

6473 County Road 120
Hesperus, CO 81326

970.385.4528 ext. 6540
mdickson@gcc.com



April 15th, 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: Refuse Pile 1st Quarter 2024

Mr. Wein:

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 2024.

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

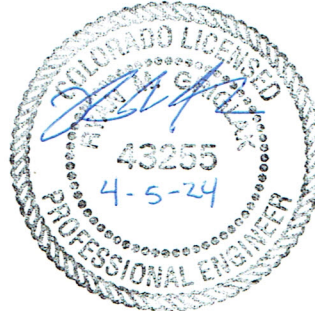
Michael Dickson
Mine Engineer
GCC Energy, LLC

Stoner Engineering & Surveying

Engineering, Testing & Surveying

Date: April 5, 2024

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 29, 2024, 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) experienced some limited erosion along the upper section. The channel section needs to be extended up the existing slope and the channel section improved to minimize the potential for erosion (see Pic. 1). The north clear water ditch (Reach 1) was found to be in generally good condition. There was some minor cracking at the base of the armored section of the channel that should be monitored to ensure that it does not continue to progress (see Pic. 2). The Reach 10 culvert under the haul road at the base of the main waste pile needs to be cleaned out.

The waste embankment pile levels appear to be unchanged since the previous inspection. The grading of the waste embankment piles appear 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.

The face of the upper and lower waste embankments appeared to be in good condition (see Pic. 3 & 4). There were no signs of instability or sloughing observed on either waste embankment pile at the time of the inspection.



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,

A handwritten signature in blue ink, appearing to read "R. Griglak", is positioned above the printed name.

Ryan M. Griglak, P.E.
Project Manager



Pic. 1 –Upper section Reach 10, channel improvements needed.



Pic. 2 – Minor cracking, lower armored section of Reach 1.

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Pic. 3 – Face of lower waste embankment pile.



Pic. 4 – Face of the main embankment waste pile.