*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	July 28, 2017
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	July 27, 2017
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. In March, Nielson Construction was hired to complete some maintenance activities on some of the sites drainage systems. This work was completed in early April and concentrated on the refurbishment of the undisturbed drainage ditches north to the facilities main access road. Furthermore, the as-built details of this work was documented and submitted to DOGM on June 29th.

4. Placement and compaction of fill materials

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

5. Final grading and revegetation of fill.

N/A

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

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

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatment of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The site was active at the time of the inspection. A GPS guided Cat was actively working the southeast portion of the refuse pile. To date, most of the eastern slopes and the Phase I expansion area have now been graded to their final maximum configuration. A check of the records indicates that 51,562 tons (34,722 yd3 at 110 lbs/ft3) have been delivered from the Castle Valley Prep Plant to this facility YTD. Records also indicate that the most recent sample of refuse taken for analysis was obtained on 07/24/17.

Note: On June 7, 2017, DOGM granted the final approval of the Phase II expansion of this facility. This expansion will add approximately 869,000 tons of additional refuse capacity to the site. It's now expected that the initial construction of the Phase II expansion will commence in August.

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 7/28/17

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

[Cert. Stamp]

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