Please be aware that this notification is not a request to initiate any action by Sage Creek Coal Company, LLC concerning Bond No. SB-007, and is for your information only. Should Peabody Sage Creek Mining, LLC chose to take action with regard to this bond release, they will contact you.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason D. Musick".

Jason D. Musick
Environmental Protection Specialist
Jason.musick@state.co.us

cc: Mary Rodriguez, CDRMS
C-SL-17