

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

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Quarterly Inspection Form - Refuse Disposal Areas

(please provide to DOGM promptly after inspection is complete)

Permit Number : C/007/005 Inspection Date : June 6, 2014
Mine Name : Skyline Mine Quarter / Year : Q02/Y2014
Mine Operator (Permittee) : Canyon Fuel Company, LLC Inspector Name : Carl W. Winters
MSHA ID # : 42-01566; Pile 1211-UT-09-01566 Inspector Signature: *Carl W. Winters*
Facility Name / Location / Address : 7 miles SW of Scofield, Utah. HC35 Box 380, Helper, Utah 84526

1. Describe any changes in the geometry of the structure (as well as instrumentation, if any, used to monitor changes):
No obvious instability or structural weakness was observed during the 2nd Quarter 2014 inspection. No signs of slumping or heating were observed. The previously exposed highwall has been backfilled. No instrumentation is used at the site.

2. Lift Height / Thickness Avg 2-ft Maximum # _____ Elevation of Active Benches : _____

3. Vertical Angle of Outslope(s) / Location(s) where measured 1 1/2h:1v / _____ / _____

4. Total storage capacity: 334,125 tons (cu) Remaining storage capacity site expansion is Volume placed during year : 1443 tons

5. Describe foundation preparation (including removal of vegetation, stumps, topsoil, and all other organic material) :
The Refuse Pile is currently disturbed, and material placement is occurring in previously disturbed areas.

6. Describe placement and compaction of fill materials (including an explanation of how compaction is confirmed) :
Only 1443 tons were placed in the Refuse Pile during the 2nd Quarter 2014. Materials is typically stockpiled in preparation of placement. Once a sufficient amount of waste rock has accumulated, the material is placed in lifts of 24-inches or less and com

7. Is there any evidence of fires or burning on the structure ? (If YES, specify extent, location, and abatement/extinguishment of such fires) :
There is no evidence of fires or burning on the refuse pile.

8. Describe placement of under drains, protective filter systems, and final surface drainage systems (report any seepage, including location, color, flow) :
No under-drains are present or required at the site. Areas that are to final grade are capped with the prescribed amount of topso

9. Describe any appearances of instability, structural weakness, or other hazardous conditions :
No obvious instability or structural weakness, or other hazardous conditions were noted during the 1st Quarter 2014 inspection

10. Please provide any other information pertaining to the stability of the structure (attach any photos taken during the inspection)

Are there cracks or scarps in crest ? YES NO

Is there any detectable sloughing or bulging ? YES NO

Do slope erosion problems exist ? YES NO

Cracks or scarps in slope ? YES NO

Surface movements? (valley bottom, hillsides) YES NO

Erosion of Toe ? YES NO

Water impounded by structure ? YES NO

Are diversion ditches stable? YES NO functioning as designed, additional rip-rap was added for armouring.

Is drainage positive ? YES NO

Could failure of structure create an impoundment (provide description) ? Yes. Failure of the south slope could dam a small ephemeral stream.

Are design standards established within the mining and reclamation plan for the disposal facility being met ?
Yes

Proctor Determination : N/A

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 structure; that the fill structure has been maintained in accordance with the approved design and meets or exceeds 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.

