



February 17, 2021

Kurt Blunt
Blue Mountain Energy, Inc.
3607 County Rd. 65
Rangely, CO 81648

RE: Deserado Mine, Permit No. C-1981-018
4th Quarter 2020 Professional Certification for the Coal Processing Waste Banks

Dear Kurt,

The Division of Reclamation, Mining and Safety (the Division) has reviewed the Professional Certification for the Coal Processing Waste Banks for the 4th quarter of 2020. The report was received on February 4, 2021. The Division finds the report to be in compliance with the following Rules:

4.10.2(1) – The coal waste banks were inspected, on behalf of the person conducting surface coal mining operations, by a qualified registered engineer.

4.10.2(2)(a) – The inspection was conducted quarterly as required by the Division.

4.10.2(2)(b) – The inspection included observations necessary to evaluate the potential hazard to human life and property, to ensure that all organic material and topsoil have been removed and that proper construction and maintenance are occurring in accordance with the plan submitted under Rule 2.05.3(8) and approved by the Division.

4.10.2(2)(c) – The engineer considered the steepness of the slopes, seepage, and other visual factors which would indicate potential failure, and the results of failure with respect to the threat to human life and property.

4.10.2(2)(d) – Copies of the inspection findings are maintained at the mine site.

4.10.2(3) – There were no potential hazards identified in the 4th Quarter Professional Certification for the Coal Processing Waste Banks.

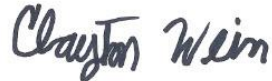


Maintenance work conducted during the 4th quarter included stockpiling refuse on RP-A. Spreading and compacting the winter stockpiles of refuse on RP-2/3/4 and RP-5a had been completed for the season. There were no indications of seepage or any indications of slope failure. The slopes of the piles are stable and only some localized erosion has occurred. The surface drainage facilities are properly conveying surface runoff from the refuse bank areas.

Please inform the Division if any compaction tests were performed during the 4th quarter.

This concludes the Division's review of the 4th Quarter 2020 Professional Certification of the Coal Processing Waste Banks for the Deserado Mine. If you have any questions, please contact me at (303)-866-3567 x 8144 or clayton.wein@state.co.us.

Sincerely,

A handwritten signature in dark ink that reads "Clayton Wein". The signature is written in a cursive, slightly slanted style.

Clayton Wein
Environmental Protection Specialist