



Moffat County Mining, LLC

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Ms. Robin Reilley
Environmental Protection Specialist
Division of Reclamation, Mining, and Safety
1313 Sherman Street - Room 215
Denver, Colorado 80203
(303) 866-3567 X8105

February 15, 2021

RE: Moffat County Mining, LLC. – Williams Fork Mines (Permit C-81-044), 2020 Annual Reclamation Report (ARR)

Dear Ms. Reilley:

Enclosed is the 2020 Annual Reclamation Report for the Williams Fork Mines (formerly Eagle 5 & 9 Mines). In May 2013, Moffat County Mining, LLC (MCM) submitted a request and supporting documentation to place the property in "Temporary Cessation" status (TR13-35). The CDRMS approved this request in July 2013. Under the Temporary Cessation status, no new disturbance or reclamation occurred during the period 2013 through 2016, and site activities were limited to ongoing site maintenance, monitoring under a reduced schedule, and required quarterly inspections. In November 2016, MCM notified the CDRMS of plans to initiate site reclamation activities, and the change in property status from Temporary Cessation to Active Reclamation which has been on going since.

Permitting Activity

A phase I, II, & III bond release was submitted for the Utah Tract and WF Strip Pit areas in the fall of 2018 and is pending approval. On April 29, 2019 the Minor Revision MR19-57 was approved for updating Table 66 with Pastureland/Hayland Seed Mix, a mix thought to be a much better fit for the designated areas. This activity did not result in any change in the calculated reclamation liability. In December 2020 technical revision 38 (TR38) was approved to update the reclamation plan as well as updating the acreage to reflect what is at the mine site for disturbance. This revision also added two more ponds in the Strip pit as permanent retention to be released as part of SL4. TR38 added 148.7 acres to the disturbance area. In October 2020 SL5 was submitted for a phase I bond release on the areas that have been graded, top soiled, and seeded. SL5 was approved in February 2021.

Site Activities

Late in 2016, MCM's contractor initiated limited site demolition activities, dismantling the conveyor and related structures in the 5A/6 Portal Area. The conveyor equipment and structures were staged on-site and subsequently loaded and transported to Peabody's Sage Creek property for long-term storage and potential future re-use. The site demolition activities continued during 2017 with demolition and removal of the 5A/6 portal structures, the conveyor and related structures from the 5A/6 Portal Area to the Stacking Tube and from the Stacking Tube to the Coal Silo, the Stacking Tube, the coal handling structures, and the de-icing system. The rails, ties and ballast have been removed from the rail spur, and demolition and removal of the bridge deck for the railroad bridge over the Williams Fork River has been completed.

An experienced explosive demolition contractor was hired to demolish the Stacking Tube and Coal Silo. Both were shot at the same time, with successful demolition of the Stacking Tube, however the Coal Silo did not completely collapse, and remains standing (although deflected at an angle in the planned direction of fall). The contractor developed a plan to safely complete demolition of the Silo, and the plan was reviewed by an independent third-

party engineering firm. The contractor completed demolition of the Silo during early-second quarter 2018, reinforcing steel was removed from the concrete demolition debris for salvage, and the remaining concrete debris was hauled to the 5A/6 Portal area for permanent disposal.

Other reclamation activities completed during 2018 include removal of the remaining bridge structure over the Williams Fork River; removal of the railroad scale-house and most of the rail-bed; removal, regrading, and topsoiling of the 3-cell water treatment pond system; removal of the steel framework and siding from the Shop/Warehouse Building; partial demolition and burial of the coal reclaim tunnel and burial of a portion of the remaining coal fines from the coal stockpile area, with the remainder going to the coal refuse pile; capping of the eastern-most coal refuse pile; partial backfill and regrading of the wastewater treatment ponds; and removal of the powerlines from the pole structures on the east side of State Highway 13.

In 2019 contractors continued to reclaim the site. The ballast from the railroad bed was pile onsite and washed for reuse off site by the contractor. The warehouse/ shop buildings and associated foundations were removed in 2019. Both buildings were disassembled for use at a later date. The concrete foundations were crushed, and the rebar was separated out. The rebar was hauled off as scrap metal and the concrete was placed in the 5A portal. The entire west side of Highway 13 was graded out to final grade and topsoil was place throughout at an average of 8 inches. MCM was only able to get half of the top soiled areas seeded prior to winter hitting. The area was seed with the recently approved hayland mix with the anticipation of the land being irrigated to produce a hay crop. The coal refuse pile was capped with two feet of cover material in the fall of 2019.

In 2020 reclamation was put on hold due to pandemic conditions that limited cashflow and contractor availability. In the fall of 2021 seeding commenced to finish the seeding of the river bottom parcels. In late fall it was decided to finish the reclamation of the refuse pile as contractors became available. The refuse pile was covered and topsoil but was not seeded. Seeding is planned for spring of 2021.

Monitoring and Maintenance

During 2006, the frequency of surface and ground water monitoring was increased to provide updated hydrologic information, in the event that Peabody Energy (MCM's parent company) decided to pursue further exploration and feasibility evaluations for the Williams Fork property, and the more intensive hydrologic monitoring continued during 2007 through 2012. The monitoring program was scaled-back during the period of limited activity from 2013 through 2016, and then returned to the full monitoring schedule once active reclamation activities were initiated in late 2016.

Ongoing maintenance activities include inspection and clean-out of drainage structures (as needed), and focused weed control activities under our Noxious Weed Management Program. Limited rodent-control activities occurred during 2020.

In 2020, weed spraying was completed by the site agricultural leasee as well as Peabody summer hires. Primary targeted weed species included Russian knapweed, hoary cress (white-top), Canadian thistle, and hound's-tongue. Selective herbicide applications utilized Roundup, Ammonium Sulfate, Intense, Liberate, Escort, and Activator 90. Spot or aerial spraying was conducted in May and October, and covered a total of approximately 150 acres. The agricultural leasee also treated, plowed, and planted previously farmed areas to the east of the 5A/6 Portal Area as part of an ongoing program to improve the condition and productivity of rangelands within the Permit Area. The agricultural leasee did not provide spray logs for his on-site work.

Land Management and Bond Release

In order to address practical funding limitations relative to ongoing site maintenance, and with the objective of enhancing the condition of selected rangelands within the Permit Area (undisturbed - Williams Fork bottom, the plateau area south of the 7-North Angle Well, and the hillside to the east and south of the old highway, and in the future, bond release areas), MCM contracted with a local rancher (Jake Timmer). The Agricultural Use Agreement addresses ongoing weed and rodent control, tillage, and selective seeding and harvest of beneficial nitrogen-fixing and grain crops, in return for the revenues from the resulting grain and hay crops and the ability to use the selected

areas for limited late-season grazing. These activities were initiated in 2015, continued through 2019. Due to reclamation in the river bottom the agriculture lease for that area was terminated for the protection of the fresh reclamation.

A bond release application was prepared for submittal in September 2016 for several areas that had been reclaimed, including the Williams Fork Strip Pit, Utah Tract, and several smaller areas. After initial review, the bond release was put on hold since some of the revegetation success sampling was considered outdated. Subsequently, MCM contracted with ESCO Associates and their successor, Cedar Creek Associates, to complete supplemental revegetation success sampling, consistent with applicable permit requirements, and in support of a pending bond release application. The sampling effort included; Utah Tract (pre- and post-law), Williams Fork Strip Pit (pre- and post-law), No. 5 Mine Portal Area, No. 9 Mine Portal, Shop and Refuse Pile Areas, other miscellaneous reclaimed areas (Bathhouse and Office Area, Brasell-Simms Building, and Reclamation Storage Building). Revegetation success sampling was conducted in 2014 and 2015, and the final sampling report was received in third-quarter 2016. Based on favorable sampling results, MCM submitted a bond release for the areas. The bond release inspection took place in June of 2019 and is pending approval.

Following seeding of the river bottom in 2020, a phase I bond release (SL5) was submitted for areas that have been seeded. This included 176.7 acres of phase one parcels. This bond release was approved in February of 2021.

Attached are copies of the standard form (CDRMS) Annual Reclamation Report for 2020. Please note that this report incorporates a number of minor changes and updates resulting from the Division's review of recent ARR's and the result of TR38. If you have any questions or require further information, please feel free to contact me at your convenience.

Sincerely,
For Moffat County Mining, LLC

Miranda Kawcak

Miranda Kawcak
Environmental Manager

Colorado Division of Reclamation, Mining and Safety

Annual Reclamation Report for Calendar Year – _____

Mine Name	Permit Number	Permittee
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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 Category	Last Year's Cumulative Total (from last year's ARR)	This Calendar Year			Cumulative Total
		Acres Added (+)	Acres Subtracted (-)		
Acreage in Active Mining Areas ¹				=	

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

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

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

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

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).