



November 16, 2015

*Sent via electronic mail*

Mr. Scott Cowman  
Peabody Energy-Colorado Closed Mines  
P.O. Box 250  
Hayden, CO 81639-0250

Permit ID: C1983004CR  
Revision Type: Bond Release  
Permitting Action: Deficiency  
Subject: First Round Acceptability Deficiency for Bond Release Application #SL8, Final

Dear Scott:

The Department of Environmental Quality (DEQ) has reviewed Bond Release Application #SL8. It is DEQ's conclusion that additional information is required in order to determine eligibility for bond release. These deficiencies were identified during review of the Hydrologic Demonstration Report and include the following:

- **Section 4.3.2.3:** The discussion of the limited recovery of water levels on the north side of Area A does not discuss potential impacts from the nearby Rosebud Mine. Please include discussion on the proximity of mining at the Rosebud Mine to Big Sky Area A and the effects that continued drawdown associated with this active mining could have in delaying water level recovery in this area.
- **Section 4.3.2.6:** This section describes variable water levels in well ASP49 due to the influence of pumping at supply wells ASPW1 and ASPW2. This appears to be a typo as well ASP49 has shown a steady trend of recovery and is not located near these supply wells. Well ASP46 does show a variable water level and is located near the supply wells. Please correct this error.
- **Section 4.3.3.1:** This section cites Table 12 for average spoil TDS. This information is contained in Table 8, not Table 12. Please reference the correct table.
- **Section 4.3.3.2:** The references to Figures 20B and C are reversed in the bullet points. Figure 20B contains spoil wells and Figure 20C contains McKay wells. Please correct the figure references.
- **Section 4.3.3.2:** The heading for the Sub-McKay section is on the same line as the end of the McKay Coal section. Please correct this formatting inconsistency.

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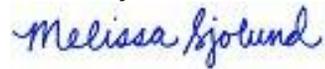
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- **Section 4.3.3.2:** While not necessary for the pre-89 final bond release in SL8 or Phase IV bond release in the northeastern mining area, greater detail in the discussion of the truck wash area will be necessary for Phase IV bond release in the facilities area. This comment can be addressed in this report, or a supplemental report focused on the truck wash area can be submitted with the appropriate bond release application in the future.

In order to proceed with Application #SL8 in a timely manner, DEQ advises Big Sky Coal Company to address the above deficiencies.

Please feel free to contact Martin Van Oort at 406-444-4957 with questions regarding this letter.

Sincerely,



Melissa Sjolund, Technical Coordinator  
Coal and Uranium Program  
Industrial and Energy Minerals Bureau  
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C: Jeff Fleischman, OSM  
Lauren Mitchell, OSM

FC: 620.411 (SL8)

## Gilbert, Sharona

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**From:** Gilbert, Sharona  
**Sent:** Monday, November 16, 2015 10:35 AM  
**To:** Scott Cowman  
**Cc:** jfleischman@osmre.gov; lmittchell2@osmre.gov; Gene Hay (ghay@osmre.gov); Bartlett, Franklin P (fbartlett@osmre.gov); Giovetti, Debbie (dgiovetti@osmre.gov); mcalles@osmre.gov; DEQCoal  
**Subject:** C1983004CR SL8 Deficiency  
**Attachments:** SL8\_AcceptabilityDeficiency\_11-16-15.pdf

Please see attached electronic correspondence. Have a great day!

### Sharona Gilbert

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*The best laid schemes o' Mice an' Men,  
Gang aft agley ~Robert Burns*