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

September 5, 2013

Jerry Nettleton Twentymile Coal, LLC 29515 Routt County Road No. 27 Oak Creek, CO 80467

Re: Foidel Creek Mine (Permit No. C-1982-056) Bond Release Application No. 1 (SL-1)

Dear Mr. Nettleton:

In accordance with Rule 3.03.2(5)(b) of the Rules and Regulations of the Colorado Mined Land Reclamation Board for Coal Mining (Rules), you are hereby notified that the Division's decision to Approve Bond Release Application No. 1 for the Foidel Creek Mine became final on September 4, 2013.

Bond Release No. 1 reduces your reclamation liability by \$347,892.16. The current liability is now \$9,481,410.76. The Division suggests you provide a copy of this letter (and, for federal operations, copies of the OSM and BLM concurrence letters) to your bonding company for written evidence of approval to reduce your bond. If you choose to reduce or replace your existing bond, it must equal or exceed \$9,481,410.76. If this release constitutes a full and final bond release, the Division will return your performance bond to you as soon as possible.

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

Sincerely,

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

cc: Mary Rodriguez, DRMS

C-SL-18



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda Director