

"Safety as a Value"

July 9, 2018

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

Attention: Brock Bowles, Environmental Protection Specialist

Re: 2nd Quarter 2018 Surface Subsidence Inspections 2nd Quarter 2018 Huntington Ditch Inspections

Mr. Bowles:

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