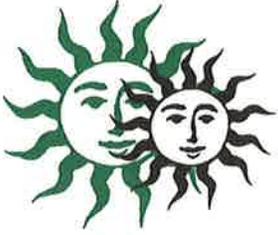


C/007/035 Incoming ✓



## Sunnyside Cogeneration Associates

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

October 19, 2016

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

RECEIVED

OCT 21 2016

DIV. OF OIL, GAS & MINING

RE: 3rd Quarter 2016 Inspection Report  
Sunnyside Refuse Pile C/007/035

Dear Daron:

Please find enclosed a copy of the Third Quarter 2016 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.

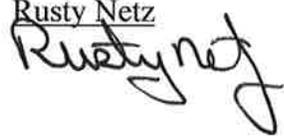
Thank You,

Gerald Hascall  
Agent For  
Sunnyside Cogeneration Associates

c.c. Rusty Netz  
Plant File

# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035  
Mine Name: Sunnyside Refuse and Slurry  
Mine Operator (Permittee): Sunnyside Cogeneration Associates  
MSHA ID Number: N/A  
Impoundment Name: RailCut Sediment Pond #007  
UPDES Permit Number: UT024759

Inspection Date: Sept 23, 2016  
Third Quarter 2016  
Inspector: Rusty Netz  
Signature: 

## IMPOUNDMENT INSPECTION

### 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 = 6207.5 +/-

### 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 out slopes of embankments, etc.*

Pond was full and discharging due to storms which brought approximately 6-inches of rain in about 24 hours. Samples were taken. Visual observation indicates expectation that discharge water quality should be within UPDES requirements.

Sediment levels were good

Embankment conditions were good. Vegetation on out slopes was adequate.

Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

## 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

Pond was full to discharge spillway elevation

No other aspects of the impounding structure were observed that could affect its stability or functionality.

# QUARTERLY INSPECTION FORM – IMPOUNDMENT

## Rail Cut Sediment Pond

### 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

Discharge samples were taken Sept 23, 2016. Results are not yet available, but expected to be within UPDES limits.

### 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

Affix Signature, Stamp and Date



# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: N/A Signature: Rusty Netz  
Impoundment Name: Old Coarse Refuse Road Sediment Pond #008  
UPDES Permit Number: UT024759

## IMPOUNDMENT INSPECTION

### 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 = 6394.5 +/-

#### 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 cleanup, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

Pond was full due to storms which brought approximately 6-inches of rain in about 24 hours. Pond was decanted and samples were taken. Visual observation indicates expectation that discharge water quality should be within UPDES requirements.

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.

## 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

Pond was full. Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUARTERLY INSPECTION FORM – IMPOUNDMENT**

**Old Coarse Refuse Road Sediment Pond**

**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**

Discharge samples were taken Sept 23, 2016. Results are not yet available, but expected to be within UPDES limits.

**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

Affix Signature, Stamp and Date



# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: N/A Signature: Rusty Netz  
Impoundment Name: Pasture Sediment Pond #009  
UPDES Permit Number: UT024759

## IMPOUNDMENT INSPECTION

### 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 = 6484.5 +/-

#### 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 out slopes of embankments, etc.*

Pond was full and discharging due to storms which brought approximately 6-inches of rain in about 24 hours. Samples were taken. Visual observation indicates expectation that discharge water quality should be within UPDES requirements.

Sediment level was good

Embankment conditions were good. Vegetation on out slopes was adequate.

Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

## 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*

Pond was full to discharge spillway elevation      Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUARTERLY INSPECTION FORM – IMPOUNDMENT**

**Pasture Sediment Pond**

**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**

Discharge water from the Pasture Pond flowed into the Coal Pile Sediment Pond resulting in no net discharge from Pasture Pond. However discharge volume from the September 6-inch storm was more than the Coal Pile Sediment Pond could hold and therefore a discharge occurred from Coal Pile Sediment Pond. SCA will be revising the Pasture Pond discharge ditch back to its prior location.

Discharge samples were taken Sept 23, 2016. Results are not yet available, but expected to be within UPDES limits.

**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

Affix Signature, Stamp and Date



# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: N/A Signature: Rusty Netz  
Impoundment Name: Coarse Refuse Toe Sediment Pond #012  
UPDES Permit Number: UT024759

## IMPOUNDMENT INSPECTION

### 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 = 6176.7 +/-

#### 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 was nearly full but no discharge occurred. 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.

## 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

Pond was nearly full, but not discharging Sediment level was good.

No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUARTERLY INSPECTION FORM – IMPOUNDMENT**

**Coarse Refuse Toe Sediment Pond**

**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

Affix Signature, Stamp and Date



# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: N/A Signature: Rusty Netz  
Impoundment Name: Coal Pile Sediment Pond #014  
UPDES Permit Number: UT024759

## IMPOUNDMENT INSPECTION

### 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 = 1.65 Acre-feet  
Pond bottom elevation = 6471.5  
100% Sediment Storage Volume = 0.65 acre-feet at Elevation 6476.0  
60% Sediment Storage Volume = 0.45 acre feet at Elevation = 6474.7  
Existing Sediment Elevation = 6471.5 +/-

#### 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 was full and discharging due to storms which brought approximately 6-inches of rain in about 24 hours. Samples were taken. Visual observation indicates expectation that discharge water quality should be within UPDES requirements.

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.

### 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*

Pond was full to discharge spillway elevation Sediment level was good.  
No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUARTERLY INSPECTION FORM – IMPOUNDMENT**

**Coal Pile Sediment Pond**

**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**

Discharge water from the Pasture Pond flowed into the Coal Pile Sediment Pond resulting in no net discharge from Pasture Pond. However discharge volume from the September 6-inch storm was more than the Coal Pile Sediment Pond could hold and therefore a discharge occurred from Coal Pile Sediment Pond. SCA will be revising the Pasture Pond discharge ditch back to its prior location.

Discharge samples were taken Sept 23, 2016. Results are not yet available, but expected to be within UPDES limits.

**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.

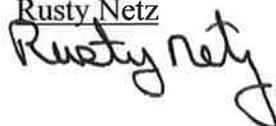
By: S. Scott Carlson, PE, Twin Peaks, P.C.  
P.E. Number & State: 187727 UTAH

Affix Signature, Stamp and Date



# QUARTERLY INSPECTION FORM – IMPOUNDMENT

Permit Number: C/007/035  
Mine Name: Sunnyside Refuse and Slurry  
Mine Operator (Permittee): Sunnyside Cogeneration Associates  
MSHA ID Number: N/A  
Impoundment Name: Borrow Area Sediment Pond #016  
UPDES Permit Number: UT024759

Inspection Date: Sept 23, 2016  
Third Quarter 2016  
Inspector: Rusty Netz  
Signature: 

## IMPOUNDMENT INSPECTION

### 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 = 6510 +/-

#### 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 out slopes of embankments, etc.*

Pond was nearly full, but no discharge occurred. No samples were taken  
Sediment level was good. Pond did not require decanting.  
Embankment conditions were good. Vegetation on out slopes was adequate.  
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

## 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  
Pond was nearly full, but no discharge occurred. Sediment level was good.  
No other aspects of the impounding structure were observed that could affect its stability or functionality.

**QUARTERLY INSPECTION FORM – IMPOUNDMENT**

**Borrow Area Sediment Pond**

**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

Affix Signature, Stamp and Date



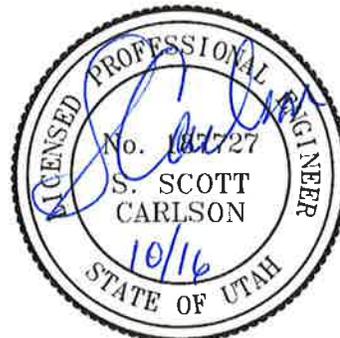
**QUARTERLY INSPECTION FORM – REFUSE PILE**

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: 1211-UT-09-02093-01 Signature: Rusty Netz  
Facility Name: Coarse Refuse Pile

1. Describe any changes in the geometry of the structure (as well as instrumentation, if any, used to monitor changes): **Refuse material is actively being excavated and removed from various locations across the top of the pile**
2. Lift Height / Thickness Avg 15 Maximum 25 Elevation of Active Benches: **approximately 6430, 6450, 6460**
3. Vertical angle of outslope(s) / Location(s) where measured **max 2:1 NW face**
4. Current estimated volume: **approx 3.0–3.35 Million Tons** Volume removed during year: **2016 ytd: apx. 53,000tons**
5. Describe foundation preparation, (including the removal of vegetation, stumps, topsoil, and all organic material): NA
6. Describe Placement and compaction of fill materials (including an explanation of how compaction is confirmed): N/A -  
**Activities occurring at this time are associated with removal of refuse material**
7. Is there any evidence of fires or burning on the structure? (if Yes, specify extent, location, and abatement / extinguishment of such fires): **No evidence of fires observed**
8. Describe placement of underdrains and protective filter systems, and final surface drainage systems (report any seepage, including location, color, flow): **No underdrains exist. Current surface drainage is in place. No seepage is visible**
9. Describe any appearances of instability, structural weakness, and other hazardous conditions **No aspects of the Fill structure were observed that could affect its stability or functionality or which indicated hazardous conditions**
10. Please provide any other information pertaining to the stability of the structure (attach any photos taken during the inspection)
  - a. Are there any cracks or scarps in crest? **NO none observed**
  - b. Is there any detectable sloughing or bulging? **NO none observed**
  - c. Do slope erosion problems exist? **NO erosion conditions are minimal**
  - d. Cracks or scarps in slope? **NO none observed**
  - e. Surface movements? (valley bottom, hillsides) **NO none observed**
  - f. Erosion of Toe? **NO none observed**
  - g. Water impounded by structure? **NO none observed**
  - h. Are diversion ditches stable? **YES appear reasonable**
  - i. Is drainage positive? **YES surface runoff flows to collection ditches**
  - j. Could failure of structure create an impoundment (provide description)? **No surface water flows exist in the vicinity**
  - k. Are design standards established within the mining and reclamation plan for the disposal facility being met? **Yes**
  - l. Proctor Determination: **none required**

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



# QUARTERLY INSPECTION FORM – EXCESS SPOIL DISPOSAL AREA

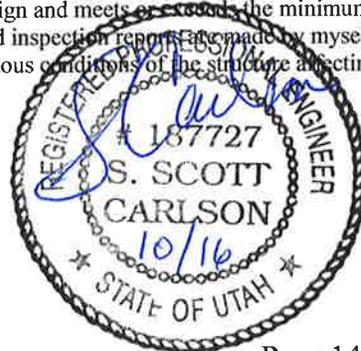
Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
MSHA ID Number: 1211-UT-09-02093-04 Signature: Rusty Netz  
Facility Name: Excess Spoil Disposal Area #1

1. Describe any changes in the geometry of the structure (as well as instrumentation, if any, used to monitor changes): **No material was placed in this disposal area during the year**
2. Lift Height / Thickness Avg 2-4 ft Maximum 4 ft Elevation of Active Benches: **approx 6500-6520**
3. Vertical angle of outslope(s) / Location(s) where measured **max 2.5:1 North face**
4. Total storage capacity: **400K-500K cuyd** Remaining storage capacity **estimated 50K-100K cuyd** Volume placed during year: **2016 ytd: none**
5. Describe foundation preparation, (including the removal of vegetation, stumps, topsoil, and all organic material): **Organic material was removed. No topsoil existed since this was a previously disturbed location**
6. Describe Placement and compaction of fill materials (including an explanation of how compaction is confirmed): **Material is generally granular by nature so it is placed, spread by dozer and compacted by wheel rolling**
7. Is there any evidence of fires or burning on the structure? (if Yes, specify extent, location, and abatement / extinguishment of such fires): **No evidence of fires observed**
8. Describe placement of underdrains and protective filter systems, and final surface drainage systems (report any seepage, including location, color, flow): **No underdrains exist. Surface drainage is collected on terrace ditches and diverted off of pile. No seepage is visible**
9. Describe any appearances of instability, structural weakness, and other hazardous conditions **No aspects of the Fill structure were observed that could affect its stability or functionality or which indicated hazardous conditions**
10. Please provide any other information pertaining to the stability of the structure (attach any photos taken during the inspection)
  - a. Are there any cracks or scarps in crest? **NO none observed**
  - b. Is there any detectable sloughing or bulging? **NO none observed**
  - c. Do slope erosion problems exist? **NO erosion conditions are minimal**
  - d. Cracks or scarps in slope? **NO none observed**
  - e. Surface movements? (valley bottom, hillsides) **NO none observed**
  - f. Erosion of Toe? **NO none observed**
  - g. Water impounded by structure? **NO none observed**
  - h. Are diversion ditches stable? **YES appear reasonable**
  - i. Is drainage positive? **YES surface runoff flows to collection ditches**
  - j. Could failure of structure create an impoundment (provide description)? **No surface water flows exist in the vicinity**
  - k. Are design standards established within the mining and reclamation plan for the disposal facility being met? **Yes**
  - l. Proctor Determination: **none required**
11. Provide copies of sample analysis for material placed in the fill. **Sample analysis was provided in December 2012 for most recent material placed in fill.**

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 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



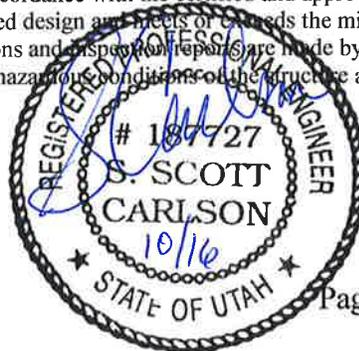
# QUARTERLY INSPECTION FORM – EXCESS SPOIL DISPOSAL AREA

Permit Number: C/007/035 Inspection Date: Sept 23, 2016  
 Mine Name: Sunnyside Refuse and Slurry Third Quarter 2016  
 Mine Operator (Permittee): Sunnyside Cogeneration Associates Inspector: Rusty Netz  
 MSHA ID Number: 1211-UT-09-02093-05 Signature: *Rusty Netz*  
 Facility Name: Excess Spoil Disposal Area #2

1. Describe any changes in the geometry of the structure (as well as instrumentation, if any, used to monitor changes): **Approx 5,390 tons of material placed in the Phase II area during the quarter**
2. Lift Height / Thickness Avg 2-4 ft Maximum 4 ft Elevation of Active Benches: **approx 6550**
3. Vertical angle of outslope(s) / Location(s) where measured **approx. 5:1**
4. Total storage capacity Phase II Area: **300K-350K cuyd** Remaining storage capacity **estimated 120K-170K cuyd**  
Volume placed during year: **2016 ytd: 9,870 +6,390 +5,390 tons**
5. Describe foundation preparation, (including the removal of vegetation, stumps, topsoil, and all organic material): **Organic material was removed. Subsoil was removed for reclamation on Phase 1 area.**
6. Describe Placement and compaction of fill materials (including an explanation of how compaction is confirmed): **Material is generally granular by nature so it is placed, spread by dozer and compacted by wheel rolling**
7. Is there any evidence of fires or burning on the structure? (if Yes, specify extent, location, and abatement / extinguishment of such fires): **No evidence of fires observed**
8. Describe placement of underdrains and protective filter systems, and final surface drainage systems (report any seepage, including location, color, flow): **No underdrains exist. A permanent culvert routes surface water from the east side to west side of the Phase 1 area. Surface drainage is collected in perimeter ditches and diverted to sediment pond. No seepage is visible**
9. Describe any appearances of instability, structural weakness, and other hazardous conditions **No aspects of the Fill structure were observed that could affect its stability or functionality or which indicated hazardous conditions**
10. Please provide any other information pertaining to the stability of the structure (attach any photos taken during the inspection)
  - a. Are there any cracks or scarps in crest? **NO none observed**
  - b. Is there any detectable sloughing or bulging? **NO none observed**
  - c. Do slope erosion problems exist? **NO erosion conditions are minimal**
  - d. Cracks or scarps in slope? **NO none observed**
  - e. Surface movements? (valley bottom, hillsides) **NO none observed**
  - f. Erosion of Toe? **NO none observed**
  - g. Water impounded by structure? **NO none observed**
  - h. Are diversion ditches stable? **YES appear reasonable**
  - i. Is drainage positive? **YES surface runoff flows to collection ditches**
  - j. Could failure of structure create an impoundment (provide description)? **No surface water flows exist in the vicinity**
  - k. Are design standards established within the mining and reclamation plan for the disposal facility being met? **Yes**
  - l. Proctor Determination: **none required**
11. Provide copies of sample analysis for material placed in the fill. **Sample analyses for material placed during 2015 was included in 1<sup>st</sup> qtr report 2016**

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





Rail Cut Pond – 007 - Looking northerly

Sept 23, 2016

A major storm brought approximately 6 inches of rain in about 24 hours to the Sunnyside area on September 22, 2016. Sediment ponds at the SCA Sunnyside facilities handled the runoff well. Discharges occurred at Rail Cut Pond -007, Old Coarse Refuse Road Pons -008, Pasture Pond -009, and Coal Pile Sediment Pond -014. Other sediment ponds filled nearly full but did not discharge.



Borrow Area Pond – 016 – Looking southerly

Sept 23, 2016