

December 22, 2020

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

Attn: Janet Binns, Environmental Protection Specialist III

"Safety as a Value"

Re: King I Mine, C-1981-035

Stoner Engineering: Quarterly Inspection: Water Quality Improvements

4th Quarter 2020

Dear Ms. Binns,

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine water quality improvements for the 4th 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,

Tom Bird

GCC Energy, LLC

Engineering, Testing & Surveying

Date: December 17, 2020

To: Jordan McCourt

Project Coordinator GCC Energy, LLC

6473 County Road 120 Hesperus, CO 81326

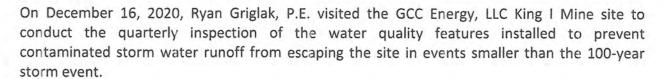
(970) 385-4528

From: Ryan Griglak, P.E.

Project Manager

Stoner Engineering & Surveying

Re: King Coal I – Quarterly Water Quality Improvements Inspection



Both ponds were dry but, covered with snow at the time of the inspection and appeared to generally be in good condition (see Pic. 1). The sedimentation gages show the ponds are not yet it need of cleaning (see Pic. 2). The sediment loading in the ponds appeared to be the same since the previous inspection. A large storm event could result in the sediment ponds reaching the level requiring the built-up sediment removed in order to continue to function as originally designed. Preparations/plans for the removal of the excess material during the next significant period with dry conditions (spring/summer 2021) should be considered. The ponds should continue to be monitored after storm events to ensure that excess sediment does not reduce the required storage capacity available for storm water runoff.

The sedimentation traps at the entrance to the site are generally in good condition (see Pic. 3). The stockpiled waste material has been installed on the lower pile or placed via loader to the top of the main pile. There was no stockpiled material on the site at the time of the inspection (see Pic. 4). The grading of the lower waste embankment pile directs surface runoff generally to the south and west as required in the design documents. The replacement culvert located near the top of the main waste embankment pile under the haul road (at the new switchback) is on-site and being prepped for installation. The new switchback located at the south side of the waste embankment pile has been constructed and additional fill material has been installed at the top pf the pile. A new drainage ditch is being constructed along the new haul road (see Pic. 5).



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The clear water and the treated water ditches, while covered with some snow accumulation, appeared to be in generally good condition (see Pic. 6). There do not appear to be any issues with any of the ditches or culverts at the time of the inspection, with the exception of the culvert replacement at the new switchback as noted in this report.

The drainage for the overall site appears to be functioning as designed. The drainage features have been constructed and will continue to function as stated in the drainage plan submitted to the Division of Reclamation, Mining & Safety once the ongoing maintenance work resulting from the significant snow accumulation has been completed.

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

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Pic. 1 – East pond.



Pic. 2 – West pond sediment gage.

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Pic. 3 – Sediment trap at driveway.

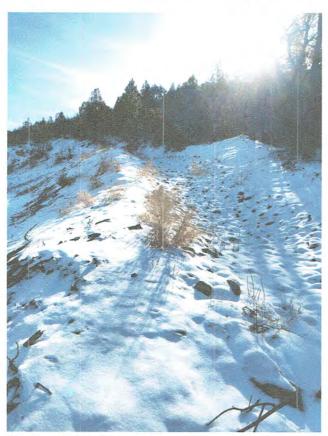


Pic. 4 – Lower waste embankment pile, not stockpiled material.

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Pic. 5 – Ditch being constructed along haul road above new switchback.



Pic. 6 - West clear water ditch.