

"Safety as a Value"

June 18, 2018

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

Re: King II Mine Pond Quarterly Inspection 2nd Quarter 2018

Dear Mr. Bowles,

An inspection of the pond at the King II mine was performed on June 18, 2018 for the 2nd quarter of 2018. 1.86" of rain fell over the previous weekend. The pond contained approximately 8 - 10" of water (see photos) and was not discharging. No leaks were observed around the two 24" spillway culverts. 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,

Tom Bird Manager, Coal Services GCC Energy, LLC