HAYDEN GULCH TERMINAL, LLC

Colorado Permit #C-92-081

2019 Annual Reclamation Report

Hayden Gulch Loadout

Submitted: March 2020

2019 ANNUAL RECLAMATION REPORT

In compliance with applicable requirements of Rule 2.04.13, Hayden Gulch Terminal, LLC (HGT) presents the following information to satisfy Rule 2.04.13(1)(a) through 2.04.13(1)(f).

(a) The name and address of the permittee and permit number:

Hayden Gulch Terminal, LLC 701 Market Street, Suite 700 St. Louis, MO 63101-1826 Permit No. C-92-081

Local Contact:

Hayden Gulch Loadout 29515 RCR27 Oak Creek, Colorado 80467

(b) Location and number of acres disturbed during that year:

There were no new acres of disturbance at the Hayden Gulch Loadout during 2019.

(c) Location and number of acres backfilled and graded during that year:

In 2016, HGT initiated removal of remaining facilities at the Hayden Gulch Loadout. This included removal of rail, ties, and ballast from most of the Hayden Gulch spur track. HGT has also contracted for removal of the remaining rail spur crossing of US Highway 40, and anticipates that this work will be completed during the summer in 2020. As part of our overall focus, Peabody seeks to maximize the postmining use and benefits of our reclaimed mine and support properties. Consistent with this objective, HGT is working with Routt County and the Town of Hayden to transition the Tie-Across Haulroad to beneficial use as a part of the existing County road network, and to transition the Hayden Gulch Loadout to beneficial use as a recreational trail for the Town of Hayden.

The County has agreed to accept and take responsibility for the Tie-Across Haulroad as a County road. Peabody is working with the landowners along the existing road right-of-way, has obtained the necessary permanent easements and landowner agreements from the private landowners (Smith, Hockett, and Williams), and is working with Routt County to obtain the required landowner clearances for the State Land Board and Public Service of Colorado. We anticipate that the transfer of ownership will occur during 2020. Along with the transfer of ownership, HGT will submit a revision to the CDRMS and obtain approval for a change in postmining land use to industrial/commercial.

Similarly, HGT is still working with the Town of Hayden, several interested partner entities, and affected landowners to obtain the necessary agreements and funding for conversion of the remaining railbed to a recreational trail. In 2018 HGT established a parking area designated to the trail system. Subsequently, HGT will also submit a revision to the CDRMS and obtain approval for a change in postmining land use to recreational, and will then submit a request for termination of the Permit and final bond release for all but the portion of the Permit Area north of US Highway 40. The town of Hayden will be granted a recreational lease in 2020, until the transfer and conversion of the Hayden Gulch Loadout property is final and bond release has been met on the leased area.

During 2018, HGT removed and regraded the Routt County Road 37 rail crossing and utilized fill material from the rail grade to construct the parking area for the future trail. As a correction to the 2014 Annual Reclamation Report (ARR), and as reported in the 2015 ARR, approximately 11.9 acres, including the office and parking area, were backfilled and re-graded in 2014.

In the fall of 2019 the rail area north of Highway 40 was graded out to final grade. Due to winter the final surfacing was not performed and will be once the ground is dry enough in the spring of 2020. At this time the Highway railroad crossing will also be removed and the reclamation will be finalized and all areas seeded.

(d) Location and number of acres topsoiled during that year:

Approximately 3.8 acres were topsoiled in December of 2019, on the north side of Highway 40. This consisted of the railbed which had topsoil on the sided of the raised bed. The topsoil was salvage and stripped from the surrounding area of the railbed and the redistributed over the graded area. As a correction to the 2014 Annual Reclamation Report (ARR), and as reported in the 2015 ARR, approximately 11.9 acres, soil materials were replaced on approximately 11.9 acres of the re-graded office/parking area in 2014.

(e) The species, location and number of acres of vegetation planted during that year, including any augmented seeding or cultural practices:

There were no new acres seeded at the Hayden Gulch Loadout during 2019 but HGT plans to seed 2019 topsoiled areas in the spring of 2020. As a correction to the 2014 Annual Reclamation Report (ARR), and as reported in the 2015 ARR, approximately 11.9 acres, approximately 11.9 acres of the reclaimed office/ parking area were re-seeded in 2014. HGT also inter-seeded approximately 14.9 acres of previously reclaimed and re-seeded areas to enhance vegetative reestablishment.

(f) Location, number of acres and date of planting, for all previously revegetated areas:

Water pipeline corridors – Reseeded by H-G Coal in 1980, 1.4 acres Loadout Facilities Area and Topsoil Pile TS-1 – Reseeded by HGT in 2011, 12.7 acres Tie-Across Haulroad areas – Reseeded by HGT in ??, 12.7 acres Office/Parking areas – Reseeded by HGT in 2014, 11.9 acres

Weed Control. The permit area was surveyed for noxious weeds in 2019 to determine the need or level of retreatment for previously treated areas or any new areas of weed infestations. Whitetop, Houndstongue, Curly dock, Common Mullein, and Musk/Canada/Scotch thistle were the primary target species of control efforts.

Control areas were sprayed in June and September. Spot-spraying targeted identified areas of weed infestations and concentrated control activities on target areas, reducing potential impacts to adjacent desirable vegetation. Under the recreation lease with the Town of Hayden, they will be responsible for the weed control with in their leased area. HGT will continue to treat and monitor the permitted areas outside of the Town's lease area.