C/007/042 Incoming

K

Sunnyside Cogeneration Associates

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

January 26, 2012

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

RE: 4th Quarter 2011 Inspection Report
Star Point Refuse Pile C/007/042

Dear Daron:

Please find enclosed a copy of the Fourth Quarter 2011 Inspection Report for the Star Point refuse pile, impoundments, and excess spoil area.

Should you have any questions, please contact Rusty Netz or myself at (435)888-4476.

Thank You,

Richard Carter
Agent For
Sunnyside Cogeneration Associates

c.c. Steve Gross
Maggie Estrada
Rusty Netz
Plant File

RECEIVED
JAN 3 0 2012
DIV. OF OIL, GAS & MINING

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

GENERAL INFORMATION **Sediment Pond 005**

Report Date	January 19, 2012
Permit Number	C/007/042
Mine Name	Star Point Waste Fuel
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Sediment Pond 005
Impoundment Number	005
UPDES Permit Number	UTG040025
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

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

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 6.96 Acre-feet
Pond bottom elevation = 7387.3
100% Sediment Storage Volume = 2.42 acre-feet at Elevation 7394.9
60% sediment Storage Volume = 1.45 acre feet at Elevation = 7393
Existing Average Sediment Elevation = 7392 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7394.9
Emergency Spillway Elevation = 7401.3

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it but was not discharging. No samples were taken
Sediment levels were reasonably low. Pond did not require decanting.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Sediment Pond 005

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Depth of impounded water was minimal
Sediment level was good.
No other aspects were observed to affect stability or functionality.

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 designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nity Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

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

REGISTERED PROFESSIONAL ENGINEER
187727
S. SCOTT CARLSON
1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

GENERAL INFORMATION **Sediment Pond 006**

Report Date	January 19, 2012
Permit Number	C/007/042
Mine Name	Star Point Waste Fuel
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Sediment Pond 006
Impoundment Number	006
UPDES Permit Number	UTG040025
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

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

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 2.6 Acre-feet
Pond bottom elevation = 7132.7
100% Sediment Storage Volume = 0.76 acre-feet at Elevation 7140.7
60% sediment Storage Volume = 0.45 acre feet at Elevation = 7138.8
Existing Average Sediment Elevation = 7135 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7140.7
Emergency Spillway Elevation = 7147.2

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken
Sediment levels were reasonably low. Pond did not require decanting.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Sediment Pond 006

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Depth of impounded water was minimal
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

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 designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Nity Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

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1/2012
STATE OF UTAH

Affix Signature, Stamp and Date

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

GENERAL INFORMATION **Sediment Pond 009**

Report Date	January 19, 2012
Permit Number	C/007/042
Mine Name	Star Point Waste Fuel
Company Name	Sunnyside Cogeneration Associates

IMPOUNDMENT IDENTIFICATION

Impoundment Name	Sediment Pond 009
Impoundment Number	009
UPDES Permit Number	UTG040025
MSHA ID Number	N/A

IMPOUNDMENT INSPECTION

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

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

None

a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Total Pond Volume = 7.4 Acre-feet
Pond bottom elevation = 7435.0
100% Sediment Storage Volume = 2.02 acre-feet at Elevation 7439.3
60% sediment Storage Volume = 1.21 acre feet at Elevation = 7437.7
Existing Average Sediment Elevation = 7437 +/-

b. Principle and emergency spillway elevations.

Primary Dewatering Orifice = 7439.8
Primary Spillway Elevation = 7445.5
Emergency Spillway Elevation = 7446.5

2. Field Information

Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No samples were taken. Pond did not require decanting.
Sediment levels were reasonable.
Embankment conditions were good. Vegetation on outslopes was adequate.
Inlet / Outlet conditions were good. No structural or hazardous conditions were observed.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Sediment Pond 009

3. Field Evaluation.

Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period

No recent changes in the geometry of the structure have been observed
Depth of impounded water was minimal
Sediment level was good.
No other aspects of the impounding structure were observed that could affect its stability or functionality.

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 designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty Roty Date: 1/26/12

CERTIFIED REPORT
IMPOUNDMENT EVALUATION

If you answer NO to these questions, please explain under comments

1. Is impoundment designed and constructed in accordance with the approved plan? YES
2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? YES
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? YES

COMMENTS/ OTHER INFORMATION

None

CERTIFICATION STATEMENT:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

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1/2012
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INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

GENERAL INFORMATION **Coarse Refuse Pile**

Report Date	January 19, 2012
Permit Number	C/007/042
Mine Name	Star Point Waste Fuel
Company Name	Sunnyside Cogeneration Associates

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Coarse Refuse Pile
Pile Number	N/A
MSHA ID Number	Abandoned by MSHA Jan 2004

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

Attachment to Report? (such as refuse sample analysis or photos) **NO**

Field Evaluation

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

   N/A

2. Placement of underdrains and protective filter systems.

   N/A

3. Installation of final surface drainage systems

   N/A

4. Placement and compaction of fill materials

   N/A - Activities occurring at this time are associated with removal of refuse material

5. Final grading and revegetation of fill.

   N/A

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

   No aspects of the Fill structure were observed that could affect its stability or functionality

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Coarse Refuse Pile

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

Refuse material is actively being excavated and removed from the top of the pile

QUALIFICATION STATEMENT:

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect 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 approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rusty nity Date: 1/26/12

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 meets or exceeds the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

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

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INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

GENERAL INFORMATION **Disposal Area**

Report Date	January 19, 2012
Permit Number	C/007/042
Mine Name	Star Point Waste Fuel
Company Name	Sunnyside Cogeneration Associates

EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION

Pile Name	Disposal Area
Pile Number	N/A
MSHA ID Number	N/A

Inspection Date	December 22, 2011
Inspected by	Rusty Netz
Reason for Inspection	Fourth Quarter Inspection 2011

Attachment to Report? (such as refuse sample analysis or photos) **NO**

Field Evaluation

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

The site selected for the disposal area is the old slurry ponds associated with the prior mining activity. No topsoil is available to be removed.

2. Placement of underdrains and protective filter systems.

N/A

3. Installation of final surface drainage systems

N/A

4. Placement and compaction of fill materials

The disposal area did not receive any materials during the quarter.

5. Final grading and revegetation of fill.

N/A

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

No aspects of the Fill structure were observed that could affect its stability or functionality

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE

Disposal Area

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 disposal area did not receive any materials during the quarter.

QUALIFICATION STATEMENT:

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Signature: Rusty Netz Date: 1/26/12

CERTIFICATION STATEMENT

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