C/007/035 Incoming
OK

Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

January 26, 2012

Daron Haddock
Utah Division of Oil, Gas & Mining
1594 W. North Temple, Suite 1210
Salt Lake City, Utah 84116

RE: 4th Quarter 2011 Inspection Report
Sunnyside Refuse Pile C/007/035

Dear Daron:

Please find enclosed a copy of the Fourth Quarter 2011 Inspection Report for Sunnyside Cogeneration Associates' impoundments, refuse pile and excess spoil areas.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Richard Carter
Agent For
Sunnyside Cogeneration Associates

c.c. Steve Gross
Maggie Estrada
Rusty Netz
Plant File

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

GENERAL INFORMATION **Railcut Sediment Pond**

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	RailCut Sediment Pond
Impoundment Number	007
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 4.8 Acre-feet
Pond bottom elevation = 6206.0
100% Sediment Storage Volume = 0.34 acre-feet at Elevation 6209
60% sediment Storage Volume = 0.2 acre feet at Elevation = 6207.7
Existing Sediment Elevation = 6207.2 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6209.07
Emergency Spillway Elevation = 6212.34

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had very little water in it. No samples were taken Pond did not require decanting
Sediment levels were good
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Rail Cut Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Very little water was impounded
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nity Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Old Coarse Refuse Road Sediment Pond

GENERAL INFORMATION

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Old Coarse Refuse Road Sediment Pond
Impoundment Number	008
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 0.9 Acre-feet
Pond bottom elevation = 6394.0
100% Sediment Storage Volume = 0.08 acre-feet at Elevation 6395.1
60% sediment Storage Volume = 0.05 acre feet at Elevation = 6394.75
Existing Sediment Elevation = 6394.4 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6395.75
Emergency Spillway Elevation = 6399.4

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken Pond did not require decanting.
Sediment level was good.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Old Coarse Refuse Road Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Some water was impounded
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Pasture Sediment Pond

GENERAL INFORMATION

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Pasture Sediment Pond
Impoundment Number	009
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 3.2 Acre-feet
Pond bottom elevation = 6484.5
100% Sediment Storage Volume = 0.42 acre-feet at Elevation 6486.2
60% sediment Storage Volume = 0.25 acre feet at Elevation = 6485.5
Existing Sediment Elevation = 6485.1 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6486.6
Emergency Spillway Elevation = 6490.6

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken Pond did not require decanting.
Sediment level was good
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Pasture Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure were observed.
Some water was impounded
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER # 187727 S. SCOTT CARLSON 1/2012 STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Coarse Refuse Toe Sediment Pond

GENERAL INFORMATION

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	New Coarse Refuse Toe Sediment Pond
Impoundment Number	012
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 1.6 Acre-feet
Pond bottom elevation = 6176.0
100% Sediment Storage Volume = 0.07 acre-feet at Elevation 6177.8
60% sediment Storage Volume = 0.03 acre feet at Elevation = 6177.0
Existing Sediment Elevation = 6176.6 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6178.2
Emergency Spillway Elevation = 6183.63

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken Pond did not require decanting
Sediment level was good
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Coarse Refuse Toe Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Some water was impounded
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

GENERAL INFORMATION **Coal Pile Sediment Pond**

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Coal Pile Sediment Pond
Impoundment Number	014
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 1.5 Acre-feet
Pond bottom elevation = 6473.0
100% Sediment Storage Volume = 0.5 acre-feet at Elevation 6476.0
60% sediment Storage Volume = 0.3 acre feet at Elevation = 6474.7
Existing Sediment Elevation = 6474 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6476.0
Secondary Dewatering Orifice = 6477.2
Primary Spillway Elevation = 6477.9
Emergency Spillway Elevation = 6479.0

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken Pond did not require decanting.
Sediment level was good.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Coal Pile Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Some water was impounded
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Ritz Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Borrow Area Sediment Pond

GENERAL INFORMATION

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Borrow Area Sediment Pond
Impoundment Number	016
UPDES Permit Number	UT024759
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 8.3 Acre-feet
Pond bottom elevation = 6510.0
100% Sediment Storage Volume = 2.3 acre-feet at Elevation 6514.3
60% sediment Storage Volume = 1.4 acre feet at Elevation = 6513.3
Existing Sediment Elevation = 6511 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Pipe = 6514.3
Emergency Spillway Elevation = 6517.03

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had no water in it. No samples were taken
Sediment level was good. Pond did not require decanting.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Borrow Area Sediment Pond

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
No water was impounded
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Netz Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs 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 in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Coarse Refuse Pile

GENERAL INFORMATION

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Coarse Refuse Pile
Pile Number	N/A
MSHA ID Number	1211-UT-09-02093-01

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

Attachment to Report? (such as refuse sample analysis or photos) **NO**

Field Evaluation

1. Foundation preparation, including the removal of all organic material and topsoil.

   N/A

2. Placement of underdrains and protective filter systems.

   N/A

3. Installation of final surface drainage systems

   N/A

4. Placement and compaction of fill materials

   N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

   N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

   No aspects of the Fill structure were observed that could affect its stability or functionality

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Coarse Refuse Pile

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

Refuse material is actively being excavated and removed from various locations across the top of the pile

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect 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 meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Naty Date: 1/26/12

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 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.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

GENERAL INFORMATION **Excess Spoil Disposal Area #1**

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Excess Spoil Disposal Area #1
Pile Number	N/A
MSHA ID Number	1211-UT-09-02093-04

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

Attachment to Report? (such as refuse sample analysis or photos) **No**

Field Evaluation

1. Foundation preparation, including the removal of all organic material and topsoil.

   N/A

2. Placement of underdrains and protective filter systems.

   N/A

3. Installation of final surface drainage systems

   N/A

4. Placement and compaction of fill materials

   Approximately 27,265 tons of material were placed during the quarter.

5. Final grading and revegetation of fill.

   N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

   No aspects of the Fill structure were observed that could affect its stability or functionality

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Excess Spoil Disposal Area #1

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

Construction of the fill has been proceeding in shallow lifts in general conformance with the approved plan.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect 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 meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Ney Date: 1/26/12

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 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.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
2012
STATE OF UTAH

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

GENERAL INFORMATION **Excess Spoil Disposal Area #2**

Report Date	January 19, 2012
Permit Number	C/007/035
Mine Name	Sunnyside Refuse and Slurry
Company Name	Sunnyside Cogeneration Associates

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Excess Spoil Disposal Area #2
Pile Number	N/A
MSHA ID Number	1211-UT-09-02093-05

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

Attachment to Report? (such as refuse sample analysis or photos) **YES**

Field Evaluation

1. Foundation preparation, including the removal of all organic material and topsoil.

   Existing disturbed site. No additional topsoil removal is required by the approved plan

2. Placement of underdrains and protective filter systems.

   No under-drains or filters are required by the approved plan

3. Installation of final surface drainage systems

   N/A

4. Placement and compaction of fill materials

   No new material was placed in this disposal area during the quarter.

5. Final grading and revegetation of fill.

   N/A

6. Appearances of instability, structural weakness, and other hazardous conditions

   No aspects of the Fill structure were observed that could affect its stability or functionality

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Excess Spoil Disposal Area #2

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

SCA has begun reclamation work on Phase 1 of this Disposal Area. Subsoil materials are being excavated from the proposed Phase 2 area to provide approximately 3 ft of cover over the spoil materials. Salvaged Topsoil and clean borrow material will provide the top (4th) foot of cover.

SCA has submitted a permit amendment for expansion of this Disposal Area into Phase 2 and 3 areas. The Division response on this amendment is expected soon.

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect 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 meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Roty Date: 1/26/12

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 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.

By: S. Scott Carlson, PE, Twin Peaks, P.C.
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Reclamation work occuring on Excess Spoil Disposal Area #2 – Phase 1

Dec 2011

Reclamation work occuring on Excess Spoil Disposal Area #2 – Phase 1

Dec 2011

Subsoil removal (south east of reclamation area – at location of Excess Spoil Disposal Area #2 – Phase 2) Dec 2011