GCC Energy

"Safety as a Value"

Telephone: 970.385.4528
Facsimile: 970.385.4638

GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326

July 5, 2017

State of Colorado
Division of Reclamation, Mining & Safety
1313 Sherman St., Room 215
Denver, CO 80203

Attn: Rob Zuber, Environmental Protection Specialist II

Re: King I Mine, C-1981-035
Stoner Engineering: Quarterly Inspection: Water Quality Improvements
2nd Quarter 2017

Dear Mr. Zuber,

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine water quality improvements for the 2nd quarter of 2017.

Please call Tom Bird at (970) 385-4528 x 6503 if you have any questions or comments.

Sincerely,

Tom Bird
Manager, Coal Services
GCC Energy, LLC

Stoner Engineering & Surveying
Engineering, Testing & Surveying

Date: June 27, 2017

To: Tom Bird
Manager, Coal Services
GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326
(970) 385-4528

From: Ryan Griglak, P.E.
Project Manager
Stoner Engineering & Surveying

COLORADO LICENSED
RYAN M. GRIGLAK
43255
6-27-17
PROFESSIONAL ENGINEER

Re: King Coal I – Quarterly Water Quality Improvements Inspection

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On June 26, 2017, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the water quality features installed to prevent contaminated storm water runoff from escaping the site in events smaller than the 100-year storm event.

Both ponds were dry at the time of the inspection (see Pic. 1 & 2). The east pond was undergoing some work at the time of the inspection. You indicated that the bottom of the pond was being raised to ensure that no ground water was being held in the pond per a request from the Division of Reclamation, Mining and Safety. GCC is on the process of conducting a new survey of the east pond to determine the impacts of raising the pond bottom from the original design. As-built survey will be required to set proper gage level for sedimentation levels. The ponds are both in generally good condition. The required storage volume appears to be adequate at this time based upon the sedimentation gage installed in the west pond and the visual volume of the east pond (currently no sedimentation gaga). The sedimentation levels of the ponds should checked after the existing water dissipates from the ponds. The ponds should continue to be monitored after storm events to ensure that excess sediment does not reduce the required storage capacity available for storm water runoff.

The drainage ditches and pipes were generally in good condition. The inlet pipe into the east pond has been temporarily improved until the improvements for the east pond are completed. (see Pic 3). All pipes, ditches and sediment traps should be inspected and repaired as necessary, especially after storm events.

The sediment traps located along the west side of the driveway at the entrance are in good condition (see Pic 4).

P.O. Box 1163 | 28 South Washington Street | Cortez, Colorado 81321
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Stoner Engineering & Surveying
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The drainage for the overall site is functioning well and is generally in good shape. The drainage features have been constructed and are operating as stated in the drainage plan submitted to the Division of Reclamation, Mining & Safety.

Please let me know if you have any additional questions or concerns in regards to the issues that are discussed above.

Sincerely,

Ryan M. Griglak, P.E.
Project Manager

P.O. Box 1163
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Pic. 1 – East pond, fill material installed in base.

Pic. 2 – West pond dry.

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Pic. 3 – Pipe inlet, east pond, temporary embankment material placed.

Pic. 4 – Sediment traps along west side of driveway in good condition.

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