





June 27, 2023

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

Attn: Environmental Protection Specialist III

Re: GCC Energy, LLC, King II Mine

CDRMS Permit # C-1981-035

Stoner Engineering: Quarterly Inspection: Refuse

Pile 2nd Quarter 2023

Dear Sir:

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I mine refuse pile/embankment for the 2nd quarter of 2023.

Please contact me at 970.385.4528 or jmccourt@gcc.com if you have any questions or require any additional information.

Sincerely,

Jordan McCourt Project Coordinator

Jordan McCourt

GCC Energy, LLC

Engineering, Testing & Surveying

Date:

June 20, 2023

To:

Jordan McCourt Project Coordinator GCC Energy, LLC

6473 County Road 120 Hesperus, CO 81326 (970) 385-4528

From:

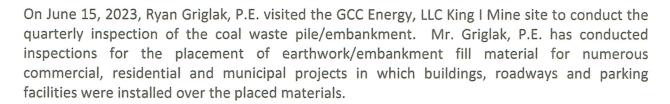
Ryan Griglak, P.E.

Project Manager

Stoner Engineering & Surveying

Re:

King Coal I – Quarterly Waste Pile/Embankment Inspection



The south treated water ditch (Reach 10) as well as the north clear water ditch (Reach 1) were found to be in generally good condition. The north clear water ditch has experienced some sedimentation/localized erosion as a result of the spring snow melt. The culverts located under the haul road at both the north and south switchbacks (along the face of the main waste pile) were clogged with sediment and need to be cleaned (see Pic. 1 and 2). It is unclear if the culvert along the north side of the pile has been repaired as noted in the previous inspection report.

There has been additional waste material placed at the top of both the main waste embankment pile and the lower waste embankment pile since the previous inspection (see Pic. 3 & 4). The treated water ditch needs to be extended along the south side of the interface between the main waste embankment pile/existing hillside. The surface runoff is directed to this area and without the armored channel, significant erosion may occur during storm events (see Pic. 5). The surface grading of the waste embankment piles appears to direct surface runoff away from the face of the piles and the required berming is in place. The slope of the top of the existing pile is close to that defined in the Waste Bank Design produced by Don May, 1997.



Engineering, Testing & Surveying

The face of the upper and lower waste embankments appeared to be in generally good condition. There were no signs of excessive erosion, instability, sloughing or weakness observed on the face of either of the waste embankment piles at the time of the inspection (see Pic. 6).

The only structure with any proximity to the embankment material is the old, abandoned bath house which is no longer utilized.

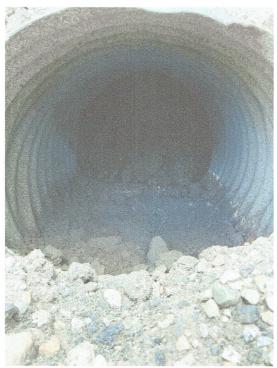
The waste pile has been and continues to be constructed and maintained as specified in the design approved by the Division of Reclamation, Mining & Safety. Potential hazards to life and property are minimal due to the fact that GCC has moved most of their operations to their King II facility.

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

Engineering, Testing & Surveying



Pic. 1 –Culvert, North switchback, main waste pile haul road.



Pic. 2 –Culvert South switchback, main waste pile haul road.

Engineering, Testing & Surveying

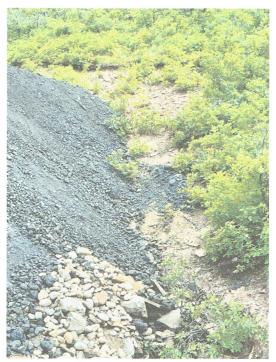


Pic. 3 – Lower waste pile stockpile.



Pic. 4 – Upper waste pile stockpile.

Engineering, Testing & Surveying



Pic. 5-South side of main waste pile surface runoff point, no erosion protection.



Pic. 6-Face of main waste pile.