Telephone: 970.385.4528 Facsimile: 970.385.4638



February 14, 2020

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

Attention: Janet Binns, Environmental Protection Specialist III

Re: King Coal Mine, Permit #C-1981-035: RY 2019 Annual Reclamation Report

Dear Ms. Binns:

Please find attached the Report Year 2019 Annual Reclamation Report for the King I and King II mines.

Please contact me at (970) 769-1160 if you have any questions or comments.

Sincerely,

Tom Bird

GCC Energy, LLC

Colorado Division of Reclamation, Mining and Safety

Annual Reclamation Report for Calendar Year - 2019

Address

This report, required by Rule 2.04.13, is due by February 15 of each year, or other date, as agreed upon by the Division. It should include text, discussion, and maps, at a minimum, in addition to any other reclamation monitoring data as required by the approved permit. The location of the acreage reported under each land status category and year of seeding (if applicable) should be clearly identified on a map included with the report.

| Land Catagony | Last Year's Cumulative Total | This Cale | endar Year | | Cumulative Total |
|------------------------------------------------|------------------------------|-----------------|----------------------|---|------------------|
| Land Category | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acreage in Active Mining Areas ¹ | 0.00 | 0.00 | 0.00 | = | 0.00 |

| Land Category | Last Year's Cumulative Total | This Cale | This Calendar Year | | Cumulative Total |
|------------------------------|------------------------------|-----------------|----------------------|---|------------------|
| | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acres Disturbed ² | 15.75 | 2.96 | 0.00 | = | 18.71 |
| Acres Backfilled and Graded | 0.69 | 0.00 | 0.00 | = | 0.69 |
| Acres Topsoiled | 0.69 | 0.00 | 0.00 | = | 0.69 |

| Acreage in Long-term | Last Year's Cumulative | This Calendar Year | | | C 1. T. 1 |
|----------------------------------|---------------------------------|--------------------|----------------------|---|------------------|
| Facilities ³ | Total (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Non-Permanent Facilities | 13.84 | 2.96 | 0.00 | = | 16.80 |
| Permanent Facilities (permitted) | 1.22 | 0.00 | 0.00 | = | 1.22 |
| Totals | 15.06 | | | = | 18.02 |

| Acres Seeded | Last Year's Cumulative Total | This Cale | endar Year | | Cumulative Total |
|----------------------|------------------------------|-----------------|----------------------|----|------------------|
| (permanent) | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| 9 Years and Less | 0.69 | 0.00 | 0.69 | II | 0.00 |
| 10 Years and Greater | 0.00 | 0.69 | 0.00 | II | 0.69 |
| Totals | 0.69 | | | = | 0.69 |

| Bond Release | Last Year's Cumulative Total | This Cal | endar Year | | |
|--------------------|------------------------------|-----------------|----------------------|---|------------------|
| | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Phase I Released | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Phase II Released | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Phase III Released | 0.00 | 0.00 | 0.00 | = | 0.00 |

¹Includes pits, topsoil stripped areas in advance of pits, and spoil not backfilled and graded

²Surface Mine Acres Disturbed = B&G + Long-Term Facilities + Active Mining Areas; Underground Mine Acres Disturbed = B&G + Long-Term Facilities; Separately-permitted Loadouts = B&G + Long-Term Facilities

³Includes haul, access and light-use roads, temporary dams and impoundments; permanent dams and impoundments; diversion and collector ditches, water and air monitoring sites; topsoil stockpiles; overburden stockpiles; repair, storage and construction areas; office area, repair shops, and parking; coal stockpiles, loading, and processing areas; railroads; coal conveyors; refuse piles and coal mine waste impoundments; head-of-hollow fills; valley fills; ventilation shafts and entryways; and non-coal waste disposal area (garbage dumps and coal combustion by-products disposal areas).

Colorado Division of Reclamation, Mining and Safety

Annual Reclamation Report for Calendar Year - 2019

King IIC-1981-035■ GCC Energy, LLCMine NamePermit NumberPermittee6473 C.R. 120, Hesperus, CO 81326

Address

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| Land Catagony | Last Year's Cumulative Total | This Cale | endar Year | | Cumulative Total |
|------------------------------------------------|------------------------------|-----------------|----------------------|---|------------------|
| Land Category | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acreage in Active Mining Areas ¹ | 0.00 | 0.00 | 0.00 | = | 0.00 |

| Land Category | Last Year's Cumulative Total | This Cale | endar Year | | Cumulative Total |
|------------------------------|------------------------------|-----------------|----------------------|---|------------------|
| | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acres Disturbed ² | 24.99 | 0.00 | 0.00 | = | 24.99 |
| Acres Backfilled and Graded | 1.00 | 0.00 | 0.00 | = | 1.00 |
| Acres Topsoiled | 1.00 | 0.00 | 0.00 | = | 1.00 |

| Acreage in Long-term | Last Year's Cumulative | mulative This Calendar Year | | | Completion Tetal |
|----------------------------------|---------------------------------|-----------------------------|----------------------|---|------------------|
| Facilities ³ | Total (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Non-Permanent Facilities | 23.99 | 0.00 | 0.00 | = | 23.99 |
| Permanent Facilities (permitted) | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Totals | 23.99 | | | = | 23.99 |

| Acres Seeded | Last Year's Cumulative Total | This Calendar Year | | | Cumulative Total |
|----------------------|------------------------------|--------------------|----------------------|----|------------------|
| (permanent) | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| 9 Years and Less | 0.00 | 0.00 | 0.00 | II | 0.00 |
| 10 Years and Greater | 1.00 | 0.00 | 0.00 | II | 1.00 |
| Totals | 1.00 | | | = | 1.00 |

| Bond Release | Last Year's Cumulative Total | This Cal | endar Year | | |
|--------------------|------------------------------|-----------------|----------------------|---|------------------|
| | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Phase I Released | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Phase II Released | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Phase III Released | 0.00 | 0.00 | 0.00 | = | 0.00 |

¹Includes pits, topsoil stripped areas in advance of pits, and spoil not backfilled and graded

²Surface Mine Acres Disturbed = B&G + Long-Term Facilities + Active Mining Areas; Underground Mine Acres Disturbed = B&G + Long-Term Facilities; Separately-permitted Loadouts = B&G + Long-Term Facilities

³Includes haul, access and light-use roads, temporary dams and impoundments; permanent dams and impoundments; diversion and collector ditches, water and air monitoring sites; topsoil stockpiles; overburden stockpiles; repair, storage and construction areas; office area, repair shops, and parking; coal stockpiles, loading, and processing areas; railroads; coal conveyors; refuse piles and coal mine waste impoundments; head-of-hollow fills; valley fills; ventilation shafts and entryways; and non-coal waste disposal area (garbage dumps and coal combustion by-products disposal areas).

Colorado Division of Reclamation, Mining and Safety

Annual Reclamation Report for Calendar Year – 2019

King I & King II (Combined) C-1981-035 ■ GCC Energy, LLC

Mine Name Permit Number Permittee

6473 C.R. 120, Hesperus, CO 81326

Address

This report, required by Rule 2.04.13, is due by February 15 of each year, or other date, as agreed upon by the Division. It should include text, discussion, and maps, at a minimum, in addition to any other reclamation monitoring data as required by the approved permit. The location of the acreage reported under each land status category and year of seeding (if applicable) should be clearly identified on a map included with the report.

| Land Catagony | Last Year's Cumulative Total | This Cale | This Calendar Year | | Cumulative Total |
|------------------------------------------------|------------------------------|-----------------|----------------------|---|------------------|
| Land Category | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acreage in Active Mining Areas ¹ | 0.00 | 0.00 | 0.00 | = | 0.00 |
| | | | | | |
| | Last Vear's Cumulative Total | This Cale | This Calendar Year | | |

| Land Catagory | Last Year's Cumulative Total | This Calendar Year | | | Cumulative Total |
|------------------------------|------------------------------|--------------------|----------------------|---|------------------|
| Land Category | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Acres Disturbed ² | 40.74 | 2.96 | 0.00 | Ш | 43.70 |
| Acres Backfilled and Graded | 1.69 | 0.00 | 0.00 | - | 1.69 |
| Acres Topsoiled | 1.69 | 0.00 | 0.00 | = | 1.69 |

| Acreage in Long-term Facilities ³ | Last Year's Cumulative Total (from last year's ARR) | This Calendar Year | | | C 1. T. 1 |
|-------------------------------------------------|-----------------------------------------------------------|--------------------|----------------------|---|------------------|
| | | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Non-Permanent Facilities | 37.83 | 2.69 | 0.00 | = | 40.52 |
| Permanent Facilities (permitted) | 1.22 | 0.00 | 0.00 | = | 1.22 |
| Totals | 39.05 | | | = | 41.74 |

| Acres Seeded | Last Year's Cumulative Total | This Calendar Year | | | Cumulative Total |
|----------------------|------------------------------|--------------------|----------------------|----|------------------|
| (permanent) | (from last year's ARR) | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| 9 Years and Less | 0.69 | 0.00 | 0.69 | = | 0.00 |
| 10 Years and Greater | 1.00 | 0.69 | 0.00 | II | 1.69 |
| Totals | 0.69 | | | = | 1.69 |

| Bond Release | Last Year's Cumulative Total (from last year's ARR) | This Calendar Year | | | G 1 : T 1 |
|--------------------|--------------------------------------------------------|--------------------|----------------------|---|------------------|
| | | Acres Added (+) | Acres Subtracted (-) | | Cumulative Total |
| Phase I Released | 0.00 | 0.00 | 0.00 | Ш | 0.00 |
| Phase II Released | 0.00 | 0.00 | 0.00 | = | 0.00 |
| Phase III Released | 0.00 | 0.00 | 0.00 | = | 0.00 |

¹Includes pits, topsoil stripped areas in advance of pits, and spoil not backfilled and graded

²Surface Mine Acres Disturbed = B&G + Long-Term Facilities + Active Mining Areas; Underground Mine Acres Disturbed = B&G + Long-Term Facilities; Separately-permitted Loadouts = B&G + Long-Term Facilities

³Includes haul, access and light-use roads, temporary dams and impoundments; permanent dams and impoundments; diversion and collector ditches, water and air monitoring sites; topsoil stockpiles; overburden stockpiles; repair, storage and construction areas; office area, repair shops, and parking; coal stockpiles, loading, and processing areas; railroads; coal conveyors; refuse piles and coal mine waste impoundments; head-of-hollow fills; valley fills; ventilation shafts and entryways; and non-coal waste disposal area (garbage dumps and coal combustion by-products disposal areas).



