



"Safety as a Value"

Telephone: 970.385.4528
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GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326

June 25, 2020

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

Attn: Janet Binns, Environmental Protection Specialist III

Re: King I Mine, C-1981-035
Stoner Engineering: Quarterly Inspection: Refuse Pile
2nd Quarter 2020

Dear Ms. Binns,

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine refuse pile/embankment for the 2nd quarter of 2020.

Please call Tom Bird at (970) 385-4528 x 6503 or (970) 769-1160 (cell) if you have any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Bird'. The signature is fluid and cursive, with a large loop at the end.

Tom Bird
Manager, Coal Services
GCC Energy, LLC

Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: June 24, 2020

To: Jordan McCourt
Project Coordinator
GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326
(970) 385-4528



From: Ryan Griglak, P.E.
Project Manager
Stoner Engineering & Surveying

Re: King Coal I – Quarterly Waste Pile/Embankment Inspection

On June 22, 2020, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the coal waste pile/embankment. Mr. Griglak, P.E. has conducted inspections for the placement of earthwork/embankment fill material for numerous commercial, residential and municipal projects in which buildings, roadways and parking facilities were installed over the placed materials.

Both the south treated water ditch (Reach 10) and the north clear water ditch (Reach 1) were found to be in generally good condition. There was some additional grouting of the adjacent soils of the grouted section of the upper clear water ditch to minimize erosion potential (see Pic. 1). The face of the embankment appeared to be in good condition as there were no signs of excessive erosion, instability or weakness (see Pic. 2). There has not been any additional waste material placed at the top of the embankment pile since late last year.

Waste material continues to be hauled to and dumped at the base of the existing waste pile/embankment where it is collected and being placed in accordance with TR-27 (see Pic. 3). The slope of the top of the existing pile is currently in excess of that defined in the Waste Bank Design produced by Don May, 1997. Specifically, the cross slope from north to south across the top of the waste pile embankment. The excess slope does not pose any danger to the stability of the existing waste pile though some localized erosion may occur during/after localized storm events.

The only structure with any proximity to the embankment material is the old bath house which is no longer utilized and is abandoned. Personnel are only on-site to bring and/or place material on the embankment or for mine rescue training. The mine rescue training is performed on the north side of the site well away from the embankment material. The site is closed to the public and there is a locked gate at the entrance to keep the public out.

The waste pile has been and continues to be constructed and maintained as specified in the design approved by the Division of Reclamation, Mining & Safety. Potential hazards to life and property are minimal due to the fact that GCC has moved most of their operations to their King II facility.

Please let me know if you have any additional questions or concerns in regards to the issues that are discussed above.

Sincerely,



Ryan M. Griglak, P.E.
Project Manager



Pic. 1 –Reach 1, additional grouting along sides of upper section, grouted channel.



Pic. 2 – Face of waste pile in good condition.



Pic. 3 – Waste material being installed placed below existing waste embankment pile.