

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/039	Report Date	05/18/18
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond #1	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment -None (Refuse Pile 1211-UT-09-01890-01)	
IMPOUNDMENT INSPECTION			
Inspection Date	05/18/18		
Inspected By	David 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

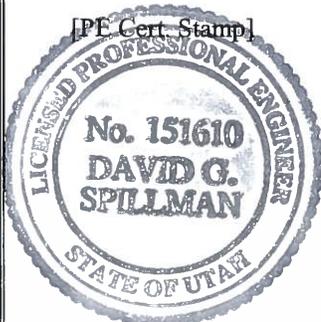
IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	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 Spillman **Date:** 05/18/18

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	05/18/18
Mine Name	Dugout Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Refuse Pile Sedimentation Pond #2	
	Impoundment Number	None	
	UPDES Permit Number	UT0025593	
	MSHA ID Number	Impoundment - None (Refuse Pile 1211-UT-09-01890-01)	
IMPOUNDMENT INSPECTION			
Inspection Date	05/18/18		
Inspected By	Dave Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection and Annual 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 #2 was completed in October 2017. 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 (as-built) - 100% = 0.68 acre-feet @ an elevation of 5,862.67 feet</i> <i>- 60% = 0.41 acre-feet @ an elevation of 5,861.45 feet</i> <i>At the time of the inspection, the estimated average elevation of the existing sediment was 5,858.0 feet.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Emergency Spillway Elevation (as-built) - crest at 5,867.25 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 cleanup, pond decanting, embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc.</p> <p><i>The pond was constructed in October 2017.</i> <i>The pond was dry at the time of the inspection.</i> <i>Given the dry weather conditions since construction, it appears that this impoundment has yet to receive any significant runoff and the existing sediment accumulation is negligible.</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 Spillman **Date:** 05/18/18

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

*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 May 18, 2018
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 May 18, 2018
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.

On June 7, 2017, DOGM granted the final approval of the Phase II expansion of this facility. Construction of the Phase II expansion commenced on August 14, 2017. This initial work concentrated on the construction of the 2nd sediment pond for the facility. The 2nd sediment pond has subsequently been completed and the "as-built" details were submitted to DOGM on 2/20/18. DOGM's conditional approval was granted on 3/9/18, pending the resubmittal of "clean" copies. Dugout submitted the "clean" copies on 3/14/18 and final approval was received from DOGM on 3/20/18.

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.

As part of the Phase II expansion process, newly recovered soils were relocated and utilized for the contemporaneous reclamation of the northern portion of the existing refuse pile. All planned contemporaneous reclamation is now complete. This work included subsoil placement, topsoil placement, seeding and finalizing with select erosion control stabilization methods. Unfortunately, at the time of this inspection, the revegetation success was sparse at best. I'd say that the dry weather and lack of adequate precipitation is certainly the most significant factor affecting these results.

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, refuse placement has now expanded into the southern slope of the refuse pile. This new refuse volume is actively being placed in the additional space provided by the Phase II expansion.

A check of the records indicates that 14,775 tons (9,950 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 02/21/18.

CERTIFICATION STATEMENT

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meet or exceed the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

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

Signature *David Spillman* Date *5/18/18*

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

[Cert. Stamp]

