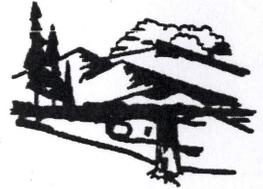




Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

SR 12/22/08 John Corra, Director

CERTIFIED MAIL – RETURN RECEIPT No. 7005 1160 0001 6423 6248

RECEIVED
DEC 23 2008
LQD

December 17, 2008

Mr. Ron Berglund
Environmental and Regulatory Affairs Manager
Evergreen Energy, Inc.
1225 17th Street
Suite 1300
Denver, CO 80202

RE: KFx Mine, Permit No. 486-T5; Notice of Violation No. 100193, Docket No. 4245-08

Dear Mr. Berglund:

Enclosed is a termination of the above Notice of Violation. Mark Taylor of this office has reviewed the final Report of Monitor Well Installation and Groundwater Investigation regarding the disposal pipeline leak and spill.

As Mr. Taylor noted in his attached memo, the investigation found no evidence of groundwater contamination.

Since no contamination was found, your payment of \$20,000.00 on October 16, 2008, is acceptable as per the Director's Findings of Fact, Conclusions of Law and Decision dated August 13, 2008.

If you have any questions, please feel free to contact me or Mark Rogaczewski.

Sincerely,

Glenn Mooney
Glenn Mooney
Senior Geologist

\gm

Enc.

Cheyenne File w/enc.

486NOVtermvcl2.8gm

1866 SOUTH SHERIDAN AVENUE • SHERIDAN, WY 82801

AIR, LAND AND WATER DIVISIONS



MJK
12/18/08

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
LAND QUALITY DIVISION
CHEYENNE, WY

RECEIVED
DEC 23 2008
LQD

PERMIT NO. 486-T5
DOCKET NO. 4245-08

VACATION OR TERMINATION OF NOTICE OR ORDER

To the Following Permittee or Operator or Licensee:

Name Landrica Development Company KFx Mine

Mailing Address 1225 17th Street, Suite 1300, Denver CO 80206

Under the authority of the Wyoming Environmental Quality Act of 1973, as amended, with respect to:

Notice of Violation No. 100193, dated April 4, 2008

Cessation Order No. _____, dated _____

Violation No. 1 is hereby X Terminated _____ Vacated because:

Violation No. _____ is hereby _____ Terminated _____ Vacated because:

Violation No. _____ is hereby _____ Terminated _____ Vacated because:

Glenn Mooney
Printed Name of Designated Representative

Date of Service December 17, 2008

Glenn Mooney
Signature of Designated Representative

Manner of Service Certified Mail

Proof of Service Certified Mail Receipt No. _____
7005 1160 0001 6423 6248

Person Served Mr. Ron Berlund

cc: Cheyenne LQD
District Office
OSM - Casper Field Office