

"Safety as a Value"

February 9, 2018

State of Colorado Division of Reclamation, Mining & Safety 1313 Sherman Street, Room 215 Denver, Colorado 80203-2273 Attn: Rob Zuber, Environmental Protection Specialist II

Re: King II Mine Pond Quarterly Inspection 1st Quarter 2018

Dear Mr. Zuber,

An inspection of the pond at the King II mine was performed on February 9, 2018 for the 1st quarter of 2018. The pond contained very little water (see photos) and was not discharging. The pond embankment, in-slopes and spillway all appeared stable with no evidence of slumping, settling or excessive erosion. All features appeared to be in place and functioning as designed.





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



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

Sincerely, 2 Tom Bird

Manager, Coal Services GCC Energy, LLC