

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE			
Permit Number	C/007/005	Report Date	April 29, 2013
Mine Name	Skyline Mines		
Company Name	Canyon Fuel Company, LLC		
Excess Spoil Pile or Refuse Pile Identification	Pile Name	Skyline Waste Rock Site	
	Pile Number	1211-UT-09-01566-01	
	MSHA Mine ID Number	42-01566	
Inspection Date	March 23, 2013		
Inspected By	Gregg Galecki / Carl Winters		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)		Quarterly	
		Attachments to Report? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
Field Evaluation			
<u>No significant problems with the waste site were observed during the 1st quarter 2013.</u>			
1. Foundation preparation, including the removal of all organic material and topsoil. No contemporaneous reclamation was performed at the site during the quarter.			
2. Placement of underdrains and protective filter systems. No underdrains are present or required at this site. Areas that are to final grade are capped with the prescribed amount of topsoil, seeded, top-dressed with straw, then held in place with a matting material.			
3. Installation of final surface drainage systems. Existing surface is not at final contour. Therefore, final surface drainages have not yet been constructed. All surface runoff from the refuse pile is treated by the sediment pond. No water is allowed to impound on the pile. Runoff from the main access road below the sediment pond is treated by straw bale and silt fence dikes.			
4. Placement and compaction of fill materials. A total of approximately 1358 tons of rock from the Winter Quarters Ventilation Facility (WQVF) was hauled to the site during the 1 st quarter 2013. Waste rock from the Winter Quarters area is stockpiled at the Waste Rock site. Once a sufficient amount of waste rock has accumulated, the material is placed in lifts of 24-inches or less and compacted in place using a tracked dozer and sheeps-foot roller or another method to insure stabilization at final placement.			
5. Final grading and revegetation of fill. When the waste rock is placed permanently, contemporaneous reclamation of the waste rock pile will take place as the site is backfilled. The backfill slopes are built to 1 1/2h:1v or less and seeded as described in the final reclamation plan. The seed mix specified in the Reclamation Plan is planted after the placement of topsoil.			
6. Appearances of instability, structural weakness, and other hazardous conditions. No obvious instability or structural weakness was noted during the 1 st quarter 2013 inspection. No signs of slumping or heaving were observed. Material being brought to the site will be placed against the highwall to minimize the highwall exposure. No hazardous conditions were noted on the highwall during the inspection.			

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The sedimentation pond retained only minor water, not covering the entire bottom of the pond. The pond was cleaned of sediment during the 3rd quarter 2012– increasing the sediment storage capacity.

All drainage ditches were functioning as designed. A water bar that needed minor repairs was addressed.

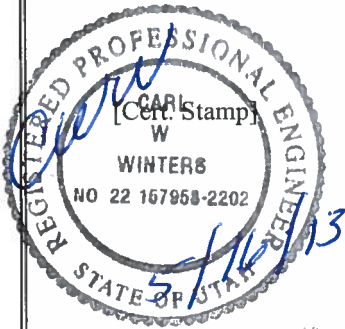
No hazardous conditions were observed at the time of the inspection.

7. **Other Comments.** Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

Historic records indicated the total storage capacity was approximately 334,125 tons. An application to expand the size of the refuse pile was approved February 29, 2008. A portion of the expansion area has been used for topsoil storage. Approximately 1358 tons of material was hauled to the site during the 1st quarter 2013. This material is being placed along the highwall of the pit to minimize the vertical exposure. Most of the pit highwall is now completely backfilled, with approximately half the current footprint remaining to be filled prior to moving into the 2008 expansion area.

Certification Statement

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself, or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



By: Carl W. Winters, Engineering Manager

(Full Name and Title)

Signature

Carl W. Winters Date: April 30, 2013