



C/015/018 Incoming

Interwest Mining Company
Huntington Office
P. O. Box 310
15 No Main Street
Huntington, UT 84528

June 27, 2016

Mr. Darron Haddock
Permit Supervisor
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
JUL 05 2016
DIV. OF OIL, GAS & MINING

Dear Mr. Haddock:

I am enclosing for submittal the 2nd Quarter 2016 Engineering inspection reports for the Deer Creek Waste Rock Site (1211-UT-09-00121-02). Please note that this site is now owned by BRC Wellington Inc. (BRC) which was sold by PacifiCorp to BRC in a purchase agreement dated August 4, 2015. Because BRC has not received approval of a replacement operation and reclamation plan for the site, PacifiCorp still holds the valid DOGM permit for the site. BRC has retained EarthFax Engineering Inc. to conduct the engineering inspections of both the pond and refuse pile at site 1211-UT-09-00121-02. Its report is attached herein.

Also note that in a letter dated April 12, 2016, the Mine Safety and Health Administration has terminated their jurisdiction of the two refuse piles in Deer Creek Canyon at the Deer Creek Mine. Therefore, Interwest will no longer be inspecting or reporting these sites.

If you have any questions or concerns regarding this submittal, please feel free to contact Ken Fleck at 435-687-4712.

Sincerely,

Richard Cullum
Coal Quality/Hydrology Specialist
Interwest Mining Company

Encls.

EarthFax Engineering Group, LLC

7324 South Union Park Avenue, Suite 100, Midvale, Utah 84047 • 801.561.1555 • FAX 801.561.1861



EarthFax

May 12, 2016

Kyle Edwards
BRC Wellington, LLC
1865 West Ridge Road
Wellington, UT 84654

Subject: Quarterly inspection of Deer Creek waste rock pile and sedimentation pond

Dear Kyle:

On April 26, 2016 I conducted the quarterly inspection of the waste rock pile and sedimentation pond at the Deer Creek waste rock site. The results of that inspection are attached.

The embankment and appurtenances associated with the pond appear to be in excellent condition. I did not observe any structural weaknesses or other hazardous conditions associated with the pond or the pile. It is my opinion that the pond and pile adequately serve their intended purposes and may continue to be used for those purposes.

Please contact me if you have any questions.

Sincerely,

Richard B. White, P.E.
President

Enclosure

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 Telephone (801) 538-5340 facsimile (801) 359 3940 TTY (801) 538-7458
 www.ogm.utah.gov



Quarterly Inspection Form - Refuse Disposal Areas
 (please provide to DOGM promptly after inspection is complete)

Permit Number : C/015/0035 Inspection Date : 26 Apr 2016
 Mine Name : Bowie Waste Rock Site Quarter / Year : 2nd quarter 2016
 Mine Operator (Permittee) : BRC Wellington, LLC Inspector Name : Richard B. White, P.E.
 MSHA ID # : 4202398 Inspector Signature : Richard B. White
 Facility Name / Location / Address : Bowie Waste Rock Site, near mouth of Huntington Canyon, Emery County, Utah

1. Describe any changes in the geometry of the structure (as well as instrumentation, if any, used to monitor changes):
 No changes have occurred to the site since 2013. This site is currently inactive.

2. Lift Height / Thickness Avg NA Maximum NA # NA Elevation of Active Benches : 6365.7, 6342.6

3. Vertical Angle of Outslope(s) / Location(s) where measured 2.0:1 (NW) / 1.5:1 (SW) / 1.9:1 (NE) / 3.0:1 (SE)

4. Total storage capacity: 468,215 CY Remaining storage capacity 161,515 CY Volume placed during year : 0

5. Describe foundation preparation (including removal of vegetation, stumps, topsoil, and all other organic material):
Topsoil and subsoil were stripped, including associated organic matter, prior to the beginning of waste rock placement. An underdrain was also installed to capture water from a seep at the base of the pile.

6. Describe placement and compaction of fill materials (including an explanation of how compaction is confirmed):
No waste rock has been placed at the site since 2013.

7. Is there any evidence of fires or burning on the structure? (If YES, specify extent, location, and abatement/extinguishment of such fires):
No

8. Describe placement of under drains, protective filter systems, and final surface drainage systems (report any seepage, including location, color, flow):
A drain was installed in 1989. A small amount of seepage (<<1 gpm) was flowing from this drain at the time of the inspection.

9. Describe any appearances of instability, structural weakness, or other hazardous conditions:
None

10. Please provide any other information pertaining to the stability of the structure (attach any photos taken during the inspection)

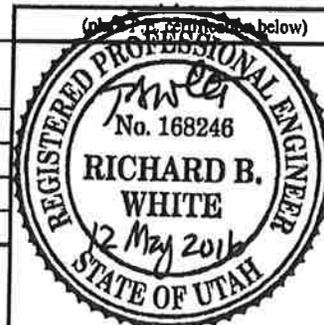
Are there cracks or scarps in crest ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Is there any detectable sloughing or bulging ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Do slope erosion problems exist ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Cracks or scarps in slope ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Surface movements? (valley bottom, hillsides)	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Erosion of Toe ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Water impounded by structure ?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Are diversion ditches stable?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Is drainage positive ?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Could failure of structure create an impoundment (provide description)? No significant potential exists for impounding water in the event of a failure.

Are design standards established within the mining and reclamation plan for the disposal facility being met?
Yes

Proctor Determination : Since the site is inactive, no recent Proctor determinations have been performed.

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 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.



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	<u>12May 2016</u>
Permit Number	<u>C/015/0035</u>
Mine Name	<u>Bowie Waste Rock Site</u>
Company Name	<u>BRC Wellington, LLC</u>

IMPOUNDMENT IDENTIFICATION

Impoundment Name	<u>Waste Rock Sedimentation Pond</u>
Impoundment Number	<u>N/A</u>
UPDES Permit Number	<u>UT0022896</u>
MSHA ID Number	<u>42-02398</u>

IMPOUNDMENT INSPECTION

Inspection Date	<u>26 Apr 2016</u>
Inspected by	<u>Richard B. White</u>
Reason for Inspection	<u>Quarterly Inspection</u>

(Annual, quarterly or other periodic inspections, critical installation , or completion of construction.)

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

Other than a small amount of erosion existing in the form of rills on the interior slopes of the pond, no signs of instability, structural weakness, or any other hazardous condition were observed. This erosion is not considered problematic.

Questions a and b are required for an impoundment, which functions as a Sedimentation pond.

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

60 % sediment capacity 25,610 cf (at elev. 6312.70 ft). 100% sediment capacity 42,690 cf (at elev. 6313.45 ft). Sediment storage at the time of the inspection appeared to be less than the 60% cleanout elevation.

- b. Principle and emergency spillway elevations.

Outlet elevation = 6,320 feet.

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.

No water was present in the pond at the time of the inspection. A small amount of rill erosion exists on the interior slopes of the pond. This is not substantial. The resulting sediment is captured by the pond.

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

The pond adequately serves its intended purpose and can remain in use as currently constructed.

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 and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Richard B. Swet Date: 12 May 2016

CERTIFIED REPORT

IMPOUNDMENT EVALUATION

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

- | | YES | NO |
|--|-------------------------------------|--------------------------|
| 1. Is impoundment designed and constructed in accordance with the approved plan? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

COMMENTS/ OTHER INFORMATION

The pond adequately serves its intended purpose.

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: Richard B. White

Full Name and Title

Signature: Richard B. White

Date 12 May 2016

P.E. Number & State 168246

[P.E. Cert. Stamp]

