

NEW ELK COAL COMPANY

February 15, 2018

Rob Zuber Division of Reclamation, Mining and Safety 1313 Sherman Street Rm. 215 Denver, Colorado 80203

> RE: New Elk Mine Permit C-19981-012 2017 Annual Reclamation Report

Dear Mr. Zuber:

Enclosed is the Annual Reclamation Report form for 2017 for ther New Elk Mine. Activities in 2017 included noxious weed control using Tordon to combat occurrences of Canadian Thistle and Hounds-Tongue, and ditch and culvert maintenance. No new areas were graded or topsoiled and seeded. As a result, an up-dated annual reclamation map has not been included with this submittal.

Areas of reclamation were regularly inspected for erosion including for the formation of rills or gullies that would require minor maintenance. These inspections, as required by the mine's Rill and Gully Inspection Plan were conducted at least monthly by New Elk personnel during the period from April to October and additionally, after significant precipitation events.

Best Regards,

Nicholas Mason

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Colorado Division of Reclamation, Mining and Safety Annual Reclamation Report for the Year _____ permit # Permittee mine name Address: This report, required by Rule 2.04.13, is due by February 15 of each year, or other date, as agreed upon by the Division. It should include text, discussion, and maps, at a minimum, in addition to any other reclamation monitoring data as required by the approved permit. The location of the acreage reported under each land status category and year of seeding (if applicable) should be clearly and accurately identified on a map included with the report. Last Years This Calendar Cumulative Total ¹ Cumulative Total Land Status Category Year Acres disturbed + Acres backfilled and graded Acres topsoiled Seeding typically begins the minimum 10-year reclamation liability period. Please report the acres for each category below. Do not include acres that have achieved final, Phase III release. Last Years This Greater Cumulative Calendar Cumulative 10 years or than 10 Total 1 years 1 Total year less Acres seeded* *include, if necessary, a description of any augmented seeding or cultural practices For the Entire Life of Mine, the total number of acres disturbed and the total number of acres: Phase I released _____ Phase II released ____ Phase III released _____ For Mines in Permanent Cessation: Total acreage in facilities subject to reclamation but yet to be completed _____ For Government Performance and Results Act Acreage in long-term mining or reclamation facilities ² Acreage in active mining areas ³_____

(exclude acres where Phase III release has been achieved)

² Includes haul and access roads; temporary dams and impoundments; permanent dams and impoundments; diversion and collector ditches, water and air monitoring sites; topsoil stockpiles; overburden stockpiles; repair, storage and construction areas; office area, repair shops, and parking; coal stockpiles, loading, and processing areas; railroads; coal conveyors; nonbackfilled and graded areas of refuse piles, coal mine waste impoundments, head-of-hollow fills, and valley fills; ventilation shafts and entryways; and noncoal waste disposal area (garbage dumps and coal combustion by-products disposal areas).

³ Includes pits, topsoil stripped areas in advance of pits, and spoil not backfilled and graded