

March 29, 2016

Utah Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

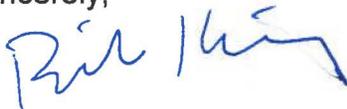
RE: 2015 Annual Report for Dugout Canyon Mine

To Whom It May Concern:

Please find attached to this e-mail a copy of the 2015 Annual Report for Dugout Canyon Mine with relevant appendices.

If you have any questions or require further information, please contact me at (435) 636-2898 or Dave Spillman at (435) 636-2872.

Sincerely,



Bill King
Mining Engineer

Attachments

cc. Chris Hansen
Dave Spillman

Print Form

Submit by Email

Reset Form

Annual Report

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	Canyon Fuel Company, LLC	Mine Name	Dugout Mine
Permit Number	C/007/0039	Permit expiration Date	March 3, 2018
Operator Name	Same	Phone Number	+1 (435) 637-6360
Mailing Address	PO Box 1029	Email	dspillman@bowieresources.com
City	Wellington		
State	Utah	Zip Code	84542

DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Refuse Piles	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	
Other:		

OPERATOR COMMENTS

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: ANNUAL RAPTOR SURVEYS

Objective: To obtain baseline data prior to mining disturbances including subsidence of cliff habitat and any surface disturbances (construction, reclamation, or exploration). Conduct follow-up surveys within one year if nests were observed during the baseline surveys and if the nest or raptors could be impacted from mining (subsidence or proximity to surface facilities).

Frequency: Annually

Status: Ongoing

Reports: Annual

Citation: MRP, Chapter 3, Page 3-20

Operator Comments

See Appendix D Confidential

Reviewer Comments Met Requirements Did Not Meet Requirements

Title: SUBSIDENCE MONITORING VISUAL INSPECTIONS

Objective: To check for surface subsidence features.

Frequency: Annually

Status: Ongoing

Reports: Annual

Citation: MRP, Volume 3, Chapter 5, Section 525.100, page 5-29

Operator Comments

See Appendix C,
No subsidence occurs under Dugout's current and future mine plan.

Reviewer Comments Met Requirements Did Not Meet Requirements

Title: WASTE ROCK SAMPLING

Objective: To protect ground and surface water and potentially substantiate lesser cover at the waste rock site.

Frequency: One sample per 5,000 cubic yards taken to the waste rock site. Acid/toxic material to be buried within 30 days and should be compacted, and isolated from water infiltration.

Status: Ongoing. **Please indicate the volumes or tonnage placed during the year into the refuse pile and the remaining capacity in the pile.**

Reports: Annual report, and to be included in RA attachment 5-4.

Citation: MRP, Chapter 5, Section 513.400, Section 528.300, Section 536 and Refuse Pile Amendment Volume, Section 536.200

Operator Comments

See Appendix C

Reviewer Comments Met Requirements Did Not Meet Requirements



Title: SEALING OF WELLS

Objective: Permanent casing and sealing of wells when no longer in use.

Frequency: Once upon termination of use.

Status: N/A

Reports: Report on status of wells

Citation: Chp. 6, Section 631, Chp. 7, Section 765

Operator Comments

Degas Wells G-2 through G-7, G-9 through G-14, G-16, G-18, G-19, G-22, G-25, G-26, G-30, G-31 are sealed.

Reviewer Comments Did Not Meet Requirements Met Requirements



FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

Title: OVERBURDEN SAMPLING AND ANALYSIS

Objective: Generate quality substitute topsoil

Frequency: At Final Reclamation

Status: long term

Reports: at final reclamation

Citation: MRP, Chapter 2, Section 224, Section 233.100, .300, and .400.

Title: NUTRIENTS AND AMENDMENTS

Objective: Establishment of vegetation

Frequency: At final reclamation

Status: Long term

Reports: At final reclamation

Citation: MRP, Chapter 2, Section 243; Refuse Pile Amendment Volume, Section 243.

Title: VEGETATION MITIGATION PROJECT FOR BATS

Objective: Permittee will plant additional willows along the channel where sufficient space allows.

Frequency: At final reclamation

Status:

Reports: At final reclamation

Citation: Vol. Chap 3, Sec. 322, pp. 3-19 through 3-20.

OPERATOR COMMENTS (OPTIONAL)**REVIEWER COMMENTS**

REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Reviewer Comments

APPENDIX A

Certified Reports

Excess Spoil Piles

Refuse Piles

Impoundments

As required under R645-301-514

CONTENTS

Refuse Pile Inspections

Impoundment Inspections

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 April 8, 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 March 22, 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.

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. (see note in section 7.)

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 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

The site was not active at the time of the inspection, however, it was observed that refuse had been recently delivered to the site and equipment was placing the refuse according to plan. A check of the records indicated that 8,572 tons (5,772 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 102,843 tons (2014 year end value of 111,415 tons minus 8,572 tons). Records also indicate that the most recent sample of refuse taken for analysis was obtained on 03/03/15.

Note: A GPS guided D6N CAT is now being operated on 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. It was also noted during this inspection that the CAT had inadvertently pushed some refuse into the drainage ditch at the southern toe of the pile. This material did create a small obstruction and was subsequently removed on March 23, 2015.

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.

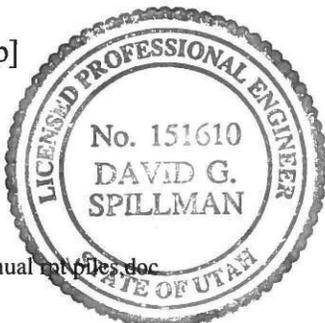
By David G. Spillman, Technical Services Manager

Full Name and Title

Signature David G. Spillman Date 4/8/15

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

[Cert. Stamp]



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 June 30, 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 June 11, 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.

- 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. (see note in section 7.)

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 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

The site was not active at the time of the inspection. A check of the records indicated that 9,505 tons (6,401 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 101,910 tons (2014 year end value of 111,415 tons minus 9,505 tons). Records also indicate that the most recent sample of refuse taken for analysis was obtained on 03/03/15.

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. This CAT is currently idle while some adjustments to the sites topographic model are being evaluated.

CERTIFICATION STATEMENT

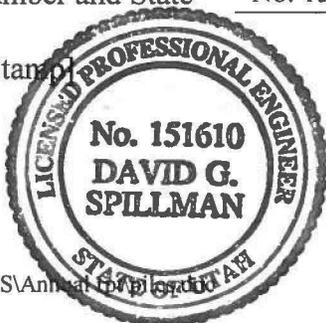
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure 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 G. Spillman Date 6/30/15

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

[Cert. Stamp]



*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 September 21, 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 September 19, 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.

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. (see note in section 7.)

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 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

The site was not active at the time of the inspection. A check of the records indicated that 14,495 tons (9,761 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 96,920 tons (2014 year end value of 111,415 tons minus 14,495 tons). Records also indicate that the most recent sample of refuse taken for analysis was obtained on 08/14/15.

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. This CAT is currently idle while some adjustments to the sites topographic model are being evaluated.

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 G. Spillman Date 9/21/15

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

[Cert. Stamp]



*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 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

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

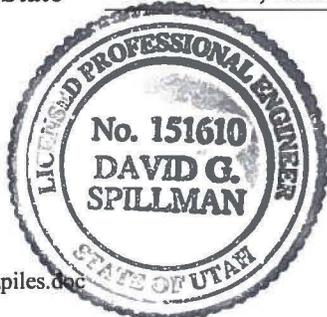
I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure 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  Date 12/31/15

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

[Cert. Stamp]



Permit Number	ACT/007/039	Report Date	04/08/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Refuse Pile 1211-UT-09-01890-01)	

IMPOUNDMENT INSPECTION

Inspection Date	03/22/15
Inspected By	Dave Spillman
Reason for Inspection <small>(Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)</small>	Quarterly Inspection / Certification

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

Construction of the Refuse Pile Sedimentation Pond has been completed in accordance with the approved plan. There were no signs instability, structural weakness or other hazardous conditions observed during this inspection.

Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as-built) - 100% = 0.67 acre-feet @ an elevation of 5,897.55 feet</i> <i>- 60% = 0.40 acre-feet @ an elevation of 5,896.5 feet</i> <i>At the time of the inspection, the estimated average elevation of the existing sediment was 5,895.5 feet.</i></p> <p>3. Principle and emergency spillway elevations.</p> <p><i>Emergency Spillway Elevation (as-built) - 5,902.5 feet</i></p>
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4. 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.

The pond was dry at the time of the inspection.

Sediment levels were observed as being below the established 60% levels.

This pond has never discharged.



5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

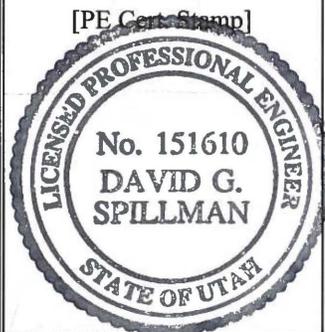
IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 04/08/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	04/08/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Refuse Pile 1211-UT-09-01890-01)	
IMPOUNDMENT INSPECTION			
Inspection Date	04/06/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection / Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>Construction of the Refuse Pile Sedimentation Pond has been completed in accordance with the approved plan. There were no signs instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as-built) - 100% = 0.67 acre-feet @ an elevation of 5,897.55 feet</i> <i>- 60% = 0.40 acre-feet @ an elevation of 5,896.5 feet</i> <i>At the time of the inspection, the estimated average elevation of the existing sediment was 5,895.5 feet.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Emergency Spillway Elevation (as-built) - 5,902.5 feet</i></p>		
<p>4. 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.</p> <p><i>The pond was dry at the time of the inspection.</i></p> <p><i>Sediment levels were observed as being below the established 60% levels.</i></p> <p><i>This pond has never discharged.</i></p>			



5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	<i>X</i>	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	<i>X</i>	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	<i>X</i>	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman Date: 04/08/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	09/21/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Refuse Pile 1211-UT-09-01890-01)	
IMPOUNDMENT INSPECTION			
Inspection Date	09/19/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection / Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>Construction of the Refuse Pile Sedimentation Pond has been completed in accordance with the approved plan. There were no signs instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as-built) - 100% = 0.67 acre-feet @ an elevation of 5,897.55 feet</i> <i>- 60% = 0.40 acre-feet @ an elevation of 5,896.5 feet</i> <i>At the time of the inspection, the estimated average elevation of the existing sediment was 5,895.5 feet.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Emergency Spillway Elevation (as-built) - 5,902.5 feet</i></p>		
<p>4. 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.</p> <p><i>The pond contained approximately 2" of water at the time of the inspection. Also, the small tamarisk trees growing around the pond had recently been cut down.</i></p> <p><i>Sediment levels were observed as being below the established 60% levels.</i></p> <p><i>This pond has never discharged.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

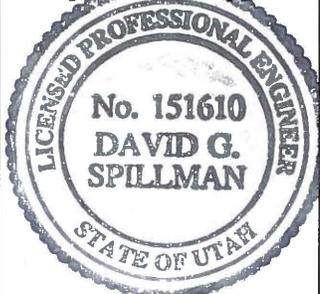
	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.

[PE Cert. Stamp]



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

Signature: David G. Spillman **Date:** 09/21/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	12/31/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment - None (Refuse Pile 1211-UT-09-01890-01)	
IMPOUNDMENT INSPECTION			
Inspection Date	12/02/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection / Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>Construction of the Refuse Pile Sedimentation Pond has been completed in accordance with the approved plan. There were no signs instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as-built) - 100% = 0.67 acre-feet @ an elevation of 5,897.55 feet</i> <i>- 60% = 0.40 acre-feet @ an elevation of 5,896.5 feet</i> <i>At the time of the inspection, the estimated average elevation of the existing sediment was 5,895.5 feet.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Emergency Spillway Elevation (as-built) - 5,902.5 feet</i></p>		
<p>4. 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.</p> <p><i>The pond contained approximately 6" of ice at the time of the inspection.</i></p> <p><i>Sediment levels were observed as being below the established 60% levels.</i></p> <p><i>This pond has never discharged.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

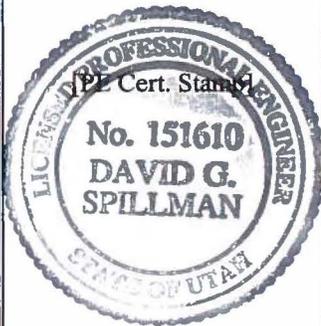
CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	<i>X</i>	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	<i>X</i>	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	<i>X</i>	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.

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

Signature: *David G. Spillman* **Date:** 12/31/15

P.E. Number & State: No. 151610, State of Utah

Pace Cyn.Sediment Trap	Date	Time	Inspector(s) Signature <i>M. King</i>	Quarterly Inspection Form
	3/24/2015	11:42		

Site: 006	Action Required			Person Notified	Date Corrected	Comments/Remarks
Permit # UT0025593	Yes/No	OK	N/A			

Stability of Pond						
Basin stability/weakness		X				
Erosion/Stability of banks		X				
Vegetation problem around basin	NO					See Note Below

Hazardous Condition						
Any visible contaminants	NO					
Hazardous condition observed	NO					

Inlet Conditions						
Inlet functioning		X				
Culvert(s)/ditches		X				

Principle & Emergency Spillways						
Water Discharging (rate)			X			
Pond water level			X			
Spillway is clear of debris			X			
Oil skimmer		X				
Emergency spillway		X				
Primary spillway		X				

Other Useful Information	Value	Comments/Remarks	Sediment Storage Capacity/ Elevation	Value	Comments/Remarks
Last cleaning date for basin	NA		100% sediment storage capacity (ft^3)	5,714.5	0.1312 acre-ft.
Primary Spillway elevation (ft.)	6,991		50% sediment storage capacity (ft^3), Cleaning is recommended at this elev.	2,175.2	0.3 ft. below Primary Spillway (6,990.7 ft.)
Emergency Spillway elevation (ft.)	6,993		Current sediment Volume ft^3 (est.)	430	6,987.5 ft.
			Remaining storage capacity ft^3 (est.)	1,745.2	Capacity from 50%,
			Percent sediment volume	8%	

Other Observations: No sign of recent discharge, dry winter conditions. Willows growing in bottom of sediment trap and embankment covered with vegetation.

Pace Cyn.Sediment Trap	Date	Time	Inspector(s) Signature <i>[Signature]</i>	Quarterly Inspection Form
	6/18/2015	11:11		

Site: 006	Action Required			Person Notified	Date Corrected	Comments/Remarks
Permit # UT0025593	Yes/No	OK	N/A			

Stability of Pond						
Basin stability/weakness		X				
Erosion/Stability of banks		X				
Vegetation problem around basin	NO					See Note Below

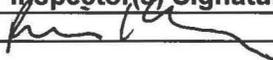
Hazardous Condition						
Any visible contaminants	NO					
Hazardous condition observed	NO					

Inlet Conditions						
Inlet functioning		X				
Culvert(s)/ditches		X				

Principle & Emergency Spillways						
Water Discharging (rate)			X			
Pond water level			X			
Spillway is clear of debris			X			
Oil skimmer		X				
Emergency spillway		X				
Primary spillway		X				

Other Useful Information	Value	Comments/Remarks	Sediment Storage Capacity/ Elevation	Value	Comments/Remarks
Last cleaning date for basin	NA		100% sediment storage capacity (ft^3)	5,714.5	0.1312 acre-ft.
Primary Spillway elevation (ft.)	6,991		50% sediment storage capacity (ft^3), Cleaning is recommended at this elev.	2,175.2	0.3 ft. below Primary Spillway (6,990.7 ft.)
Emergency Spillway elevation (ft.)	6,993		Current sediment Volume ft^3 (est.)	430	6,987.5 ft.
			Remaining storage capacity ft^3 (est.)	1,745.2	Capacity from 50%,
			Percent sediment volume	8%	

Other Observations: Willows growing in bottom of sediment trap and embankment covered with vegetation.

Pace Cyn.Sediment Trap	Date	Time	Inspector(s) Signature	Quarterly Inspection Form
	9/3/2015	12:15		

Site: 006	Action Required			Person Notified	Date Corrected	Comments/Remarks
Permit # UT0025593	Yes/No	OK	N/A			

Stability of Pond						
Basin stability/weakness		X				
Erosion/Stability of banks		X				
Vegetation problem around basin	NO					See Note Below

Hazardous Condition						
Any visible contaminants	NO					
Hazardous condition observed	NO					

Inlet Conditions						
Inlet functioning		X				
Culvert(s)/ditches		X				

Principle & Emergency Spillways						
Water Discharging (rate)			X			
Pond water level			X			
Spillway is clear of debris			X			
Oil skimmer		X				
Emergency spillway		X				
Primary spillway		X				

Other Useful Information	Value	Comments/Remarks	Sediment Storage Capacity/ Elevation	Value	Comments/Remarks
Last cleaning date for basin	NA		100% sediment storage capacity (ft^3)	5,714.5	0.1312 acre-ft.
Primary Spillway elevation (ft.)	6,991		50% sediment storage capacity (ft^3), Cleaning is recommended at this elev.	2,175.2	0.3 ft. below Primary Spillway (6,990.7 ft.)
Emergency Spillway elevation (ft.)	6,993		Current sediment Volume ft^3 (est.)	430	6,987.5 ft.
			Remaining storage capacity ft^3 (est.)	1,745.2	Capacity from 50%,
			Percent sediment volume	8%	

Other Observations: Willows were removed and a small tree was removed from the sediment trap embankment.

Pace Cyn.Sediment Trap	Date	Time	Inspector(s) Signature	Quarterly Inspection Form
	12/3/2015	9:12	<i>[Signature]</i>	

Site: 006	Action Required			Person Notified	Date Corrected	Comments/Remarks
Permit # UT0025593	Yes/No	OK	N/A			

Stability of Pond						
Basin stability/weakness		X				
Erosion/Stability of banks		X				
Vegetation problem around basin	NO					See Note Below

Hazardous Condition						
Any visible contaminants	NO					
Hazardous condition observed	NO					

Inlet Conditions						
Inlet functioning		X				
Culvert(s)/ditches		X				

Principle & Emergency Spillways						
Water Discharging (rate)			X			
Pond water level			X			
Spillway is clear of debris			X			
Oil skimmer		X				
Emergency spillway		X				
Primary spillway		X				

Other Useful Information	Value	Comments/Remarks	Sediment Storage Capacity/ Elevation	Value	Comments/Remarks
Last cleaning date for basin	NA		100% sediment storage capacity (ft^3)	5,714.5	0.1312 acre-ft.
Primary Spillway elevation (ft.)	6,991		50% sediment storage capacity (ft^3), Cleaning is recommended at this elev.	2,175.2	0.3 ft. below Primary Spillway (6,990.7 ft.)
Emergency Spillway elevation (ft.)	6,993		Current sediment Volume ft^3 (est.)	430	6,987.5 ft.
			Remaining storage capacity ft^3 (est.)	1,745.2	Capacity from 50%,
			Percent sediment volume	8%	

Other Observations: _____

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	04/08/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment - None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	03/22/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection and Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity - 100% = 0.34 acre-feet @ an elevation of 6,953.56 feet</i> <i>- 60% = 0.20 acre-feet @ an elevation of 6,951.66 feet</i></p> <p><i>At the time of the inspection, a conservative estimate on sediment volume is 25%, which would correspond to an elevation of 6,949.7 feet. The 2014 pond cleaning was completed on June 25th and it is recommended that the annual cleaning of this pond be continued in 2015.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,964.44 feet</i> <i>Emergency Spillway Elevation - 6,964.5 feet</i></p>		
<p>4. 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.</p> <p><i>At the time of the inspection, the level of the impounded water was approximately 2 feet below the bottom of the skimmer at the principal spillway riser. The sediment cleanout marker was not visible, however, Nielson Construction completed a full clean-out of the accumulated sediment on June 25, 2014. The pond was not discharging at the time of the inspection and there were no signs of any issues regarding stability of the embankment.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

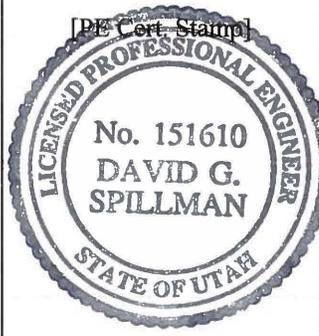
IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 04/08/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 3	
Permit Number	ACT/007/039	Report Date	06/29/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment - None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	06/27/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection and Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity - 100% = 0.34 acre-feet @ an elevation of 6,953.56 feet</i> <i>- 60% = 0.20 acre-feet @ an elevation of 6,951.66 feet</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,964.44 feet</i> <i>Emergency Spillway Elevation - 6,964.5 feet</i></p>		
<p>4. 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.</p> <p><i>Nielson Construction was contracted to clean the sediment accumulation out of the Dugout Canyon Mine sedimentation pond. Cleanout operations were completed on June 27th. Nielson Construction also cleaned the pond in 2003, 2004, 2006, 2007, 2008, 2009, 2010, 2011, 2013 and 2014. Following the 2003 cleanout, Johansen and Tuttle Engineering, Inc., was contracted to survey the as-built details of the sedimentation pond. The as-built details of the pond were subsequently submitted to DOGM in September 2003 and were approved by DOGM in October 2003.</i></p> <p><i>During the 2003 cleanout, it was observed that the original pond was excavated to a point where the bottom was solid and substantial. This bottom is easily recognizable during cleaning operations. Given the fact that the pond volume was surveyed and well documented in 2003, no additional surveying was recommended following the subsequent cleanouts. During the 2015 cleanout, it was observed that Nielson Construction cleaned sediment down to the same solid bottom.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

At the time of inspection, the cleanout operations were complete. With the exception of one small pile along the northwestern edge of the impoundment, it appeared that the total sediment cleanout had been completed. This small pile was just beyond the safe reach of the long reach track-hoe and removal of this minimal volume did not warrant additional risk.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

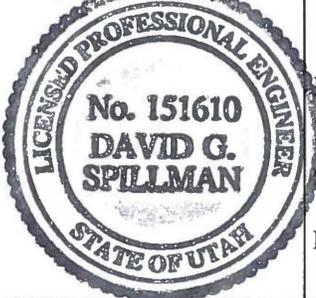
	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	<i>X</i>	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	<i>X</i>	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	<i>X</i>	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.

[PE Cert. Stamp]



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

Signature: David G. Spillman **Date:** 06/29/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	09/21/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	09/19/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity - 100% = 0.34 acre-feet @ an elevation of 6,953.56 feet</i> <i>- 60% = 0.20 acre-feet @ an elevation of 6,951.66 feet</i></p> <p><i>At the time of the inspection, a conservative estimate on sediment volume is 15%, which would correspond to an elevation of approximately 6,949.0 feet. The 2015 pond cleaning was completed on June 27th and it is recommended that the annual cleaning of this pond be continued in 2016.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,964.44 feet</i> <i>Emergency Spillway Elevation - 6,964.5 feet</i></p>		
<p>4. 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.</p> <p><i>At the time of the inspection, the level of the impounded water was approximately 1.5 feet below the bottom of the skimmer at the principal spillway riser. The sediment cleanout marker was not visible, however, Nielson Construction had recently completed a full clean-out of the accumulated sediment on June 27th. The pond was not discharging at the time of the inspection and there were no signs of any issues regarding stability of the embankment.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

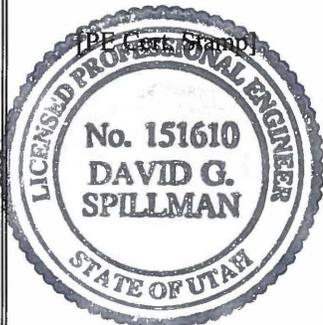
IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 9/21/15

P.E. Number & State: No. 151610, Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	12/29/2015
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	12/15/2015		
Inspected By	Bill King		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>I. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
<p>Required for an impoundment which functions as a SEDIMENTATION POND.</p>	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity - 100% = 0.34 acre-feet @ an elevation of 6,953.56 feet</i> <i>- 60% = 0.20 acre-feet @ an elevation of 6,951.66 feet</i></p> <p><i>At the time of the inspection, a conservative estimate on sediment volume is 15%, which would correspond to an elevation of approximately 6,949.0 feet. The 2015 pond cleaning was completed on June 27th and it is recommended that the annual cleaning of this pond be continued in 2016.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,964.44 feet</i> <i>Emergency Spillway Elevation - 6,964.5 feet</i></p>		
<p>4. 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.</p> <p><i>At the time of the inspection, the level of the impounded water was approximately 4.5 feet below the bottom of the skimmer at the principal spillway riser. The sediment cleanout marker was not visible, however, Nielson Construction had recently completed a full clean-out of the accumulated sediment on June 27th. The pond was not discharging at the time of the inspection and there were no signs of any issues regarding stability of the embankment.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

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 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.

Signature: Bill King Date: 10/20/2015

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

Certification Statement:

[PE Cert. Stamp]

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 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 in accordance with the Utah R645 Coal Mining Rules.

By: _____
(Full Name and Title)

Signature: _____ Date: _____

P.E. Number & State: _____

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	C/007/039	Report Date	04/08/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Wastewater Disposal System (Leach Field)	
	Impoundment Number	None	
	UPDES Permit Number	None	
	MSHA ID Number	None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	03/22/15 & 03/24/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection and Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.		
	3. Principle and emergency spillway elevations.		
<p>4. 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.</p> <p><i>At the time of the inspection(s), the leach field site appeared to be functioning as designed. There was no evidence to suggest that any effluent was improperly flowing to the surface at the septic tank, at the distribution line clean-outs / air vent or down hill from the leach field.</i></p> <p><i>During the 3/22/15 inspection, it was determined that the two southern most pipeline clean-outs had been buried by county road maintenance activities and/or snow removal activities. These clean-outs were subsequently uncovered on 3/24/15 and found to be in satisfactory condition.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

In past inspections, it was observed that some vegetation control would be appropriate for maintenance of this facility. During the past summer, select spraying of the rubber rabbitbrush was completed. This work was intended to eliminate the rubber rabbitbrush, thus minimizing the root impact to the facilities subsurface laterals. During this inspection, it was observed that the select spraying was mostly effective. Some additional select spraying may be appropriate for 2015 as well.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

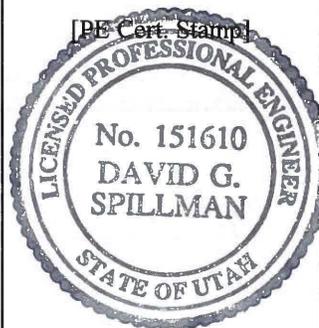
IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

The Dugout Canyon Mine wastewater disposal system was approved for operation on October 30, 2001. The Utah Department of Environmental Quality, Southeast Utah District, granted this approval.

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 04/08/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	C/007/039	Report Date	06/30/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Wastewater Disposal System (Leach Field)	
	Impoundment Number	None	
	UPDES Permit Number	None	
	MSHA ID Number	None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	06/17/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection and Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p>		
	<p>3. Principle and emergency spillway elevations.</p>		
<p>4. 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.</p> <p><i>At the time of the inspection there was no evidence to suggest that any effluent was improperly flowing to the surface at the septic tank, at the distribution line clean-outs or air vent. A small surface flow, however, was observed near the eastern edge of the seventh lateral within the leach field area. This small surface flow is believed to be intermittent, coinciding with the end of shift showering or maximum inflow rate. This intermittent flow was fully contained on site and no flow was leaving the facility permit area. On June 18, 2015, the observed flow was reported to David Ariotti, District Engineer for the Utah Department of Environmental Quality, Southeast Utah District. David gave us verbal approval to investigate the flow and repair the leach field if possible. This would be considered a maintenance activity. A contractor has been contacted and plans to investigate the flow and repair the facility are being developed.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

In past inspections, it was observed that some vegetation control would be appropriate for maintenance of this facility. During the past summer, select spraying of the rubber rabbitbrush was completed. This work was intended to eliminate the rubber rabbitbrush, thus minimizing the root impact to the facilities subsurface laterals. During this inspection, it was observed that the select spraying was only partially effective. Some additional select spraying and/or other means of controlling the rubber rabbitbrush will be appropriate for 2015 as well.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

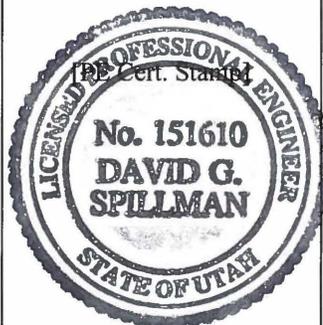
IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

The Dugout Canyon Mine wastewater disposal system was approved for operation on October 30, 2001. The Utah Department of Environmental Quality, Southeast Utah District, granted this approval.

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 06/30/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	C/007/039	Report Date	09/21/15
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Wastewater Disposal System (Leach Field)	
	Impoundment Number	None	
	UPDES Permit Number	None	
	MSHA ID Number	None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	09/19/15		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection and Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p>		
	<p>3. Principle and emergency spillway elevations.</p>		
<p>4. 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.</p> <p><i>At the time of the inspection there was no evidence to suggest that any effluent was improperly flowing to the surface at the septic tank, at the distribution line clean-outs or air vent. However, the small surface flow that was observed in June near the eastern edge of the seventh lateral remains to be corrected. This area remains moist and there is still no evidence to suggest that any flow may be leaving the facility permit area. A contractor has been mobilized into the site and each of seven lateral concrete junction boxes have been exposed and inspected. Also, select portions of the perforated pipe along the first lateral have been exposed and inspected. At this point in time it appears that some perforations may be partially plugged with sludge, but the gravel drain rock within the seepage trench is still functional. The contractor remains mobilized into the site and we are working with him on a proposal that will hopefully restore full functionality back to the existing laterals.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

In past inspections, it was observed that some vegetation control would be appropriate for maintenance of this facility. During 2014 select spraying of the rubber rabbitbrush was completed. This work was intended to eliminate the rubber rabbitbrush, thus minimizing the root impact to the facilities subsurface laterals. During this inspection, it was observed that the select spraying was not as effective as expected. Some additional select spraying and/or other means of controlling the rubber rabbitbrush will be appropriate for 2015 as well.

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 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.

Signature: _____ **Date:** _____

CERTIFIED REPORT

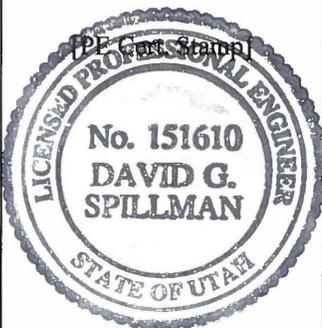
IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

The Dugout Canyon Mine wastewater disposal system was approved for operation on October 30, 2001. The Utah Department of Environmental Quality, Southeast Utah District, granted this approval.

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 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 in accordance with the Utah R645 Coal Mining Rules.



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

Signature: David G. Spillman **Date:** 09/21/15

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	C/007/039	Report Date	12/29/2015
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Wastewater Disposal System (Leach Field)	
	Impoundment Number	None	
	UPDES Permit Number	None	
	MSHA ID Number	None (Mine - 42-01890)	
IMPOUNDMENT INSPECTION			
Inspection Date	12/29/2015		
Inspected By	Bill King		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p>		
	<p>3. Principle and emergency spillway elevations.</p>		
<p>4. 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.</p> <p><i>At the time of the inspection all construction activities were completed. The contractor cleaned out all 7 junction boxes and corresponding laterals. The laterals appear to be functioning as designed. There was no evidence to suggest that any effluent was improperly flowing to the surface at the septic tank, at the distribution line clean-outs or air vents, or laterals in the leach field.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations 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.

During repair of the leach filed laterals all rubber rabbitbrush was removed from the leach field surface.

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 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.

Signature: Bill King Date: 12/29/2015

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

The Dugout Canyon Mine wastewater disposal system was approved for operation on October 30, 2001. The Utah Department of Environmental Quality, Southeast Utah District, granted this approval.

Certification Statement:

[PE Cert. Stamp]

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 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 in accordance with the Utah R645 Coal Mining Rules.

By: _____
(Full Name and Title)

Signature: _____ Date: _____

P.E. Number & State: _____

APPENDIX B

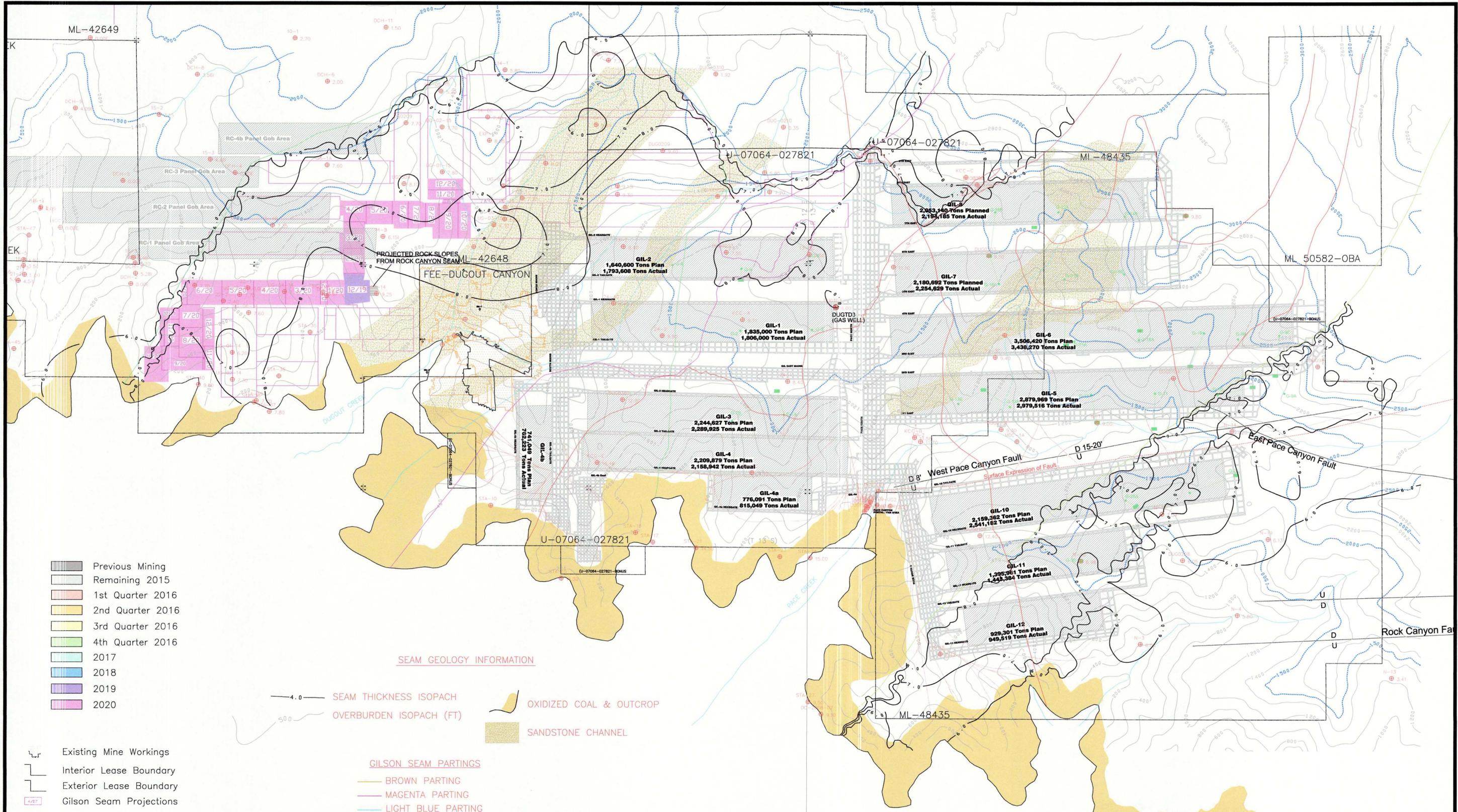
Certified Mine Maps

As required under R645-310-512 and R645-301-521

CONTENTS

Mine Map – Gilson Seam

Mine Map – Rock Canyon Seam



ML-42649

U-07064-027821

U-07064-027821

ML-50582-OBA

U-07064-027821

ML-48435

- Previous Mining
- Remaining 2015
- 1st Quarter 2016
- 2nd Quarter 2016
- 3rd Quarter 2016
- 4th Quarter 2016
- 2017
- 2018
- 2019
- 2020

SEAM GEOLOGY INFORMATION

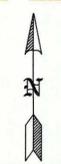
- 4.0 SEAM THICKNESS ISOPACH
- 500 OVERBURDEN ISOPACH (FT)
- OXIDIZED COAL & OUTCROP
- SANDSTONE CHANNEL

GILSON SEAM PARTINGS

- BROWN PARTING
- MAGENTA PARTING
- LIGHT BLUE PARTING
- BLUE PARTING
- PURPLE PARTING
- LIGHT GREEN (MARKER BAND)
- RED PARTING
- GREEN PARTING

- Existing Mine Workings
- Interior Lease Boundary
- Exterior Lease Boundary
- Gilson Seam Projections

- Drill Holes
- Surface Location - Existing MDW Drill Site
- Existing Methane Drainage Well
- Surface Location - Proposed MDW Drill Site
- Proposed Drilling



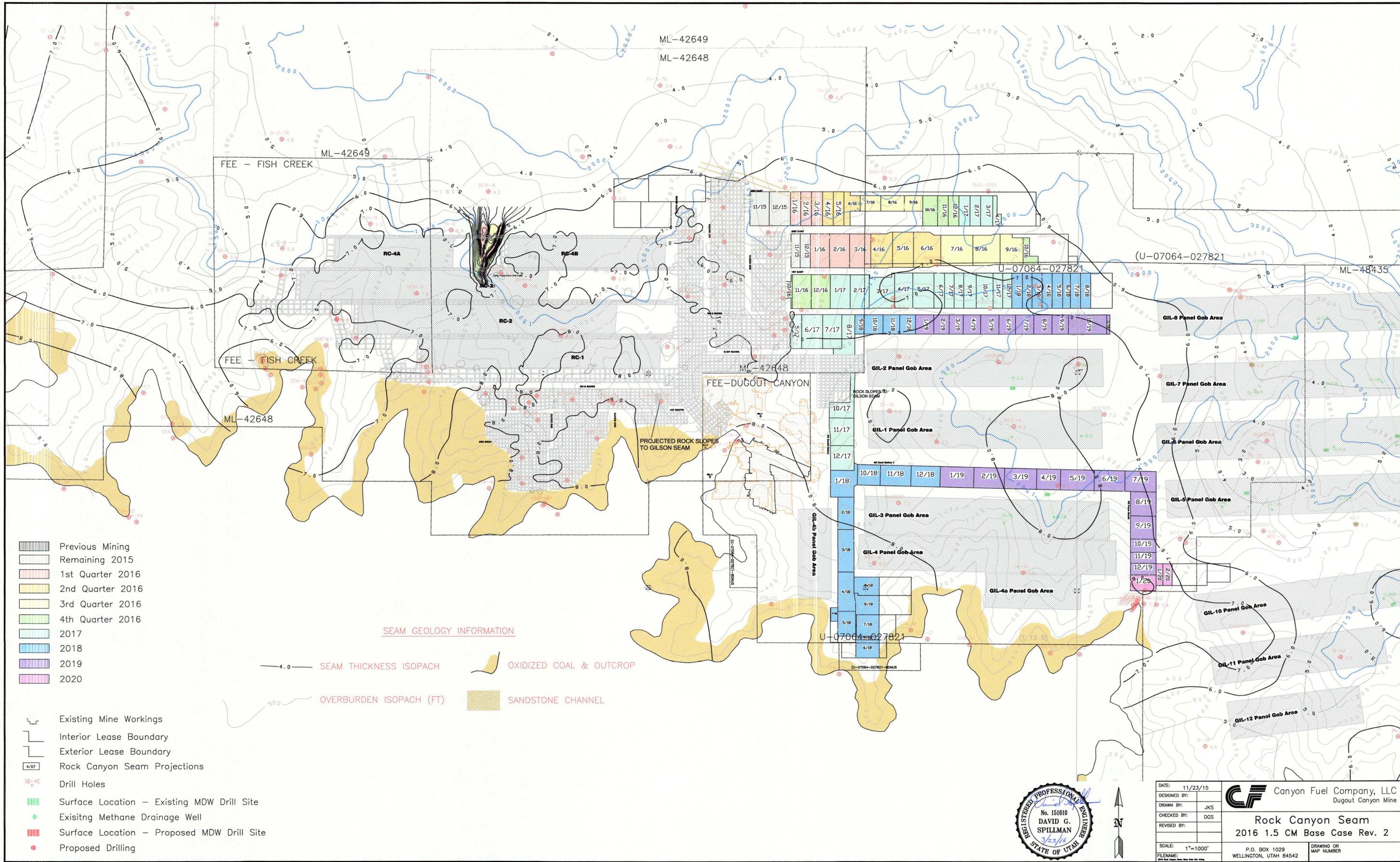
DATE:	11/23/15
DESIGNED BY:	JKS
DRAWN BY:	DGS
CHECKED BY:	DGS
REVISED BY:	
SCALE:	1"=1000'
FILENAME:	

Canyon Fuel Company, LLC
Dugout Canyon Mine

Gilson Seam
2016 1.5 CM Base Case Rev. 2

P.O. BOX 1029
WELLINGTON, UTAH 84542

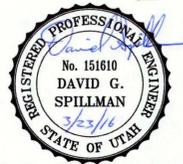
DRAWING OR
MAP NUMBER



- Previous Mining
- Remaining 2015
- 1st Quarter 2016
- 2nd Quarter 2016
- 3rd Quarter 2016
- 4th Quarter 2016
- 2017
- 2018
- 2019
- 2020

- Existing Mine Workings
- Interior Lease Boundary
- Exterior Lease Boundary
- Rock Canyon Seam Projections
- Drill Holes
- Surface Location - Existing MDW Drill Site
- Existing Methane Drainage Well
- Surface Location - Proposed MDW Drill Site
- Proposed Drilling

- SEAM GEOLOGY INFORMATION**
- SEAM THICKNESS ISOPACH
 - OVERBURDEN ISOPACH (FT)
 - OXIDIZED COAL & OUTCROP
 - SANDSTONE CHANNEL



DATE:	11/23/15
DESIGNED BY:	
DRAWN BY:	JKS
CHECKED BY:	DGS
REVISED BY:	
SCALE:	1"=1000'
FILENAME:	

Canyon Fuel Company, LLC
Dugout Canyon Mine

Rock Canyon Seam
2016 1.5 CM Base Case Rev. 2

P.O. BOX 1029
WELLINGTON, UTAH 84542

DRAWING OR
MAP NUMBER

APPENDIX C

Other Information

As required under R645-300, R645-301, & R645-302

CONTENTS

Refuse Pile Assessment

Subsidence Report & Map

Waste Rock Sampling

Dugout Canyon Mine Refuse Pile 2015 Annual Assessment

The following information has been determined for the 2015 activities conducted at the Dugout Canyon Mine Refuse Pile:

- 2015 Total Delivered Tonnage – 20,810 Tons
- Average Density of the Placed and Compacted Refuse – 105.4 lbs/ft³
- Estimated 2015 Placed Refuse Volume – 394,878 ft³ (14,625 yd³)
- Permitted Capacity Remaining at Year's End – 2,698,731 ft³ (148,430 Tons @ 110 lbs/ft³)
(Note: The year-end capacity values include the Phase I Expansion project. This project was completed in December 2015 and added an estimated 1,134,000 ft³ or 62,370 tons of storage capacity.)

David G. Spillman, P.E.
Technical Services Manager
P.E. No. 151610-2202, State of Utah



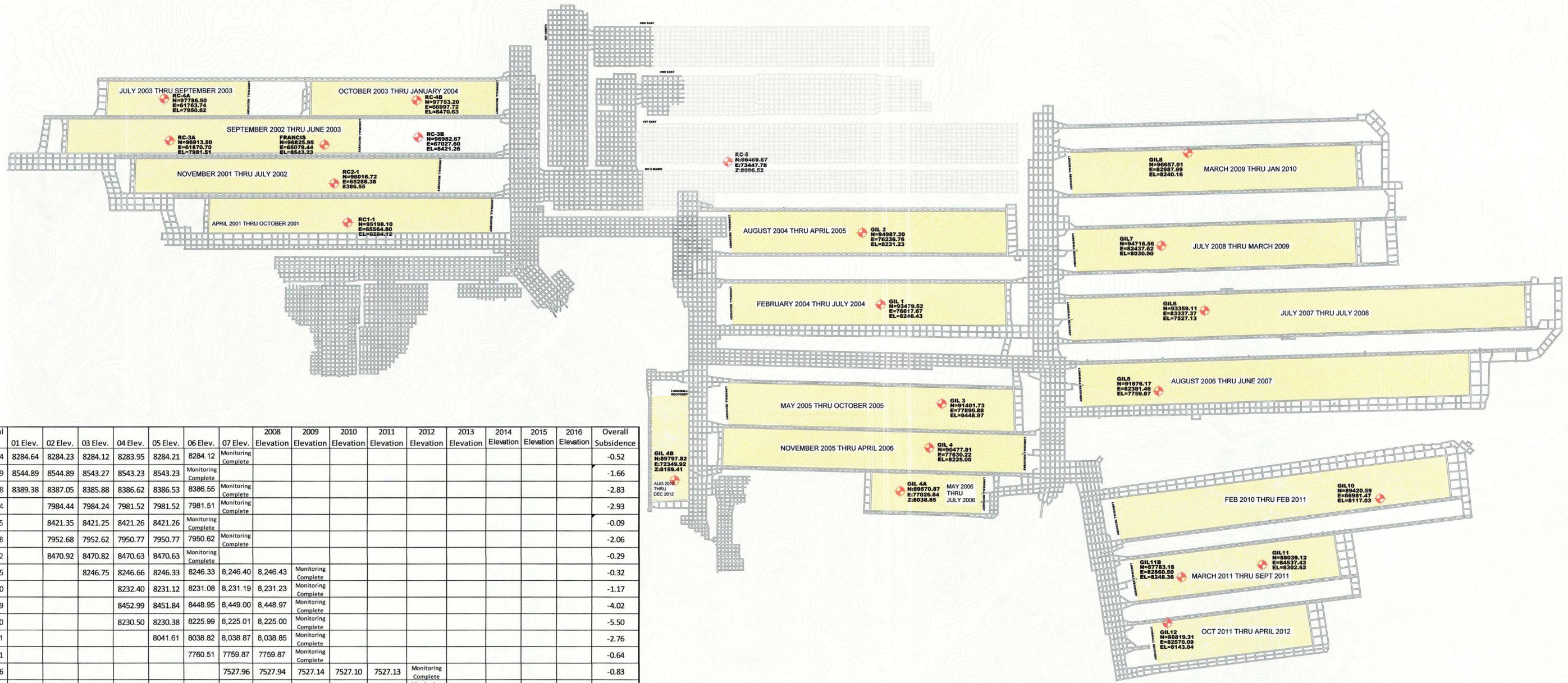
Dugout Canyon Mine – Visual Checks for Subsidence – 2015

Dugout Canyon Mine, M&RP, Chapter 5, Section 525 “Visual checks for subsidence will be made during all surface activities, especially during water monitoring activities. These visual surveys will be used to detect surface irregularities and surface cracks.”

During 2015 water monitoring in March (no access to higher elevations), June, September and October “No surface irregularities or surface cracks were observed”.

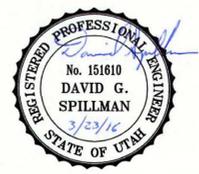
X  2/22/16

Bill King
Mining Engineer



Station	Original Elev.	01 Elev.	02 Elev.	03 Elev.	04 Elev.	05 Elev.	06 Elev.	07 Elev.	2008 Elevation	2009 Elevation	2010 Elevation	2011 Elevation	2012 Elevation	2013 Elevation	2014 Elevation	2015 Elevation	2016 Elevation	Overall Subsidence
RC 1-1	8284.64	8284.64	8284.23	8284.12	8283.95	8284.21	8284.12	Monitoring Complete										-0.52
Francis	8544.89	8544.89	8544.89	8543.27	8543.23	8543.23	8543.23	Monitoring Complete										-1.66
RC 2-1	8389.38	8389.38	8387.05	8385.88	8386.62	8386.53	8386.55	Monitoring Complete										-2.83
RC-3A	7984.44		7984.44	7984.24	7981.52	7981.52	7981.51	Monitoring Complete										-2.93
RC-3B	8421.35		8421.35	8421.25	8421.26	8421.26	8421.26	Monitoring Complete										-0.09
RC-4A	7952.68		7952.68	7952.62	7950.77	7950.77	7950.62	Monitoring Complete										-2.06
RC-4B	8470.92		8470.92	8470.82	8470.63	8470.63	8470.63	Monitoring Complete										-0.29
GIL 1	8246.75			8246.75	8246.66	8246.33	8246.33	8,246.40	8,246.43	Monitoring Complete								-0.32
GIL 2	8232.40				8232.40	8231.12	8231.08	8,231.19	8,231.23	Monitoring Complete								-1.17
GIL 3	8452.99				8452.99	8451.84	8448.95	8,449.00	8,448.97	Monitoring Complete								-4.02
GIL 4	8230.50				8230.50	8230.38	8225.99	8,225.01	8,225.00	Monitoring Complete								-5.50
GIL 4A	8041.61					8041.61	8038.82	8,038.87	8,038.85	Monitoring Complete								-2.76
GIL 5	7760.51						7760.51	7759.87	7759.87	Monitoring Complete								-0.64
GIL 6	7527.96							7527.96	7527.94	7527.14	7527.10	7527.13	Monitoring Complete					-0.83
GIL 7	8031.93								8031.93	8031.10	8031.03	8030.90	Monitoring Complete					-1.03
GIL 8	8240.53								8240.53	8240.53	8240.02	8240.16	Monitoring Complete					-0.37
GIL 10	8117.09									8117.09	8117.06	8117.03	Monitoring Complete					-0.06
GIL 11	8304.63										8304.63	8303.70	8303.02	8302.83	8302.67	8302.62	Monitoring Complete	-2.01
GIL 11B	8251.09										8251.09	8250.70	8248.83	8248.59	8248.18	8248.36		-2.73
GIL 12	8143.52										8143.52	8142.94	8142.58	8142.56	8142.79	8143.04		-0.48
GIL 4B	8162.67											8162.67	8162.53	8162.35	8159.61	8159.41		-3.26
RC-5	8096.52											8096.52	Plans for a RC 5 Longwall Panel have been eliminated					

Note: Coordinates and elevations provided by:
 Ware Surveying, L.L.C.
 1344 North 1000 West
 Price, UT 84501
 Field work was completed June 10, 2015.



SUBSIDENCE REPORT 2015



P.O. BOX 1029 WASHINGTON, UTAH 84542 435-637-6360	Date: February 15, 2016	Checked By: D.G.S.	REVISION:
CAD File: Subsidence Report 2015.dwg	Scale: 1" = 1000'	Drawn By: J.H.	
		Updated By: JKS	



Date: 3/31/2015

CLIENT: Canyon Fuel Company
Project: Dugout Canyon Mine
Lab Order: S1503054

CASE NARRATIVE
Report ID: S1503054001

Sample WR 2015-01 was received on March 5, 2015.

Samples were analyzed using the methods outlined in the following references:

- U.S.E.P.A. 600/2-78-054 "Field and Laboratory Methods Applicable to Overburden and Mining Soils", 1978
- American Society of Agronomy, Number 9, Part 2, 1982
- USDA Handbook 60 "Diagnosis and Improvement of Saline and Alkali Soils", 1969
- Wyoming Department of Environmental Quality, Land Quality Division, Guideline No. 1, 1984
- New Mexico Overburden and Soils Inventory and Handling Guideline, March 1987
- State of Utah, Division of Oil, Gas, and Mining: Guidelines for Management of Topsoil and Overburden for Underground and Surface Coal Mining, April 1988
- Montana Department of State Lands, Reclamation Division: Soil, Overburden, and Regraded Spoil Guidelines, December 1994
- State of Nevada Modified Sobek Procedure
- Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition

All Quality Control parameters met the acceptance criteria defined by EPA and Inter-Mountain Laboratories except as indicated in this case narrative.

Karen A Secor



Soil Analysis Report
Canyon Fuel Company

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Report ID: S1503054001

Date Reported: 3/31/2015

Work Order: S1503054

Project: Dugout Canyon Mine

Date Received: 3/5/2015

Lab ID	Sample ID	pH	Saturation	Electrical Conductivity	Field Capacity	Wilt Point	PE Calcium	PE Magnesium	PE Potassium	PE Sodium	SAR
		s.u.	%	dS/m	%	%	meq/L	meq/L	meq/L	meq/L	
S1503054-001	WR 2015-01	7.4	29.6	2.68	19.3	5.6	23.4	21.4	0.95	6.19	1.31

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1503054001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 3/31/2015

Date Received: 3/5/2015

Work Order: S1503054

Lab ID	Sample ID	Sand %	Silt %	Clay %	Texture	Boron ppm	Available	Selenium ppm	Nitrate(as N) ppm	TKN %
							Phosphorus ppm			
S1503054-001	WR 2015-01	68.0	21.0	11.0	Sandy Loam	0.61	12.2	<0.02	0.4	0.14

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1503054001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 3/31/2015

Date Received: 3/5/2015

Work Order: S1503054

Lab ID	Sample ID	Available	Exchangeable	Total	
		Sodium	Sodium	Carbon	TOC
		meq/100g	meq/100g	%	%
S1503054-001	WR 2015-01	0.32	0.14	11.0	9.4

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1503054001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 3/31/2015

Date Received: 3/5/2015

Work Order: S1503054

Lab ID	Sample ID	Total Sulfur	T.S. AB	Neutral. Potential	T.S. ABP	Sulfate Sulfur	Pyritic Sulfur	Organic Sulfur	PyriticS AB	PyriticS ABP
		%	t/1000t	t/1000t	t/1000t	%	%	%	t/1000t	t/1000t
S1503054-001	WR 2015-01	1.62	50.6	130	79.3	0.16	1.24	0.23	38.6	91.4

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor

Inter-Mountain Laboratories, Inc.
CHAIN OF CUSTODY
 DUGOUT CANYON MINE

51503054-001

Sample Identification	WR 2015-01																			
Sample Date	03/03/15																			
Number of Samples	1																			
Type of Soil	WR																			
Laboratory Analyses																				
Table 6, Topsoil & Overburden Parameters	X																			
AND																				
Texture	X																			
pH	X																			
Electrical Conductivity	X																			
Total Carbon	X																			
SAR	X																			
Water Holding Capacity	X																			
Plant Available Nitrogen	X																			
Phosphorus	X																			
Pyritic sulfur	X																			
T.S. ABP	X																			

WR (Waste Rock), SS (Sub-Soil), TS (Topsoil)

RELINQUISHED BY:	DATE	TIME	RECEIVED BY:	DATE	TIME
Bill King <i>BK</i>	3/3/2015	12:42 PM	<i>Karen Steen</i>	3/5/15	



Date: 9/28/2015

CLIENT: Canyon Fuel Company
Project: Dugout Canyon Mine
Lab Order: S1508332

CASE NARRATIVE
Report ID: S1508332001

████████████████████ and WR 2015-02 were received on August 18, 2015.

Samples were analyzed using the methods outlined in the following references:

- U.S.E.P.A. 600/2-78-054 "Field and Laboratory Methods Applicable to Overburden and Mining Soils", 1978
- American Society of Agronomy, Number 9, Part 2, 1982
- USDA Handbook 60 "Diagnosis and Improvement of Saline and Alkali Soils", 1969
- Wyoming Department of Environmental Quality, Land Quality Division, Guideline No. 1, 1984
- New Mexico Overburden and Soils Inventory and Handling Guideline, March 1987
- State of Utah, Division of Oil, Gas, and Mining: Guidelines for Management of Topsoil and Overburden for Underground and Surface Coal Mining, April 1988
- Montana Department of State Lands, Reclamation Division: Soil, Overburden, and Regraded Spoil Guidelines, December 1994
- State of Nevada Modified Sobek Procedure
- Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition

All Quality Control parameters met the acceptance criteria defined by EPA and Inter-Mountain Laboratories except as indicated in this case narrative.

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1508332001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 9/28/2015

Date Received: 8/18/2015

Work Order: S1508332

Lab ID	Sample ID	pH	Saturation	Electrical Conductivity	Field Capacity	Wilt Point	PE Calcium	PE Magnesium	PE Potassium	PE Sodium	SAR
		s.u.	%	dS/m	%	%	meq/L	meq/L	meq/L	meq/L	
S1508332-001	WR 2015-02	7.1	29.3	2.75	21.0	4.5	22.1	22.5	1.23	3.64	0.77

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



Soil Analysis Report
Canyon Fuel Company

Report ID: S1508332001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 9/28/2015

Date Received: 8/18/2015

Work Order: S1508332

Lab ID	Sample ID	Sand %	Silt %	Clay %	Texture	Boron ppm	Phosphorus ppm	Selenium ppm	Nitrate(as N) ppm	TKN %
S1508332-001	WR 2015-02	77.0	17.0	6.0	Loamy Sand	0.69	6	0.03	0.2	0.29

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1508332001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 9/28/2015

Date Received: 8/18/2015

Work Order: S1508332

Lab ID	Sample ID	Available Sodium	Exchangeable Sodium	Total Carbon	TOC
		meq/100g	meq/100g	%	%
S1508332-001	WR 2015-02	0.32	0.21	14.5	13.9
██████████002	██████████	██████████	██████████	██████████	██████████

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1508332001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 9/28/2015

Date Received: 8/18/2015

Work Order: S1508332

Lab ID	Sample ID	Total Sulfur	T.S. AB	Neutral. Potential	T.S. ABP	Sulfate Sulfur	Pyritic Sulfur	Organic Sulfur	PyriticS AB	PyriticS ABP
		%	t/1000t	t/1000t	t/1000t	%	%	%	t/1000t	t/1000t
S1508332-001	WR 2015-02	1.74	54.5	49.8	-4.65	0.17	1.30	0.28	40.5	9.26

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

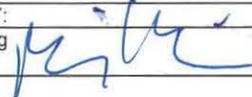
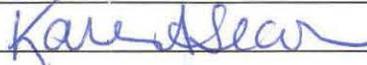
Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor

Inter-Mountain Laboratories, Inc.
CHAIN OF CUSTODY
DUGOUT CANYON MINE

51508332-001

Sample Identification	WR 2015-02																			
Sample Date	08/14/15																			
Number of Samples	1																			
Type of Soil	WR																			
Laboratory Analyses																				
Table 6, Topsoil & Overburden Parameters	X																			
AND																				
Texture	X																			
pH	X																			
Electrical Conductivity	X																			
Total Carbon	X																			
SAR	X																			
Water Holding Capacity	X																			
Plant Available Nitrogen	X																			
Phosphorus	X																			
Pyritic sulfur	X																			
T.S. ABP	X																			

WR (Waste Rock), SS (Sub-Soil), TS (Topsoil)

RELINQUISHED BY:	DATE	TIME	RECEIVED BY:	DATE	TIME
Bill King 	8/14/2015	11:10 AM		8/18/15	0945



Date: 1/8/2016

CLIENT: Canyon Fuel Company
Project: Dugout Canyon Mine
Lab Order: S1512177

CASE NARRATIVE
Report ID: S1512177001

Sample WR 2015-03 was received on December 10, 2015.

Samples were analyzed using the methods outlined in the following references:

- U.S.E.P.A. 600/2-78-054 "Field and Laboratory Methods Applicable to Overburden and Mining Soils", 1978
- American Society of Agronomy, Number 9, Part 2, 1982
- USDA Handbook 60 "Diagnosis and Improvement of Saline and Alkali Soils", 1969
- Wyoming Department of Environmental Quality, Land Quality Division, Guideline No. 1, 1984
- New Mexico Overburden and Soils Inventory and Handling Guideline, March 1987
- State of Utah, Division of Oil, Gas, and Mining: Guidelines for Management of Topsoil and Overburden for Underground and Surface Coal Mining, April 1988
- Montana Department of State Lands, Reclamation Division: Soil, Overburden, and Regraded Spoil Guidelines, December 1994
- State of Nevada Modified Sobek Procedure
- Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition

All Quality Control parameters met the acceptance criteria defined by EPA and Inter-Mountain Laboratories except as indicated in this case narrative.

Karen A Secor



Soil Analysis Report
Canyon Fuel Company

Report ID: S1512177001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 1/8/2016

Date Received: 12/10/2015

Work Order: S1512177

Lab ID	Sample ID	pH	Saturation	Electrical Conductivity	Field Capacity	Wilting Point	PE Calcium	PE Magnesium	PE Potassium	PE Sodium	SAR
		s.u.	%	dS/m	%	%	meq/L	meq/L	meq/L	meq/L	
S1512177-001	WR 2015-03	7.3	28.0	4.61	20.3	6.0	23.3	33.5	1.17	8.55	1.60

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



Soil Analysis Report
Canyon Fuel Company

Report ID: S1512177001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 1/8/2016

Date Received: 12/10/2015

Work Order: S1512177

Lab ID	Sample ID	Sand %	Silt %	Clay %	Texture	Boron ppm	Phosphorus ppm	Selenium ppm	Nitrate(as N) ppm	TKN %
S1512177-001	WR 2015-03	74.0	18.0	8.0	Sandy Loam	0.53	7	0.04	0.4	0.34

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



**Soil Analysis Report
Canyon Fuel Company**

Report ID: S1512177001

Project: Dugout Canyon Mine

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Date Reported: 1/8/2016

Date Received: 12/10/2015

Work Order: S1512177

Lab ID	Sample ID	Available	Exchangeable	Total	
		Sodium	Sodium	Carbon	TOC
		meq/100g	meq/100g	%	%
S1512177-001	WR 2015-03	0.53	0.29	19.1	18.2

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



Soil Analysis Report
Canyon Fuel Company

Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542

Report ID: S1512177001

Date Reported: 1/8/2016

Work Order: S1512177

Project: Dugout Canyon Mine
Date Received: 12/10/2015

Lab ID	Sample ID	Total Sulfur	T.S. AB	Neutral. Potential	T.S. ABP	Sulfate Sulfur	Pyritic Sulfur	Organic Sulfur	PyriticS AB	PyriticS ABP
		%	t/1000t	t/1000t	t/1000t	%	%	%	t/1000t	t/1000t
S1512177-001	WR 2015-03	2.35	73.4	77.2	3.87	0.20	1.84	0.31	57.6	19.6

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

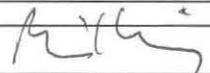
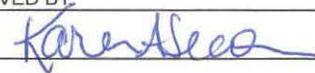
Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor

Inter-Mountain Laboratories, Inc.
CHAIN OF CUSTODY
DUGOUT CANYON MINE

51512177-001

Sample Identification	WR 2015-03																			
Sample Date	12/02/15																			
Number of Samples	1																			
Type of Soil	WR																			
Laboratory Analyses																				
Table 6, Topsoil & Overburden Parameters	X																			
AND																				
Texture	X																			
pH	X																			
Electrical Conductivity	X																			
Total Carbon	X																			
SAR	X																			
Water Holding Capacity	X																			
Plant Available Nitrogen	X																			
Phosphorus	X																			
Pyritic sulfur	X																			
T.S. ABP	X																			

WR (Waste Rock), SS (Sub-Soil), TS (Topsoil)

RELINQUISHED BY:	DATE	TIME	RECEIVED BY:	DATE	TIME
Bill King 	12/7/2015	9:35 AM		12/9/15	