

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

Re: King I Mine, C-1981-035

Stoner Engineering: Quarterly Inspection: Refuse Pile

"Safety as a Value"

4th 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 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

Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: D

December 17, 2020

To:

Jordan McCourt
Project Coordinator
GCC Energy, LLC

6473 County Road 120 Hesperus, CO 81326

(970) 385-4528

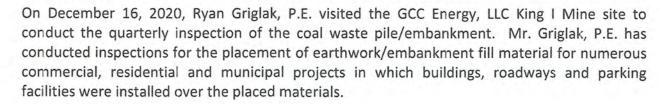
From:

Ryan Griglak, P.E. Project Manager

Stoner Engineering & Surveying

Re:

King Coal I - Quarterly Waste Pile/Embankment Inspection



Both the south treated water ditch (Reach 10) and the north clear water ditch (Reach 1) were covered in 3-4" of snow but, appeared to be in generally good condition (see Pic. 1). The face of the embankment was also covered with snow so it was not possible to identify any signs of excessive erosion, instability or weakness (see Pic. 2) though there were no visible signs of sluffing.

All the waste material has been hauled from the base of the waste embankment pile to the top and installed. The new switchback has been installed near the top of the waste embankment pile (south side) near the south treated water ditch (Reach 10) (see Pic. 3). The slope of the top of the existing pile is now much closer to that defined in the Waste Bank Design produced by Don May, 1997. The construction of the new switchback has allowed the cross slope along the top of the pile, from north to south, to be flattened significantly with the installation of additional waste material from that which was present during the previous inspection (see Pic. 4).

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.

P.O. Box 1163 Tel 970.565.7483



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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.

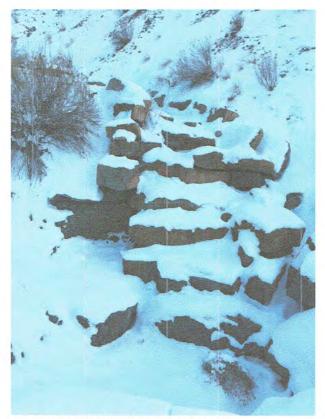
Sincerely,

Ryan M. Griglak, P.E.

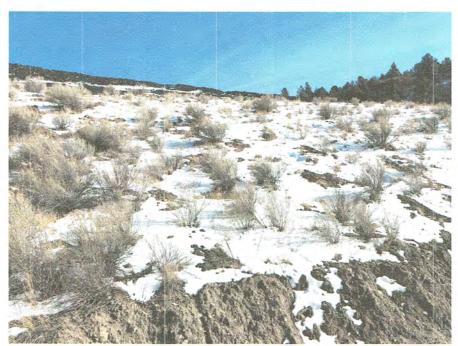
Project Manager

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Pic. 1 -Reach 10 treated water channel.



Pic. 2 - Face of waste pile covered with snow.

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Pic. 3 – New haul road heading generally north from new switchback.



Pic 4 – Top of pile with much less N-S cross slope with new haul road constructed.