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

December 29, 2017

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

Attention: Rob Zuber, Environmental Protection Specialist II

Re: 4th Quarter 2017 Surface Subsidence Inspections 4th Quarter 2017 Huntington Ditch Inspections

Mr. Zuber:

Mike and Marc Crawford, of the Crawford Ranch property informed us that they continue to monitor subsidence cracks on their property. No new cracks have been located this quarter. They have informed us that all cracks on the Crawford Ranch property are minor; they will inform us if they feel action is required.

No subsidence issues have been noticed in the mined out areas west of Pine Gulch on the Huntington ranch property. Dan Huntington has not mentioned any subsidence related issues on other areas of his property.

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