QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk
NPDES ID. No.: Pond #1
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:

This Pond lies West of the Industrial Building and serves as a mine water settleing and water storage pond.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes ____ No ✓
At the principal spillway inlet? Yes ____ No ✓

4). Erosion of the downstream toe of the embankment? Yes ____ No ✓
Cause of erosion can be attributed to: ____

5). Is seepage occurring through the dam? Yes ____ No ✓
Could this seepage cause potential instability? ____

PRINCIPAL SPILLWAY

1). Is the principal spillway system in working order? Yes ✓ No ____

2). Is the inlet free of debris and restrictive material? Yes ✓ No ____

3). Is the discharge outlet free of restrictive material? Yes ✓ No ____

4). Is erosion occurring at the discharge outlet? Yes ____ No ✓
Evaluate the severity: Extensive Moderate Just starting None

EMERGENCY SPILLWAY

1). Does it appear that the emergency spillway has discharged water since the last inspection?
Yes ________ No ✓

2). Is erosion occurring at any section of the emergency spillway?
Yes ________ No ✓

Describe extent: ________________

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes ________ No ✓

Explain: Water storage is controlled by pumping water into/out of storage. No water storage 2016 - Q1 2017.

OTHER OBSERVATIONS

Pond is well maintained with no mine or river water pumped into storage since ceassation of mining. Water level is declining due to gradual evaporation.

[signature]
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk
NPDES ID. No.: Pond #4
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:

This sediment control pond lies west of the Development Waste Pile. The majority of run-off from this waste pile flows to this pond. It has never received sufficient inflow to discharge.

EMBANKMENT

1). Adequacy of the vegetative cover: (Excellent) Moderate Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓
At the principal spillway inlet? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

PRINCIPAL SPILLWAY

1). Is the principal spillway system in working order? Yes ✓ No _____

2). Is the inlet free of debris and restrictive material? Yes ✓ No _____

3). Is the discharge outlet free of restrictive material? Yes ✓ No _____

4). Is erosion occurring at the discharge outlet? Yes _____ No ✓
Evaluate the severity: Extensive Moderate Just starting None

New Elk Mine
2/21/2017
Pond # 4

EMERGENCY SPILLWAY

1). Does it appear that the emergency spillway has discharged water since the last inspection?
Yes _____ No ✓

2). Is erosion occurring at any section of the emergency spillway?
Yes _____ No ✓
Describe extent: _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS

Minimal Water pooled as ice in center of basin away from embankment. No Maintenance required at this time.

Operator is planning a phase II & III Vegetation assessment for the reclaimed area reporting To DOGM for final bond release and termination of the permit requirement for Pond 4

Ronald G Thorpe
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk
NPDES ID. No.: Pond #7
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:

This sediment control pond lies east of the preparation plant and pond #6. It receives run-off from the majority of the active surface facilities area lying south of State Highway 12.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes ____ No ✓
At the principal spillway inlet? Yes ____ No ✓

4). Erosion of the downstream toe of the embankment? Yes ____ No ✓
Cause of erosion can be attributed to: ____

5). Is seepage occurring through the dam? Yes ____ No ✓
Could this seepage cause potential instability? ____

PRINCIPAL SPILLWAY

1). Is the principal spillway system in working order? Yes ✓ No ____

2). Is the inlet free of debris and restrictive material? Yes ✓ No ____

3). Is the discharge outlet free of restrictive material? Yes ✓ No ____

4). Is erosion occurring at the discharge outlet? Yes ____ No ✓
Evaluate the severity: Extensive Moderate Just starting None

New Elk Mine
2/21/2017
Pond # 7

EMERGENCY SPILLWAY

1). Does it appear that the emergency spillway has discharged water since the last inspection?
Yes _____ No ✓

2). Is erosion occurring at any section of the emergency spillway?
Yes _____ No ✓
Describe extent: _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: _____
Pond clean-out has been completed

OTHER OBSERVATIONS

Pond is fully dewatered, access ramp for clean-out removed and disturbance to pond embankments mulched and reseeded

Ronald G Thayer
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk
NPDES ID. No.: Pond #8
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:

This pond lies north of Highway 12 at the base of the refuse disposal area. The pond receives run-off from the refuse disposal area.

EMBANKMENT

1). Adequacy of the vegetative cover: (Excellent) Moderate Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓
At the principal spillway inlet? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

PRINCIPAL SPILLWAY

1). Is the principal spillway system in working order? Yes ✓ No _____

2). Is the inlet free of debris and restrictive material? Yes ✓ No _____

3). Is the discharge outlet free of restrictive material? Yes ✓ No _____

4). Is erosion occurring at the discharge outlet? Yes _____ No ✓
Evaluate the severity: Extensive Moderate Just starting None

New Elk Mine
2/21/2017
Pond # 8

EMERGENCY SPILLWAY

1). Does it appear that the emergency spillway has discharged water since the last inspection?
Yes _____ No ✓

2). Is erosion occurring at any section of the emergency spillway?
Yes _____ No ✓
Describe extent: _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes ? No _____
Explain: Visual Observation
Recommend Survey as soon as pond is dewatered

OTHER OBSERVATIONS

Dewatering and clean-out should be completed
To increase retention time.

Ronald G Thompson
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk Pond 6
NPDES ID. No.: None
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:
Pond 6 is a non-discharging facility designed to contain plant processing water. The plant has been idle since 1996 and the pond is now used to dewater other ponds prior to clean-out.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent Moderate (Few) Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Operator controls water flow to pond.

OTHER OBSERVATIONS: Operator is currently pumping water from Pond 8 to Pond 6. Pond 6 water is estimated @ 40% of Capacity.

Ronald G Thompson
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk WP Containment #1
NPDES ID. No.: None
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:
This containment basin is a non-discharging facility designed to contain run-off from the West Portal Warehouse area.

EMBANKMENT

1). Adequacy of the vegetative cover: (Excellent) Moderate Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS: Containment held a minor amount of water as ice in early A basin No maintenance required

Ronald G Thorpe
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk WP Containment #2
NPDES ID. No.: None
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:
This containment basin is a non-discharging facility designed to contain run-off from the West Portal airshaft and manway areas.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some Few (None)

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS: Containment is dry. No maintenance required at this time.

Ronald G Thompson
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk RDA Containment North
NPDES ID. No.: None
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:
This incised containment basin is a non-discharging facility designed to contain run-off from the RDA belt conveyor area north of highway 12.

EMBANKMENT / incised with no embankment

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS: Water storage as ice is estimated at 40-60% of capacity. Recommend dewatering and sediment clean-out if needed when conditions allow.

MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk RDA Containment SE
NPDES ID. No.: None
Inspection Period: First Quarter 2017
Inspection Date: 02/21/17

General Description or Reference to Site Plan:
This partially incised containment basin is a non-discharging facility designed to contain run-off from the area east of the RDA belt conveyor and south of highway 12.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS:

Dry; No maintenance required at this time

Ronald G Thompson
MSHA Trained Impoundment Inspector
February 21, 2017

QUARTERLY SEDIMENTATION POND INSPECTION REPORT

CDMR Rule 4.05.9(17)

Mine: New Elk RDA Containment SE
NPDES ID. No.: None
Inspection Period: Fourth Quarter 2016
Inspection Date: 12/05/16

General Description or Reference to Site Plan:
This partially incised containment basin is a non-discharging facility designed to contain run-off from the area east of the RDA belt conveyor and south of highway 12.

EMBANKMENT

1). Adequacy of the vegetative cover: Excellent (Moderate) Few Poor

2). Erosion forming Gullies: Extensive Some (Few) None

3). Is wave action causing erosion:
On the Upstream embankment? Yes _____ No ✓

4). Erosion of the downstream toe of the embankment? Yes _____ No ✓
Cause of erosion can be attributed to: _____

5). Is seepage occurring through the dam? Yes _____ No ✓
Could this seepage cause potential instability? _____

SEDIMENT STORAGE CAPACITY

1). Has the design storage capacity of the reservoir been surpassed?
Yes _____ No ✓
Explain: Visual Observation

OTHER OBSERVATIONS:

Dry; No Maintenance required at this time

Ronald A Kenyon
MSHA Trained Impoundment Inspector
February 21, 2017