



Received 4/4/18

018

Daron R. Haddock
Coal Program Manager

Subject: 2017 Annual Report Submittal for Castle Valley Mining LLC Bear Canyon Mine, C/015/0025

Dear Mr. Haddock:

The following 2017 Annual Report items are included in the CVM Google Drive. PE certified Projections maps to follow of the Tank & Bear/Blind seams via ground mail.

Impoundments: Reports provided in CVM Google Drive in PDF format.

Subsidence Map & Data: This map shows all of the surveyed monitoring locations in relationship to the underground workings in PDF format. Survey monitored data is included in the CVM Google Drive.

Projected Mining maps: These maps of the Tank & Bear seams show more than five years of projected mining in PDF format. PE certified maps to follow via ground mail.

Wildlife and awareness program: I would be glad to have someone from the Division come and talk to us. I have been incorporating this into our quarterly training. Our staff is well aware of wildlife protection here at the mining facility.

Identification of new cultural resources: We have not discovered any new cultural resources on the mining facility. If found the site will not be disturbed and Castle Valley Mining will contact the Division of Oil Gas and Mining.

Raptor Surveys: The 2017 Raptor survey was completed on 4/17/2017-5/19/2017 by company representative Jaren Jorgensen and Joe Via of EIS. Map & data provided in the CVM Google Drive.

If you have any questions, please call me (435) 687-2178

Sincerely,

A handwritten signature in red ink that reads "JAREN JORGENSEN". The signature is stylized and somewhat cursive.

Jaren Jorgensen
Engineer

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 | Rhino Energy | Mine Name | Bear Canyon Mine |
| Permit Number | C/015/0025 | Permit expiration Date | 2020-11-02 |
| Operator Name | CASTLE VALLEY MINING | Phone Number | +1 (435) 687-2178 |
| Mailing Address | PO BOX 475 | Email | jjorgensen@rhinolp.com |
| City | Huntington | | |
| State | UTAH | Zip Code | 84528 |

DOG M File Location or Annual Report Location

| | | |
|--------------------|---|--|
| Excess Spoil Piles | <input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required | |
| Refuse Piles | <input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required | |
| Impoundments | <input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required | Separate Document marked CVM IMPOUNDMENTS 2017 |
| Other: | | |

OPERATOR COMMENTS

CASTLE VALLEY MINING DOES NOT HAVE EXCESS SPOIL PILES OR REFUGE PILES. IMPOUNDMENT PONDS A,B,C,D ARE ATTACHED AND CERTIFIED. MARKED CVM IMPOUNDMENTS 2017

REVIEWER COMMENTS Met Requirements Did Not meet 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: VEGETATION MONITORING PROCEDURES

Objective: Qualitative observations of revegetated areas will be made yearly throughout the ten year liability period. (See R645-301-250).

Frequency: Quantitative measurements of reclamation will be collected during years 2,3,5,9, and 10 of the same bond liability period. Any areas not achieving success will be evaluated and revegetated as needed.

Status: Begin at reclamation

Reports: Annually after reclamation

Citation: Chapter three, page 3-41, paragraph 1

Title: SEALING OF WELLS

Objective: Permanent closure of wells using measures required by DOGM to prevent access and contamination of groundwater.

Frequency: Once, as wells are no longer needed.

Status: Wells are in use until no longer needed.

Reports: Report status when mining is terminated or wells no longer needed.

Citation: MRP, Chapter 6, page 6-10.

Title: DETAILED REVEGETATION PLAN

Objective: The Operator will submit a detailed revegetation plan in the last Five year permit renewal prior to reclamation. The plan will include detailed map(s) of sufficient scale to show exact areas and methods of revegetation (i.e. drill seeding, terraces, netting, etc.) based on the best technology available and final mine site conditions.

Frequency: Once during last five year permit renewal prior to reclamation. the operator will notify the Division two weeks prior to all seeding work (interim or permanent) to allow the Division to be on site when work is done.

Status: During last permit renewal prior to reclamation.

Reports: NA

Citation: Chapter 3, page 3-46, paragraph 2.

Title: ANALYSIS FOR RE-INITIATION OF SAMPLING SITES

Objective: Notify DOGM of any reactivation of water sampling stations if mining is to occur in the following areas: Leases U-46481; U-024316; T16N R8E Secs 7,17,18,19,20; Mine #4; Mohrland area, or portal opening accessing Leases U61048 or U-61049.

Frequency: Sampling to initiate at least 6 months prior to mining these areas.

Status: Ongoing

Reports: Notify Division in Annual report in mining is to occur.

Citation: Chapter 7, p 7-49.

Title: Substitute Topsoil Testing**Objective:** To Confirm the suitability of substitute topsoil prior to reclamation.**Frequency:** Within 5 years prior to reclamation**Status:** Future Commitment**Reports:** Proposed substitute topsoil that is designated by reclamation area in Summary table 2-8 and further described in appendix 5-1 will be re-tested in the final five years of operations according to table 5O-1 and testing will include total petroleum hydrocarbons by EPA Methods 8015 and 418.1**Citation:** MRP, Chapter 2, Section R645-301-241, p 2-35

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

MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

| Map Name | Map Number | Included | | Confidential | |
|------------------------------|------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| | | Yes | No | Yes | No |
| Annual Subsidence Map | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Mine Map- see comments below | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

REVIEWER COMMENTS Met Requirements Did Not Meet Requirements

Please include a mine map with dates of when the panels are projected to be mined. The Division requires that a map showing at least five years of projected mining be provided annually.

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: SUBSIDENCE MONITORING

Objective: Determine subsidence effects from mining

Frequency: Annually

Status: On going

Reports: Submit surveyed monitoring data to the Division annually. **Please include a map showing the location of the subsidence points in relationship to the underground workings.**

Citation: MRP Chapter 5, Appendix 5C, pg 5c-8

OPERATOR COMMENTS

SUBSIDENCE SURVEY COMPLETED IN NOVEMBER 2017 BY WARE SURVEYING. SEPERATE DOCUMENT MARKED CVM SUBSIDENCE 2017

REVIEWER COMMENTS Met Requirements Did Not Meet Requirements

Title: WILDLIFE AWARENESS PROGRAM

Objective: To inform employees of the wildlife and the need for protection in the mine facilities and access road areas.

Frequency: As needed.

Status: Ongoing.

Reports: Summary in Annual Report

Citation: Chapter three, page 3-45, paragraph 2.

OPERATOR COMMENTS

WE HAVE ANNUAL TRAINING HERE AT THE MINE. WILDLIFE AWARENESS IS PART OF THAT PROGRAM. ALSO WE HAVE MONTHLY MEETINGS WHERE THIS IS A TOPIC AS WELL. ANY SPECIAL TRAINING DOGM IS WILLING TO GIVE US AT CASTLE VALLEY WE WILL BE WILLING TO ACCEPT.

REVIEW COMMENTS

Met Requirements

Did Not Meet Requirements

Title: IDENTIFICATION OF NEW CULTURAL RESOURCES.

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, Permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the Permittee of necessary actions required.

Frequency: The Permittee shall implement the mitigation measures required by the Division within the time specified by the Division.

Status: Ongoing.

Reports: Annual

Citation: MRP, Chapter 4, Section 411.144, page 4-15

OPERATOR COMMENTS

THE IDENTIFICATION OF NEW CULTURAL RESOURCES WILL NOT BE DISTURBED AND CASTLE VALLEY MINING WILL NOTIFY DOGM. THIS IS BEING FOLLOWED ON A DAILY BASIS HERE AT CASTLE VALLEY. ANY SPECIAL TRAINING DOGM IS WILLING TO GIVE US AT CASTLE VALLEY WE WILL BE WILLING TO ACCEPT.

REVIEWER COMMENTS

Met Requirements

Did Not Meet Requirements

Title: RAPTOR SURVEYS

Objective: Verify presence of nesting birds, and status of nests. Raptor surveys will be conducted every year during the mine life. Include follow-up surveys if conducted.

Frequency: annually for the life of the mine.

Status: Ongoing

Reports: Annual

Citation: Chapter three, page 3-70, paragraph 2.

OPERATOR COMMENTS

SEPERATE DOCUMENT MARKED CVM RAPTOR SURVEYS CONFIDENTIAL

REVIEWER COMMENTS Met Requirements Did Not Meet Requirements

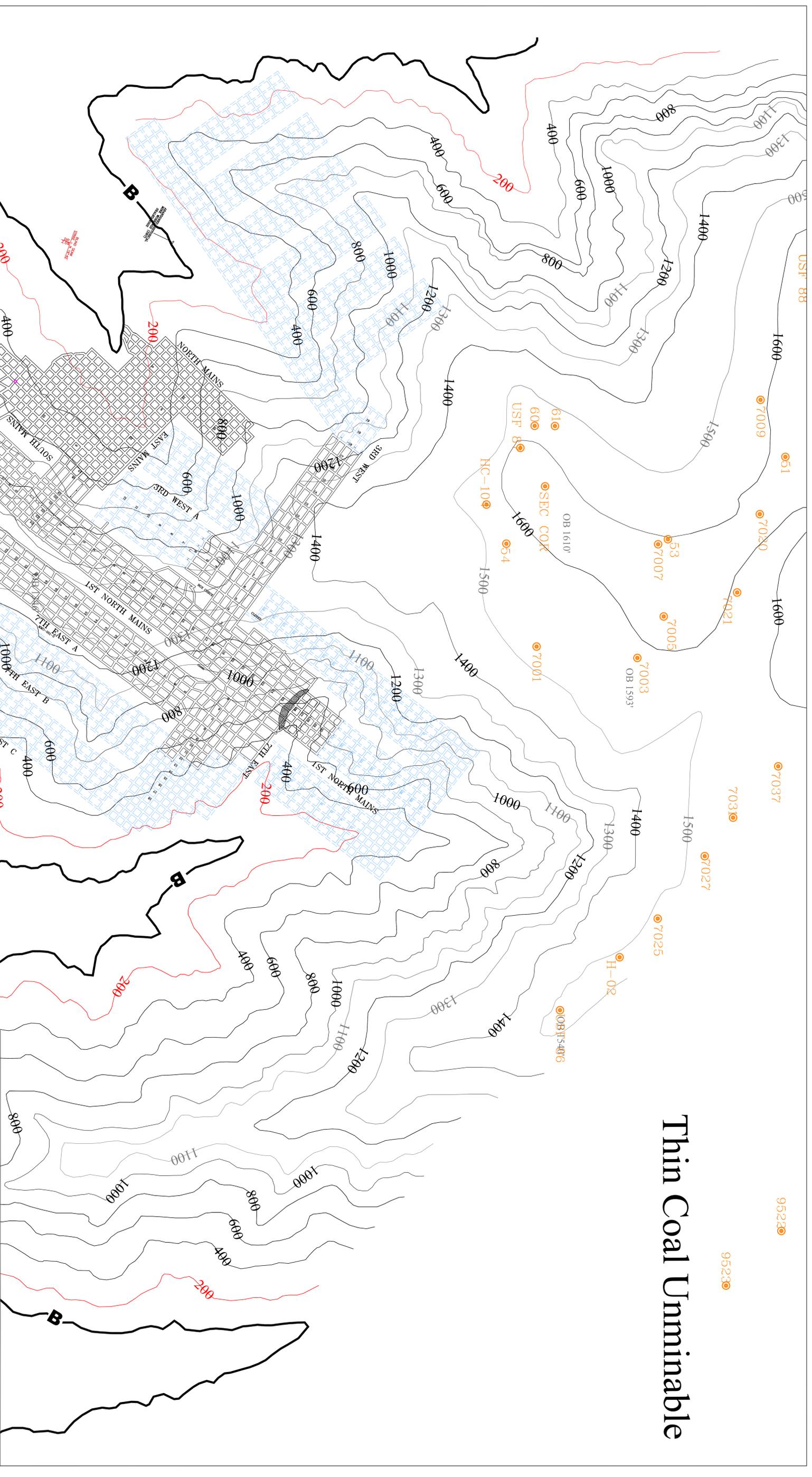
RHINO - CASTLE VALLEY MINING, LLC
November 2017 - Annual Subsidence Survey

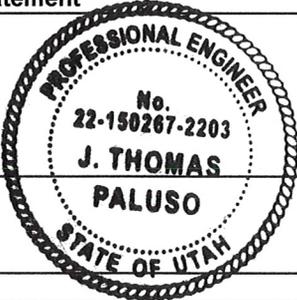
Local - Mine Grid
 US Survey Feet

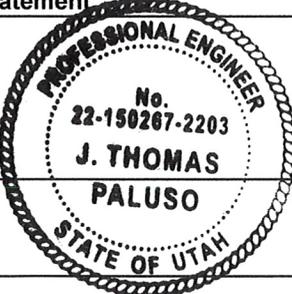
| | | | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2016-2017 | |
|------------------------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------|
| POINT NAME | NORTHING | EASTING | ELEVATION | | DESCRIPTION |
| SURVEY CONTROL | | | | | | | | | | | |
| Jaren | 393054.68 | 2118087.27 | 7862.82 | 7862.82 | 7862.82 | 7862.82 | 7862.82 | 7862.82 | 7862.82 | | Portal roof bolt |
| Cody | 396881.88 | 2117797.46 | 9037.56 | 9037.56 | 9037.56 | 9037.56 | 9037.56 | 9037.56 | 9037.56 | | Roof bolt on ridge |
| USF 88 | 400241.32 | 2117374.40 | 9457.00 | 9457.00 | 9457.00 | 9457.00 | 9457.00 | 9457.00 | 9457.00 | | US Fuel monument |
| MEASURED POINTS | | | | | | | | | | | |
| USF 86 | 397853.04 | 2124558.33 | 9257.79 | 9257.79 | 9257.79 | 9257.79 | 9257.79 | 9257.37 | 9257.16 | 0.21 | US Fuel monument |
| USF 87 | 397477.08 | 2119241.97 | 9361.60 | 9361.58 | 9361.60 | 9361.62 | 9361.66 | 9361.65 | 9361.62 | 0.03 | US Fuel monument |
| HC 104 | 397155.69 | 2119777.29 | 9342.42 | 9342.34 | 9342.35 | 9342.36 | 9342.37 | 9342.37 | 9342.34 | 0.03 | Aerial target |
| SECTION COR. | 397711.91 | 2119035.13 | 9360.78 | 9360.73 | 9360.78 | 9360.73 | 9360.83 | 9360.78 | 9360.79 | -0.01 | Cor. 13-18-24-19 |
| 51 | 399991.27 | 2119326.68 | 9377.02 | 9377.00 | 9376.94 | 9376.97 | 9376.88 | 9376.87 | 9376.95 | -0.08 | Old CW Nail |
| 53 | 398876.88 | 2120105.47 | 9351.63 | 9351.60 | 9351.63 | 9351.61 | 9351.51 | 9351.56 | 9351.45 | 0.11 | Old CW Nail |
| 54 | 397344.13 | 2120147.61 | 9338.27 | 9338.25 | 9338.24 | 9338.24 | 9338.29 | 9338.26 | 9338.27 | -0.01 | Old CW Nail |
| 60 | 397612.68 | 2119033.17 | 9341.33 | 9341.31 | 9341.28 | 9341.26 | 9341.39 | 9341.37 | 9341.34 | 0.03 | Old CW Nail |
| 61 | 397805.20 | 2119034.97 | 9303.95 | 9303.92 | 9303.93 | 9303.96 | 9304.08 | 9304.04 | 9304.17 | -0.13 | Old CW Nail |
| H-02 | 398418.80 | 2124057.80 | 9280.23 | 9280.32 | 9280.29 | 9280.28 | 9279.92 | 9279.56 | 9279.46 | 0.10 | Aerial target |
| 7001 | 397631.19 | 2121120.12 | 9314.89 | 9314.90 | 9314.88 | 9314.91 | 9314.76 | 9314.77 | 9314.77 | 0.00 | Drill hole in stone |
| 7003 | 398587.12 | 2121227.74 | 9330.49 | 9330.53 | 9330.52 | 9330.50 | 9330.26 | 9330.23 | 9330.26 | -0.03 | Drill hole in stone |
| 7005 | 398837.32 | 2120835.56 | 9344.74 | 9344.77 | 9344.80 | 9344.81 | 9344.57 | 9344.58 | 9344.55 | 0.03 | Drill hole in stone |
| 7007 | 398784.23 | 2120153.00 | 9357.07 | 9357.09 | 9357.08 | 9357.10 | 9356.88 | 9356.85 | 9356.93 | -0.08 | Roof bolt |
| 7009 | 399755.75 | 2118787.41 | 9373.94 | 9373.95 | 9373.95 | 9373.93 | 9373.86 | 9373.89 | 9373.85 | 0.04 | Roof bolt |
| 7020 | 399748.80 | 2119868.08 | 9363.64 | 9363.64 | 9363.67 | 9363.64 | 9363.48 | 9363.45 | 9363.48 | -0.03 | Roof bolt |
| 7021 | 399534.00 | 2120608.72 | 9335.41 | 9335.39 | 9335.43 | 9335.42 | 9335.33 | 9335.34 | 9335.36 | -0.02 | Rebar |
| 7025 | 398780.34 | 2123692.63 | 9291.55 | 9291.58 | 9291.52 | 9291.56 | 9291.41 | 9291.12 | 9291.10 | 0.02 | Roof bolt |
| 7027 | 399226.23 | 2123101.63 | 9309.81 | 9309.50 | 9309.49 | 9309.47 | 9309.44 | 9309.41 | 9309.44 | -0.03 | Roof bolt |
| 7031 | 399495.28 | 2122737.96 | 9322.41 | 9322.14 | 9322.12 | 9322.10 | 9322.01 | 9321.88 | 9321.94 | -0.06 | Rebar |
| 7037 | 399923.44 | 2122252.31 | 9336.45 | 9336.42 | 9336.46 | 9336.44 | 9336.30 | 9336.27 | 9336.29 | -0.02 | Drill hole in stone |
| 7038 | 400660.66 | 2122795.16 | 9290.65 | 9290.67 | 9290.66 | 9290.67 | 9290.44 | 9290.41 | 9290.41 | 0.00 | Drill hole in stone |
| 108 | 401103.58 | 2123249.49 | 9303.38 | 9303.38 | 9303.40 | 9303.40 | 9303.26 | 9303.24 | 9303.26 | -0.02 | Drill hole in stone |
| 7040 | 400298.73 | 2121793.12 | 9348.89 | 9348.91 | 9348.90 | 9348.94 | 9348.88 | 9348.87 | 9348.85 | 0.02 | Drill hole in stone |
| 7041 | 400336.90 | 2121826.52 | 9351.14 | 9351.12 | 9351.12 | 9351.15 | 9351.07 | 9351.09 | 9351.06 | 0.03 | Drill hole in stone |
| 7042 | 400760.89 | 2121155.79 | 9368.94 | 9368.97 | 9368.91 | 9368.93 | 9368.86 | 9368.84 | 9368.84 | 0.00 | Drill hole in stone |
| 7043 | 400393.78 | 2121698.65 | 9352.35 | 9352.32 | 9352.34 | 9352.33 | 9352.19 | 9352.21 | 9352.17 | 0.04 | Drill hole in stone |
| 7046 | 400636.74 | 2120631.98 | 9380.58 | 9380.60 | 9380.63 | 9380.65 | 9380.53 | 9380.49 | 9380.48 | 0.01 | Drill hole in stone |
| 7047 | 400233.18 | 2120602.12 | 9364.93 | 9364.92 | 9364.93 | 9364.95 | 9364.87 | 9364.88 | 9364.91 | -0.03 | Roof bolt |
| 7058 | 401389.57 | 2121440.23 | 9367.74 | 9367.76 | 9367.71 | 9367.74 | 9367.63 | 9367.65 | 9367.62 | 0.03 | Roof bolt |
| 9518 | 402226.36 | 2126036.89 | | 9316.28 | 9316.33 | 9316.31 | 9316.34 | 9316.32 | 9316.30 | 0.02 | Drill hole in stone |
| 9519 | 401417.44 | 2126104.04 | | 9299.34 | 9299.45 | 9299.40 | 9299.17 | 9299.17 | 9299.20 | -0.03 | Drill hole in stone |
| 9520 | 400960.03 | 2125938.17 | | 9298.11 | 9298.13 | 9298.10 | 9297.84 | 9297.84 | 9297.82 | 0.02 | Drill hole in stone |
| 9521 | 400256.37 | 2126240.56 | | 9281.72 | 9281.79 | 9281.76 | 9281.47 | 9281.44 | 9281.45 | -0.01 | Drill hole in stone |
| 9522 | 399953.29 | 2126645.50 | | 9268.89 | 9268.93 | 9268.94 | 9268.72 | 9268.73 | 9268.72 | 0.01 | Drill hole in stone |
| 9523 | 399428.51 | 2127162.49 | | 9249.20 | 9249.19 | 9249.21 | 9249.17 | 9249.19 | 9249.17 | 0.02 | Drill hole in stone |
| 9524 | 401089.42 | 2127798.48 | | 9261.67 | 9261.68 | 9261.70 | 9261.56 | 9261.55 | 9261.56 | -0.01 | Drill hole in stone |
| 9525 | 401694.22 | 2127530.06 | | 9285.48 | 9285.39 | 9285.35 | 9285.35 | 9285.36 | 9285.36 | 0.00 | Aerial target |
| 9526 | 402207.22 | 2126788.84 | | 9304.29 | 9304.24 | 9304.19 | 9304.20 | 9304.16 | 9304.19 | -0.03 | Rebar |
| 9615 | 401671.29 | 2124448.46 | | | 9304.78 | 9304.81 | 9304.76 | 9304.78 | 9304.77 | 0.01 | Rebar |
| NW 18 16S8E | 402976.84 | 2119613.89 | | | | 9454.78 | 9454.80 | 9454.79 | 9454.81 | -0.02 | Section Corner |

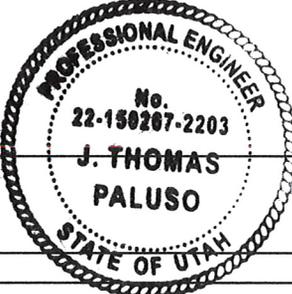


Thin Coal Uminable



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|---|---|--------------------------------|--------------------|
| 1. IMPOUNDMENT INSPECTION AND CERTIFIED REPORT | | 007A | Page 1 of 2 |
| Permit Number: | ACT/015/025 | Report Date: 10/13/2016 | |
| Mine Name: | Castle Valley Mine | | |
| Company Name | Rhino Energy LLC | | |
| Impoundment Identification: | | Sediment Pond "A" | |
| | Impoundment Number: | 002A | |
| | UPDES Permit Number: | UTG040006 | |
| | MSHA ID Number: | 42-02263, 42-02335 | |
| IMPOUNDMENT INSPECTION | | | |
| Inspection Date: | 9/28/2016 | | |
| Inspected By: | J.T. Paluso | | |
| Reason for Inspection: | Annual Inspection | | |
| (Annual, Quarterly or other Periodic Inspection, Critical Installation or Completion of Construction) | | | |
| 1. Describe any appearances of any instability, structural weakness, or any other hazardous condition. | | | |
| The pond's dam shows no signs of structural instability or other hazardous conditions. | | | |
| 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. | | |
| | Sediment storage capacity is 16,000 cu ft. | | |
| | 60% Cleanout Elevation: 7,086' | | |
| | 100% Sediment storage elevation: 7,087.9' | | |
| | Existing sediment elevation: Approx. average sediment elevation 7,084.3' | | |
| | 3. Principle and emergency spillway elevations | | |
| | Principle spillway elevation: 7,088' | | |
| | Emergency spillway elevation: 7,094.5' | | |
| 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 embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc. | | | |
| Pond Water elevation is 7087.0'. Vegetative cover looked good with no signs of erosion. Recent heavy precipitation occurred. | | | |
| 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. | | | |
| Principal spillway appears to have been bent during the removal of sediment in May 2010. This structure is still working properly. Bent pipe should be straightened to preserve water discharge elevations. Due to high water elevation, the exact sediment level can not be determined. Sediment has recently been removed. | | | |
| Qualified 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: <i>J.T. Paluso</i> | Date: 10/13/16 | |

| | | | |
|---|---|------------------------------|--------------------|
| 1. IMPOUNDMENT INSPECTION AND CERTIFIED REPORT | | 007A | Page 1 of 2 |
| Permit Number: | ACT/015/025 | Report Date: 10/13/2016 | |
| Mine Name: | Castle Valley Mine | | |
| Company Name | Rhino Energy LLC | | |
| Impoundment Identification: | Impoundment Name | Sediment Pond "B" | |
| | Impoundment Number: | 003A | |
| | UPDES Permit Number: | UTG040006 | |
| | MSHA ID Number: | 42-02263, 42-02335 | |
| IMPOUNDMENT INSPECTION | | | |
| Inspection Date: | 9/28/2016 | | |
| Inspected By: | J.T. Paluso | | |
| Reason for Inspection: | Annual Inspection | | |
| (Annual, Quarterly or other Periodic Inspection, Critical Installation or Completion of Construction) | | | |
| 1. Describe any appearances of any instability, structural weakness, or any other hazardous condition. | | | |
| The pond's dam shows no signs of structural instability or other hazardous conditions. | | | |
| 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. | | |
| | Sediment storage capacity is approximately 5,000 cu ft. Sediment has been removed. | | |
| | 60% Cleanout Elevation: 7,062.9' | | |
| | 100% Sediment storage elevation: 7,063.4' | | |
| | Existing sediment elevation: Approx. average sediment elevation 7,061.7' | | |
| | 3. Principle and emergency spillway elevations | | |
| | Principle spillway elevation: 7,064.9' | | |
| | Emergency spillway elevation: 7066.9' | | |
| 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 embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc. | | | |
| Pond has water. Vegetative cover looked good with no signs of erosion. Recent heavy precipitation occurred. | | | |
| 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. | | | |
| Due to high water elevation, the exact sediment level can not be determined. Sediment has recently been removed. Water elevation is 7064.2'. | | | |
| Qualified 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: <i>J. Paluso</i> | Date: <i>10/13/16</i> | |

| | | | |
|---|---|-------------------------|------------------------------|
| 1. IMPOUNDMENT INSPECTION AND CERTIFIED REPORT | | 007A | Page 1 of 2 |
| Permit Number: | ACT/015/025 | Report Date: 10/13/2016 | |
| Mine Name: | Castle Valley Mine | | |
| Company Name | Rhino Energy LLC | | |
| Impoundment Identification: | | Sediment Pond "C" | |
| | Impoundment Number: | 002A | |
| | UPDES Permit Number: | UTG040006 | |
| | MSHA ID Number: | 42-02263, 42-02335 | |
| IMPOUNDMENT INSPECTION | | | |
| Inspection Date: | 9/28/2016 | | |
| Inspected By: | J.T. Paluso | | |
| Reason for Inspection: | Annual Inspection | | |
| (Annual, Quarterly or other Periodic Inspection, Critical Installation or Completion of Construction) | | | |
| 1. Describe any appearances of any instability, structural weakness, or any other hazardous condition. | | | |
| The pond's dam shows no signs of structural instability or other hazardous conditions. | | | |
| 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. | | |
| | Sediment storage capacity is 4,500 cu ft. | | |
| | 60% Cleanout Elevation: 7,030.3' | | |
| | 100% Sediment storage elevation: 7,031.4' | | |
| | Existing sediment elevation: Approx. average sediment elevation 7,028' | | |
| | 3. Principle and emergency spillway elevations | | |
| | Principle spillway elevation: 7,032.3' | | |
| | Emergency spillway elevation: 7,035.3' | | |
| 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 outslopes of embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc. | | | |
| Water level in pond is high. Vegetative cover looked good with no signs of erosion. Water level is at 7030.3'. | | | |
| 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. | | | |
| Due to high water elevation, the exact sediment level can not be determined. Sediment has recently been removed. This structure is still working properly. | | | |
| Qualified 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: <i>J T Paluso</i> | | Date: <i>10/13/16</i> |
| | | | |



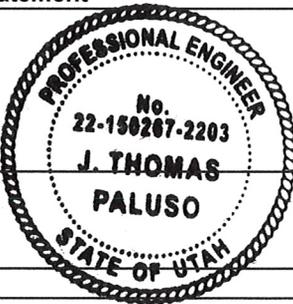
SEDIMENT POND C



SEDIMENT POND B

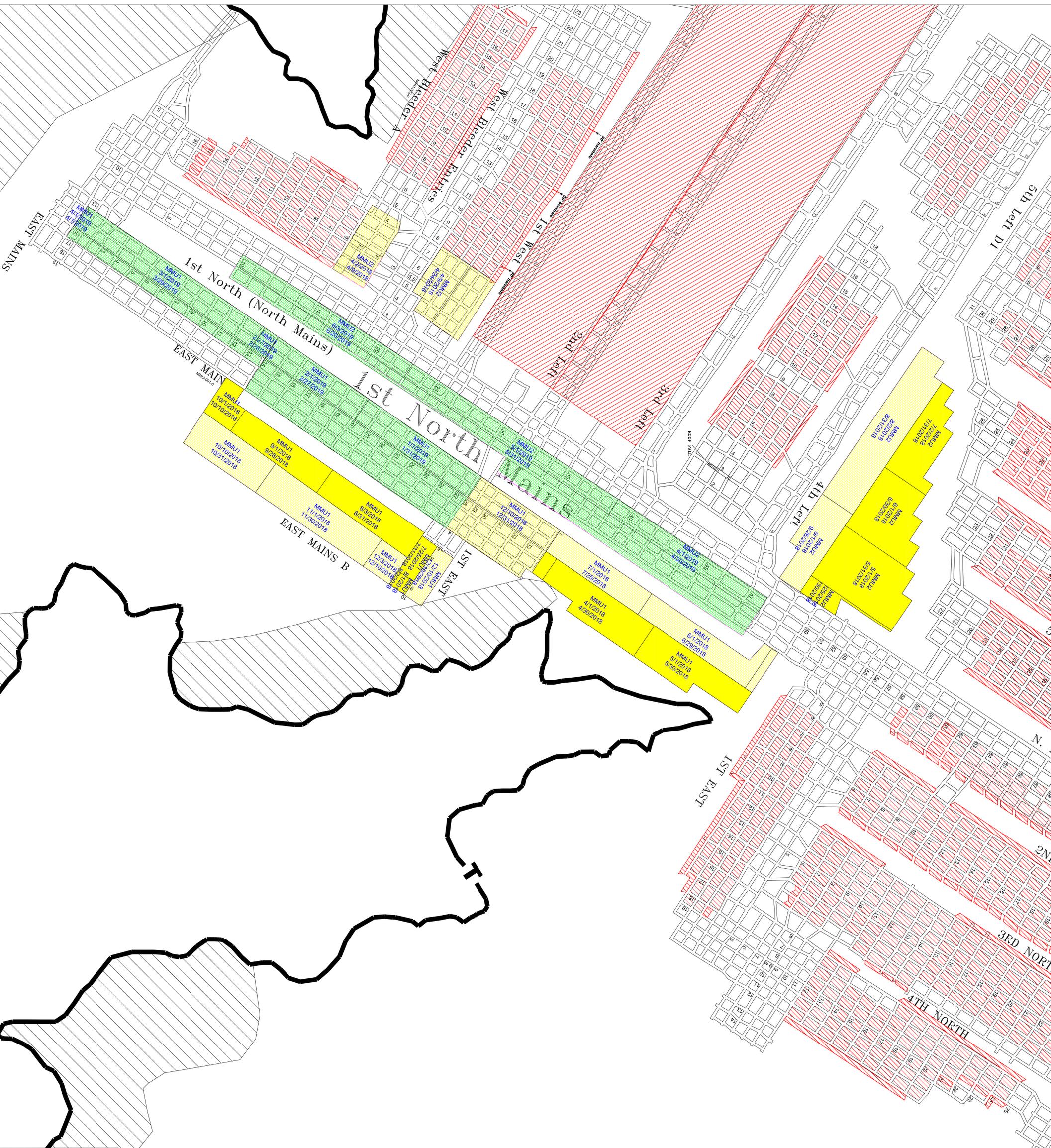


SEDIMENT POND A

| | | | |
|---|---|-------------------------|-----------------------|
| 1. IMPOUNDMENT INSPECTION AND CERTIFIED REPORT | | 007A | Page 1 of 2 |
| Permit Number: | ACT/015/025 | Report Date: 10/13/2016 | |
| Mine Name: | Castle Valley Mine | | |
| Company Name | Rhino Energy LLC | | |
| Impoundment Identification: | Impoundment Name | Sediment Pond "D" | |
| | Impoundment Number: | 006A | |
| | UPDES Permit Number: | UTG040006 | |
| | MSHA ID Number: | 2-02263, 42-02335 | |
| IMPOUNDMENT INSPECTION | | | |
| Inspection Date: | 9/28/2016 | | |
| Inspected By: | J.T. Paluso | | |
| Reason for Inspection: | Annual Inspection | | |
| (Annual, Quarterly or other Periodic Inspection, Critical Installation or Completion of Construction) | | | |
| 1. Describe any appearances of any instability, structural weakness, or any other hazardous condition. | | | |
| The pond's dam shows no signs of structural instability or other hazardous conditions. Pond elevations have been corrected. | | | |
| 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. | | |
| | Sediment storage capacity: Estimated 1600 cu ft | | |
| | 60% Cleanout Elevation: 7,641.8' | | |
| | 100% Sediment storage elevation: 7,643.1' | | |
| | Existing sediment elevation: Approx. average sediment elevation 7,640', water covering sediment level. | | |
| | 3. Principle and emergency spillway elevations | | |
| | Principle spillway elevation: 7,644.1' | | |
| | Emergency spillway elevation: 7,646.6' | | |
| 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 embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc. | | | |
| Incised pond has minimal vegetation with no signs of erosion. Water elevation is at 7642.9'. Recent heavy precipitation occurred. | | | |
| 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. | | | |
| Pond elevation has been modified in the past. Oil removal elbow still needs to be installed on principal spillway. High water makes it impossible to determine sediment level. | | | |
| Qualified 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: <i>J. Paluso</i> | | Date: <i>10/13/16</i> |
| | | | |



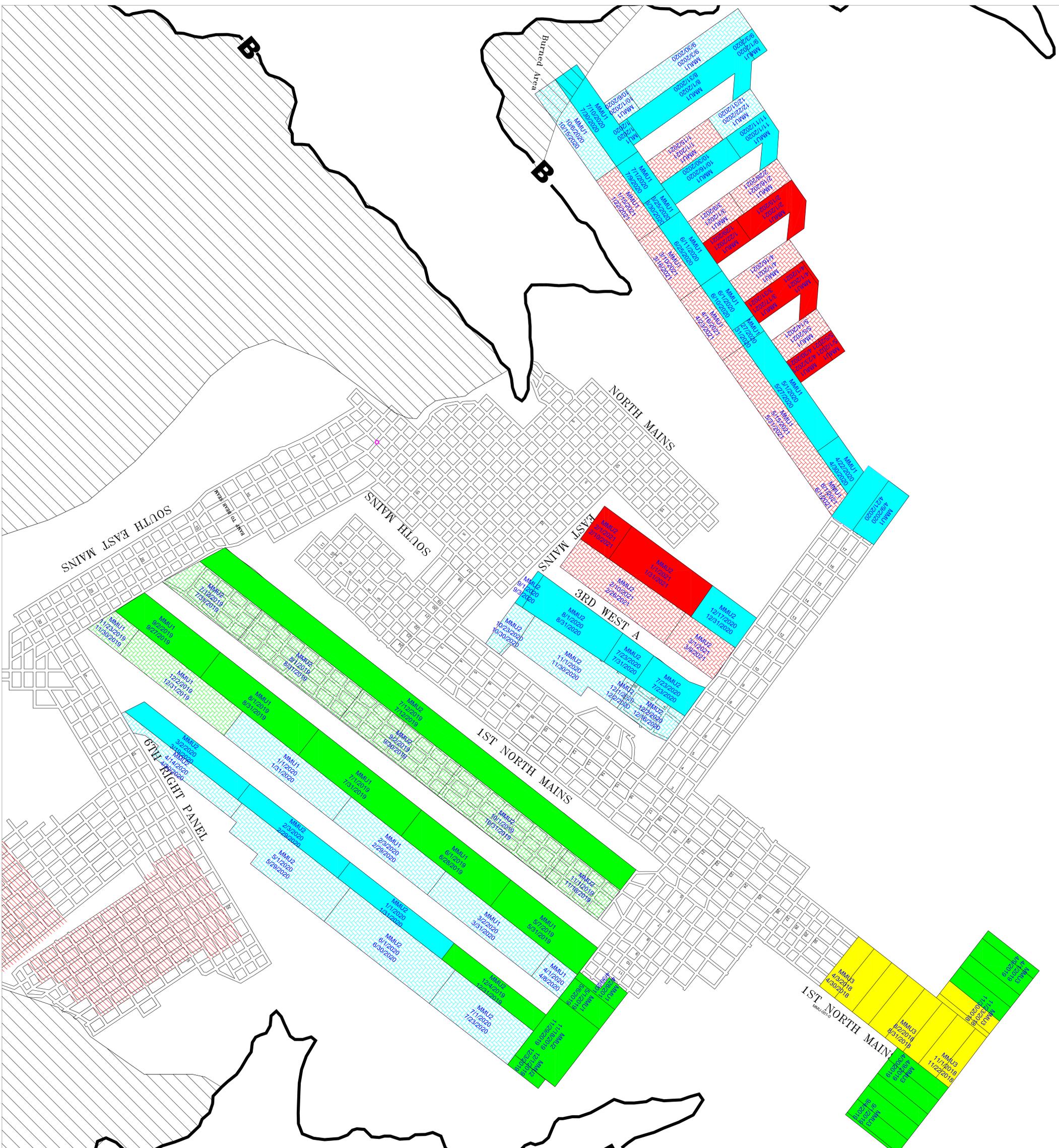
SEDIMENT POND D



LEGEND

-  PROJECTION
-  PILLARED AREA
-  BURN AREA
-  2018
-  2019
-  OUT CROP TANK

| | |
|---|---|
|  | Castle Valley Mining LLC |
| | Castle Valley Mine #4 MSHA ID No. 42-02335 |
| TITLE: TANK PROJECTIONS | |
| SCALE: 1" = 200' | DATE: 4-4-2018 |
| DRAWN BY: JU | ADDRESS: 5550 W. BEAR CANYON RD. HARRINGTON, UT 84828 |



LEGEND

-  PROJECTION
-  PILLARED AREA
-  BURN AREA
-  2018
-  2019
-  2020
-  2021
-  OUT CROP TANK

| | |
|---|---|
|  | Castle Valley Mining LLC |
| | Castle Valley Mine #3 MSHA ID No. 42-02263 |
| TITLE: BEAR/BLIND PROJECTIONS | |
| SCALE: 1"=200' | DATE: 4-4-2018 |
| DRAWN BY: JJ | ADDRESS: 5560 W. BEAR CANYON RD. HUNTINGTON, UT 84303 |