



"Safety as a Value"

Telephone: 970.385.4528
Facsimile: 970.385.4638

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

October 4, 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: Refuse Pile
3rd Quarter 2017

Dear Mr. Zuber,

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine refuse pile/embankment for the 3rd quarter of 2017.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Bird'. The signature is fluid and cursive, with a large loop at the end.

Tom Bird
Manager, Coal Services
GCC Energy, LLC

Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: September 29, 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



Re: King Coal I – Quarterly Waste Pile/Embankment Inspection

On September 27, 2017, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the coal waste pile/embankment. Mr. Griglak, P.E. has conducted inspections for the placement of earthwork/embankment fill material for numerous commercial, residential and municipal projects in which buildings, roadways and parking facilities were installed over the placed materials.

The condition of the perimeter ditches located along the north and south sides of the property were generally in good condition though the north channel has some accumulation of sediment and small rock as a result of recent storms (see Pic. 1). The drainage channels were generally clear of debris and there was no damage observed to any of the channel sections.

The drain located at the base of the waste pile/embankment has been repaired (see Pic. 2) and extended to the drainage channel which directs flows to the west (see Pic. 3). Fill material and topsoil has been stockpiled near the area for possible placement along the base of the pile (see Pic. 4). Additional fill material appears necessary to meet the 2.5:1 slope specified in the original design.

Some drainage improvements (riprap) have been installed in the ditch along the access roadway to the top of the waste pile/embankment to reduce erosion. There was material stockpiled at the top of the embankment awaiting placement as embankment fill (see Pic. 5). The face of the embankment was in good condition and does not show any signs of excessive erosion, instability or weakness (see Pic 6).



Stoner Engineering & Surveying

Engineering, Testing & Surveying

There is single trailer stored on the site just north and east of the old bath house. The only structure with any proximity to the embankment material is the old bath house which is no longer utilized and is abandoned. Personnel are only on-site to bring and/or place material on the embankment or for mine rescue training. The mine rescue training is performed on the north side of the site well away from the embankment material. The site is closed to the public and there is a locked gate at the entrance to keep the public out.

The waste pile has been and continues to be constructed and maintained as specified in the design approved by the Division of Reclamation, Mining & Safety. Potential hazards to life and property are minimal due to the fact that GCC has moved most of their operations to their King II facility.

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



Pic. 1 – North channel with some sedimentation.



Pic. 2 – Daylight location of under drain.

Stoner Engineering & Surveying

Engineering, Testing & Surveying



Pic. 3 –Drainage channel routing under drain flows to west.



Pic. 4 – Stockpiles of topsoil and fill material near waste pile base.

P.O. Box 1163
Tel 970.565.7483

28 South Washington Street
stonerengineer@frontier.net

Cortez, Colorado 81321
Fax 970.565.7704



Pic. 5 – Embankment material stockpiled at top of the waste pile.



Pic. 6 – Waste pile/embankment face in good condition.