*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

GENERAL INFORMATION

Report Date	December 31, 2015
Permit Number	C/007/039
Company Name	Canyon Fuel Company, LLC - Dugout Canyon Mine

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Dugout Canyon Mine Refuse Pile
Pile Number	1211-UT-09-01890-01
MSHA ID Number	42-01890

Inspection Date	December 2, 2015
Inspected By	David G. Spillman
Reason for Inspection	Quarterly Inspection & Certification

Attachment to Report? Yes ☐ No ☒

Field Evaluation

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

The foundation preparation was found to be in accordance with the approved plan.

Phase I Expansion - The removal and stockpiling of subsoil associated with the approved Phase I expansion was initiated on November 30, 2015. Nielson Construction has been contracted to complete this work. Also, Leland Sasser, Soil Scientist, was contracted to oversee and quantify that all suitable soil resources are recovered. Nielson Construction was not working at the time of the inspection, however, it appeared that most, if not all soil resources had been removed and stockpiled. Final shaping of the stockpile and most drainage controls remain to be completed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

All necessary drainage systems were constructed, functional and well established at the time of the inspection.

Phase I Expansion - As noted in Section 1, Nielson Construction has been contracted to complete the Phase I expansion. At the time of the inspection, most drainage features (berms & ditches) had been started but not yet completed. This drainage work did appear to be in accordance with our approved plan.

4. Placement and compaction of fill materials

Placement and compaction of this refuse appears to have been completed in accordance with the approved plan.

5. Final grading and revegetation of fill.

N/A

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

There was no appearance of instability, structural weakness or other hazardous conditions observed during this 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 abatment 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

The site was active at the time of the inspection. A check of the records indicated that 17,347 tons (11,681 yd3 at 110 lbs/ft3) had been delivered from the Castle Valley Prep Plant to this facility YTD. Also, the remaining capacity of this facility is now estimated at 94,068 tons w/o the Phase I expansion (2014 year end value of 111,415 tons minus 17,347 tons). Records also indicate that the most recent sample of refuse taken for analysis was obtained on 12/02/15.
Note: A GPS guided D6N CAT is now available for operation at the refuse pile. The use of this GPS technology is intended to assist in shaping the pile to the operational extents as allowed for within our approved M&RP.

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 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 and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By David G. Spillman, Technical Services Manager
Full Name and Title

Signature David Spillman Date 12/31/15

P.E. Number and State No. 151610, State of Utah

[Cert. Stamp]

LICENSED PROFESSIONAL ENGINEER
No. 151610
DAVID G. SPILLMAN
STATE OF UTAH