11783 Highway 337 S.
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svance@gcc.com

April 6, 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
1st Quarter 2022

Ms. Binns:

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine refuse pile/embankment for the 1st quarter of 2022.

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: April 6, 2022

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

On March 30, 2022, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the coal waste pile/embankment. Mr. Griglak, P.E. has conducted inspections for the placement of earthwork/embankment fill material for numerous commercial, residential and municipal projects in which buildings, roadways and parking facilities were installed over the placed materials.

The south treated water ditch (Reach 10) and the south clear water ditch (Reach 1) are in generally good condition but, require some cleaning as a result of the recent thawing/melting of the snow. There has been some erosion of the bank located north of the clear water ditch that needs to be cleaned out to maintain ditch capacities (see Pic. 1). There has also been some soil sloughing of the embankment material located at the downstream side of the culvert under the haul road located at the upper switchback (see Pic. 2). Snow removal at the northeast corner of the lower waste pile has resulted in the waste pile material being pushed against the clear water ditch (see Pic. 3). This will potentially allow treated runoff to enter the clear water ditch during a storm event. The waste pile should be pulled away from the clear water channel to prevent treated runoff from entering the channel.

There does not appear to have been any waste material placed at the top of the main waste embankment pile since the previous inspection. There has been additional material placed on the lower pile. 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 appeared to be in generally good condition. 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 –Reach 1 clear water channel with soils from erosion.

Pic. 2 –Culvert under haul road, upper switchback-downstream side.

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Pic. 3 – NW corner of lower waste encroaching into clear water channel.

Pic 4 – Face of the main waste pile in good condition.

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