





January 13, 2022

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

Attn: Janet Binns, Environmental Protection Specialist III

Re: GCC Energy, LLC, King II Mine CDRMS Permit # C-1981-035

Stoner Engineering: Quarterly Inspection: Refuse Pile

4th Quarter 2021

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 2021.

Please contact me at 505.238.8272 or svance@gcc.com if you have any questions or require any additional information.

Sincerely,

Sarah Vance

Environmental Manager

GCC Energy, LLC

Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: December 17, 2021

To: Jordan McCourt

Project Coordinator GCC Energy, LLC

6473 County Road 120 Hesperus, CO 81326

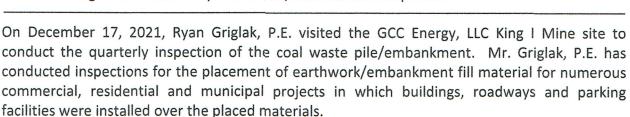
(970) 385-4528

From: Ryan Griglak, P.E.

Project Manager

Stoner Engineering & Surveying

Re: King Coal I – Quarterly Waste Pile/Embankment Inspection



There was little to observe of the existing ditches and drainage features for the embankment waste pile due to the existing snow cover at the time of the inspection (see Pic. 1). The existing ditches were filled in with wind blown snow and most culverts were barely visible (see Pic. 2).

There has been minimal placement of additional waste material at the top of the main waste embankment pile since the previous inspection. There does not appear to be significant additional material installed on the lower pile either. There was no stockpiled material located on neither upper waste pile nor the lower waste embankment pile at the time of the inspection (see Pic. 3). The slope of the top of the existing pile is now closer to that defined in the Waste Bank Design produced by Don May, 1997.

The face of the embankment was not visible due to snow cover though there were no signs of excessive erosion, instability, sloughing or weakness observed on the face of the embankment of either of the waste embankment piles at the time of the inspection (see Pic. 4).



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The only structure with any proximity to the embankment material is the old, abandoned bath house which is no longer utilized and a newly installed, temporary fueling/fuel storage station. A temporary construction/project office trailer has been located in the area of the mine rescue training area (south of the east sediment pond). The job trailer is located 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.

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 and the temporary construction office is located away from the waste embankment pile.

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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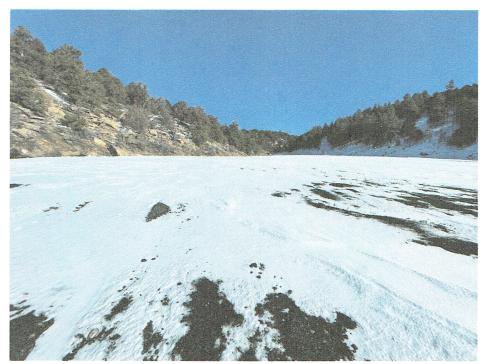
Pic. 1 – Upper embankment pile covered in snow.



Pic. 2 – Reach 10 treated water channel covered in snow.

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Pic. 3 – Main waste pile no stockpiled materials.



Pic 4 – Face of the main waste pile covered in snow. No sign of slides.