Additional Sheet 2019 Annual Report Coal Creek Resources M-1988-044 Schmidt Construction Company Anniversary Date: March 28

2018 - last year of operation: Production was fairly low to moderate during 2018 and mining ceased in mid November. From then until the end of January 2019 sales were from existing stockpiles. Sales ceased at that point. Meanwhile full backfilling and grading of the pit area began. The processing plant began to be disassembled and hauling wash fines to the pit for use as fill began. Highwalls in the pit began to be reduced by cut and fill. By early March the final shape of the pit began to appear with a winding drainage way through the bottom to the northeast was roughly visible. Some slopes neared final configuration while others were still too steep to meet the standards in the plan. Work on shaping the pit area is continuing.

Status of 2014 Reclamation Area: Inspection in early-March showed the area seeded in August of 2014 was in excellent condition with strong growth of *Stipa* and *Bouteloua*. The other grasses were adequate. Cover was good and erosion well controlled. It is likely that release can be requested in the near future. This has taken a bit longer to develop than previous revegetation areas, but with two years of drought during the development that is not unexpected.

Annual report detail map: Major changes were made in the land classification of the disturbances. Next year's mining has been dropped as there won't be any. Future mining and its associated features has been deleted. Everything else is basically in the backfilling and grading category. Although the east side of the pit is appropriate for seeding, that will likely not be done until the rest of the pit is completed. There is a chance some modifications may be needed as the drainageway that separates the east from the west achieves final grade and shape and a connection is made to the outlet pre-existing drainageway is created. That all needs to be coordinated to produce a reasonably smooth stream profile.

One area shown in magenta includes an area to the northwest of the pit that will be a source for additional fill, if that is needed. This will help create a smoother transition from the pit to the adjacent lands. This includes about 2 ¹/₂ acres of previously undisturbed land if that is needed. It is unknown how much of this land will actually be needed but it is an excellent source of additional fill for the pit, but some work will be needed to produce a good shape that fits the character of the landscape. There is still more wash fines that will be hauled in with the rest likely to be used to fill wash ponds as needed. Hopefully, all of this can be finished by Fall 2019 so the pit can be seeded in October or November.

At the same time, the processing area will be graded, basins filled and that also prepared for seeding along with the pit area.