



January 24, 2024

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

Attn: Environmental Protection Specialist

Re: GCC Energy, LLC, King II Mine CDRMS Permit # C-1981-035 Stoner Engineering: Quarterly Inspection: King I Water Quality Improvements Inspection 4th Quarter 2023

Mr. Wein:

Please find enclosed a copy of Stoner Engineering's Quarterly Inspection report of the King I water quality improvement inspection for the 4th quarter of 2023.

Please contact me at 970.385.4528 ext. 6540, or mdickson@gcc.com if you have any questions or require any additional information.

Sincerely,

Michael Dickson

Michael Dickson Mine Engineer GCC Energy, LLC Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: December 12, 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 Water Quality Improvements Inspection

On December 11, 2023, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the water quality features installed to prevent contaminated storm water runoff from escaping the site in events smaller than the 100-year storm event.

Both ponds held some water (frozen) at the time of the inspection. The water levels in the ponds appeared to be slightly less than the previous inspection though it was difficult to ascertain due to the drifted snow and ice (see Pic. 1). The removal of the excess waste material within the West pond appears to be at the same level of completion, likely due to the water levels within the pond this fall. As conditions improve and the pond dries out, the excess material (sediment) should be removed. While the excess material should be removed as soon as possible to ensure adequate pond capacity for runoff/storm events, the ponds overall capacity appears adequate. The sedimentation traps at the entrance to the site are generally in good condition.

The existing ditches and culverts appear to be generally in good condition though most are covered with snow (see Pic. 2). The visible culverts were clear of sediment (see Pic. 3). The culvert for the West clear water ditch (Reaches 3 & 6) which discharges into the North clear water ditch appears to still be in need of cleaning. The only ditch not covered with snow was the lower section of the North clear water ditch (see pic. 4).

Waste material has been placed primarily on the upper waste pile since the previous inspection. Surface grading appears to direct runoff away from the face of both waste piles and the required berming is in place.



The drainage for the overall site is capable of functioning as designed. There were no maintenance issues noted that would inhibit the site to function as designed.

The drainage features have been constructed and will continue to function as stated in the drainage plan submitted to the Division of Reclamation, Mining & Safety once the noted maintenance items have been addressed.

Please let me know if you have any additional questions or concerns in regards to the issues that are discussed above.

Sincerely,

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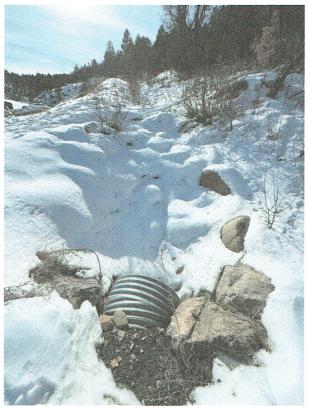
Ryan M. Griglak, P.E. Project Manager



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Pic. 1 – Water/snow level, West pond.

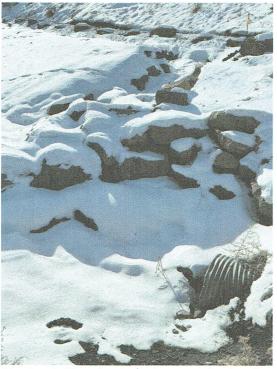


Pic. 2 – West clear water ditch.

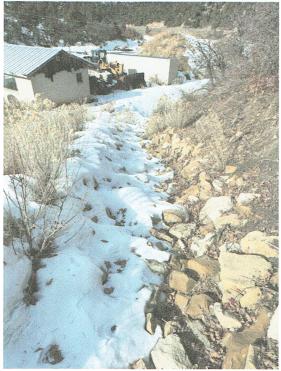
P.O. Box 1163 Tel 970.565.7483



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Pic. 3 – Stilling basin/culvert under haul road, base of lower pile.



Pic. 4 –Lower section of the North clear water ditch.