



PERMIT INFORMATION

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| Permit Number: C-1981-028 Mine Name: Keenesburg Strip Mine Operator: Coors Energy Company Operator Address: Mr. Danny Kipp P.O Box 467 Golden , CO 80402 | County: Weld Operation Type: Surface Permit Status: Active Ownership: Private |
| | Operator Representative Present: Danny Kipp |
| Operator Representative Signature: (Field Issuance Only) | |

INSPECTION INFORMATION

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|--|---|
| Inspection Start Date: November 27, 2018 Inspection Start Time: 08:30 Inspection End Date: November 27, 2018 Inspection End Time: 10:20 | Inspection Type: Coal Complete Inspection Inspection Reason: Normal I&E Program Weather: Clear |
| Joint Inspection Agency: None | Joint Inspection Contacts: |
| Post Inspection Agency: None | Post Inspection Contacts: |
| Inspector(s): Robert D. Zuber, P.E. | Inspector's Signature: <i>Robert D. Zuber</i> Signature Date: 11/27/2018 |

Inspection Topic Summary

NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable

Y - Air Resource Protection

Y - Availability of Records

NA - Backfill & Grading

NA - Excess Spoil and Dev. Waste

NA - Explosives

Y - Fish & Wildlife

R - Hydrologic Balance

Y - Gen. Compliance With Mine Plan

N - Other

NA - Processing Waste

R - Roads

R - Reclamation Success

Y - Revegetation

NA - Subsidence

Y - Slides and Other Damage

Y - Support Facilities On-site

Y - Signs and Markers

NA - Support Facilities Not On-site

NA - Special Categories Of Mining

R - Topsoil

COMMENTS

The complete inspection was conducted by Rob Zuber of DRMS and Danny Kipp of Coors Energy Company (CEC). The weather was clear and cool. The ground was dry.

HYDROLOGIC BALANCE - Rule 4.05

Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Diversions 4.05.4; Effluent Limits 4.05.2; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13; Drainage – Acid and Toxic Materials 4.05.8; Impoundments 4.05.6, 4.05.9; Stream Buffer Zones 4.05.18:

Standing water was observed in Sediment Pond 2 (at least five feet below the spillway) and the Dugout Pond (the water was very low). Neither pond was discharging during the inspection. No problems were observed with the two ponds.

Danny Kipp indicated that the site has experienced very little precipitation in recent weeks.

ROADS – Rule 4.03

Construction 4.03.1(3)/4.03.2(3), Drainage 4.03.1(4)/4.03.2(4), Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6), Reclamation 4.03.1(7)/4.03.2(7):

The scraping of roads has been completed, per Danny Kipp.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

Mark Quinby was stockpiling mulch northwest of Area 26, next to Topsand Pile A-3. He was hauling this material from the adjacent soil farm throughout the inspection.

Areas 25 and 34 were observed from the B-1 Topsand Pile, and no erosion or other problems were identified.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

TOPSOIL – Rule 4.06

Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

Danny Kipp indicated that on the morning of the inspection (prior to the inspection) he continued moving topsand from the southern portion of the A-3 pile to the former B Pit area. That has been his reclamation focus in recent weeks. Because of CEC's plan to layer different types of topsand to improve vegetation growth, Danny is not completing one area and then moving to another area, but rather he is spreading the lower sand over much of the pit and will return to spread the other topsand later (to the final required depth).

No significant erosion problems were seen at any of the topsand piles.

ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions were initiated as a result of this inspection, nor are any pending.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

PHOTOGRAPHS



Mulch stockpile



Spillway of Sediment Pond

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Number of Complete Inspections this Fiscal Year: 2



East side of Dugout Pond (photo from B-1 pile)



Outlet of Dugout Pond

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



Area where topsand is being spread (photo from A-3 pile)

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

AVAILABILITY OF RECORDS

PERMIT RECORDS

| | |
|---|-----------------------------|
| DRMS Permit | Exp. Nov 2021 |
| Permit Application w/Revisions | Yes |
| Findings Document | RN-07 (Aug 2017) |
| Insurance Certificate | Exp. 11/1/2019 |
| Bond Document | \$1,197,459 (March 2016) |
| Phased Bond Release Documents/Findings | SL-09 (August 2018) |
| Air Emission Permits | 123008803 |
| County Special Use Permits | Weld #1160, #386 |
| UG Mining Landowner Notification | NA |
| Subsidence Monitoring Reports | NA |
| Subsidence Monitoring Data | NA |
| Rill & Gully Survey | NA |
| Vegetation Monitoring Data | 2017 ARR |
| Specific Variance Approvals | NA |
| Annual Reclamation Reports | 2017 |
| Midterm Review Documents | MT-06 (2014) |
| DRMS/OSM Inspection | Through |
| Reports/Enforcement Actions (3 Years) | October 2018 |
| Transfers/Succession of Operator | NA |
| Temporary Cessation Notification | NA |
| Reclamation Cost Estimate | *1 |
| CERTIFICATIONS | |
| Pond Certifications | Yes |
| Annual Certifications for Large Impoundments | NA |
| Fill Certifications for Excess Spoil or Underground Development Waste | NA |
| • Quarterly Inspections | NA |
| • Compaction Testing | NA |
| • Final Certification | NA |
| Coal Processing Waste Banks | NA |
| Haul Road Certifications | Yes |
| Access Road Certifications | NA |

HYDROLOGIC RECORDS

| | |
|-----------------------------------|-----------------|
| NPDES Permit | NA |
| NPDES Records | NA |
| Stormwater Management Plan | NA |
| SPCC Plan | Updated 2012 |
| MSHA Pond Inspections | NA |
| State Engineer's Pond Inspection | NA |
| Quarterly Pond Inspections | Through 2018 Q4 |
| Annual Hydrology Reports | 2017 |
| • Ground Water Monitoring | yes |
| • Surface Water Monitoring | NA |
| • Spring & Seep Monitoring | NA |
| • Mine Water Discharge Monitoring | NA |
| • Mine Inflow Study | NA |
| • Water Consumption Records | NA |
| Well Permits | *2 |

BLASTING RECORDS

| | |
|----------------------------|-------|
| Blasting Publication | NA |
| Blasting Records (3 years) | NA |
| ATFE Explosives Permit | NA *3 |
| Blasting Variances | NA |
| Pre-Blast Surveys | NA |

ADDITIONAL RECORDS (specify)

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|----------------------|-----------------|
| Pest and Weed report | Through 2018 Q4 |
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COMMENTS:

*1 – Net of \$1,101,320 from RN-07 (\$1,117,739, August 2017) and SL-09 (-\$16,419, August 2018).

*2 – Domestic use well and fire protection well (048289f, 24650f)

*3 – No explosives used since 1995.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2