

UNITED STATES
DEPARTMENT OF THE INTERIOR

This mining plan approval document is issued by the United States of America to:

GCC Energy, LLC
6473 County Road 120
Hesperus, CO 81326

for a mining plan modification to mine within Federal Lease COC-78825 at the King II Mine. The approval is subject to the following conditions. GCC Energy, LLC is hereinafter referred to as the operator.

1. Statutes and Regulations. This mining plan approval is issued pursuant to Federal Lease COC-78825; the Mineral Leasing Act of 1920, as amended (30 U.S.C. § 181 *et seq.*); and in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. § 351 *et seq.*). This mining plan approval is subject to all applicable laws and regulations of the Secretary of the Interior which are now or hereafter in force; and all such laws and regulations are made a part hereof. The operator shall comply with the provisions of the Federal Water Pollution and Control Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), and other applicable Federal laws.
2. This document approves the mining plan modification for Federal Lease COC-78825 at the King II Mine and authorizes coal development or mining operations on the Federal coal lease within the area of the mining plan approval.

COC-78825:

New Mexico Principle Meridian, Colorado:

Township 35 North, Range 11 West, N.M.P.M.

sec. 18, lots 2 thru 5, 8, 9, and 10, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and NE $\frac{1}{4}$ SW $\frac{1}{4}$;

sec. 19, lots 1, 2, 6, and 7, NE $\frac{1}{4}$ NW $\frac{1}{4}$, and N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$.

Township 35 North, Range 12 West, N.M.P.M.

sec. 13, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$;

sec. 14, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$;

sec. 15, SE $\frac{1}{4}$ SW $\frac{1}{4}$ and S $\frac{1}{2}$ SE $\frac{1}{4}$;

sec. 22, N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$,
NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$;

sec. 23, N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;

sec. 24, N $\frac{1}{2}$, SW $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$;

sec. 26, N $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$,
N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, and SE $\frac{1}{4}$ NW $\frac{1}{4}$;

sec. 27, NE $\frac{1}{4}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$.

These lands encompass approximately 2,462 acres and are shown on the mining plan approval area map attached hereto as Attachment A.

3. The operator shall conduct coal development or mining operations only as described in the complete permit application approved by the State of Colorado Division of Reclamation, Mining and Safety and the Office of Surface Mining Reclamation and Enforcement, except as otherwise directed in the conditions of this mining plan approval.
4. The operator shall comply with the terms and conditions of the lease, this mining plan approval, the requirements of the Federal Indian Lands Permit Number CO-0106C issued under 30 C.F.R. Part 750 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. § 1201 *et seq.*), and the requirements of the Colorado Permit Number C-1981-035 issued under the Colorado State Program, approved pursuant to the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. § 1201 *et seq.*).
5. This mining plan approval shall be binding on any person conducting coal development or mining operations under the approved mining plan and shall remain in effect until superseded, canceled, or withdrawn.
6. If, during mining operations, unidentified prehistoric or historic resources are discovered, the operator shall ensure that the resources are not disturbed and shall notify the Office of Surface Mining Reclamation and Enforcement. The operator shall take such actions as are required by the Office of Surface Mining Reclamation and Enforcement.
7. The Secretary retains jurisdiction to modify or cancel this approval, as required, based on further consultation with the U.S. Fish and Wildlife Service pursuant to section 7 of the Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq.*

Casey Hammond
Principle Deputy Assistant Secretary,
Land and Minerals Management
U.S. Department of the Interior

Date

Attachment

Attachment A

