6473 County Road 120
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mihael@summitmining.co

October 9th, 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 3rd 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 3rd quarter of 2024.

Please contact me at the contact information listed in the header, or Jordan McCourt at jmccourt@gcc.com if you have any questions or require any additional information.

Sincerely,

Michael Dickson

Stoner Engineering & Surveying
Engineering, Testing & Surveying

Date: October 4, 2024

To: Jordan McCourt
Project Coordinator
GCC Energy, LLC
6473 County Road 120
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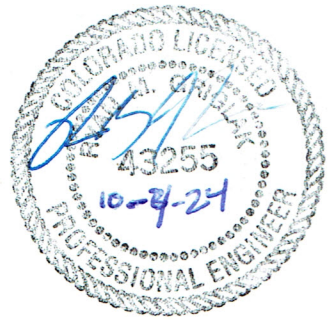

From: Ryan Griglak, P.E.
Project Manager
Stoner Engineering & Surveying

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

On September 30, 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) ditch experienced some erosion issues during the recent storm events (see Pic. 1) while the north clear water ditch (Reach 1) appeared to be in generally good shape. The erosion of the south, treated water ditch allows water to escape the channel section east of the south haul road switchback. This water has eroded a portion of the adjacent slope before the topography directs the flows back into the treated water ditch downslope. There was also a section above where the runoff washed riprap down the slope (see Pic. 2). The underlayment held in place but, the riprap should be reinstalled potentially utilizing more angular material. These sections of the ditch need to be repaired, re-established to minimize the potential for erosion.

The face of the upper waste embankment pile was found to be in generally good shape (see Pic. 3). There were no signs of instability or sloughing observed on the main waste embankment pile at the time of the inspection.

Additional fill material has been placed to the face of the lower waste pile and the washed-out portion of the face has been repaired (see Pic. 4). The face of the lower waste pile is at a consistent height and the required berming is in place at the top of the pile to direct runoff away from the face of the embankment pile.

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The upper waste embankment pile level appears to be unchanged since the previous inspection. The grading of the upper waste embankment piles appears to direct surface runoff away from the face of the piles and the required berming is in place. The berming at the south end of the face for the upper waste pile has been improved to prevent surface runoff from eroding the corner of the pile before being captured in the treated water ditch.

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

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Pic. 1 –Reach 10, runoff escapes channel section near south switchback.

Pic. 2 – Reach 10, upper section channel riprap washed down slope.

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Pic. 3 – Face of the upper waste pile is in good shape.

Pic. 4 – Face of the lower waste pile has been repaired.

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