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 6, 2013

Tom Bird GCC Energy, LLC 6473 County Road 120 Hesperus, CO 81326-9633

Re: King Coal Mine (Permit No. C-1981-035) Technical Revision No. 21 (TR-21) Exploration Drill Holes (4)

Dear Mr. Bird:

We have received your application for a technical revision to your permit to conduct coal mining in Colorado. Our initial review indicates that all preliminary items required by Rule 2.08.4(5) have not been submitted. Thus, your application is incomplete for the purposes of filing as of September 6, 2013.

The application follows the outline of Rule 2.02, which is intended solely for coal exploration "outside an approved permit area" (2.02.1). Because the four exploration holes being proposed lie within the approved permit area, pertinent portions of the existing permit should be revised instead, e.g. Section 2.04.6 and Map King II-006. Sealing of the boreholes, in accordance with Rule 4.07, must also be addressed the permit, perhaps in Section 2.05.4.

The application description appears to indicate that all surface disturbance will be confined to existing roads. A diagram should be provided which indicates how this will be accomplished. The Division's review of the cultural and historical clearance for the King II permit indicates that only 50 acres, centered on the area to be disturbed for the mine's surface facilities, was evaluated for the addition of the King II Mine. Updated documentation addressing the areas proposed for impact by the exploration activities must also be provided.

In accordance with Rule 2.07.3(1), you have the opportunity to amend, review, or otherwise make your application complete.

If you have any questions, please contact me.

Sincerely,

Maura Labertie

Marcia L. Talvitie, P.E. Environmental Protection Specialist Marcia.talvitie@state.co.us



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda Director