Canyon Fuel Company, LLC
A Subsidiary of Bowie Resource Partners, LLC

Sufco Mine
597 South SR24
Salina Utah 84654
(435) 286-4880
Fax (435) 286-4499

C/041/002 Incoming
cc: Justin
Karl

December 12, 2017

RECEIVED
JAN 03 2018
DIV. OF OIL, GAS & MINING

Utah Coal Program
Utah Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Program Supervisor:

Enclosed are the Annual and the Quarterly inspection reports for Canyon Fuel Company's SUFCO Mine: Minesite Primary Sedimentation Pond, Minesite Sedimentation Overflow Pond, Waste Rock Disposal Site and the associated Waste Rock North and South Sedimentation Pond.

These certifications are being submitted prior to SUFCO's Annual Report as required by R645-514.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine

Jacob D. Smith, P.E.
Technical Services Manager

JDS:jn

cc: DOGM Sediment Pond Inspection File
Amanda Richard

SUFPUB\GOVT2017\DOGM\SEDIMENTPOND&WASTEROCKINSPECTIONS\QTR4CERT17.LTR.doc

ANNUAL MINE SITE PRIMARY SEDIMENTATION POND CERTIFICATION -- 2017

Jacob D. Smith, P.E. on September 29, 2017, conducted an inspection of Canyon Fuel Company's SUFCO Mine Site Primary Sediment Pond.

There were no signs of structural weakness in the area of the sediment pond.

The fill slope above the pond was eroded with some minor gullies in random locations. There were no signs of instability of the fill slope.

The decant structure appeared to be functional and the decant valve was locked.

The standpipe spillway in the pond is at an elevation of 7,418.15 feet. The water elevation is at 7,418.15 feet. Approximately an additional 0.29 acre-ft. of storage volume was available in the pond above the current standpipe spillway level. The sediment level in the pond just north of the decant structure was at 7,406.55 feet. This elevation is approximately 1.55 feet below the 60% sediment level.

A copy of the field notes is attached.

I certify that the above description accurately represents the condition of the Minesite Sediment Pond as observed during my inspection on September 29, 2017.

Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

JDS:jn

Attachment

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CANYON FUEL COMPANY - SUFCO MINE

Mine Site Primary Sediment Pond Annual Inspection Report

Inspector *Jacob Smith* Date *9/29/2017*

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes _X_ No

None observed

B. Cracks or scarps on slope ___ Yes _X_ No

None observed

C. Sloughing or bulging on slope ___ Yes _X_ No

None observed

2. Major Erosion Problems ___ Yes _X_ No

None observed

3. Surface Movements of Surrounding Slopes ___ Yes _X_ No

None observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes _X_ No

None observed

5. Clogging

A. Spillway channels and pipes ___ Yes _X_ No

No obstructions observed

B. Decant System ___ Yes _X_ No

Valve locked

C. Diversion ditches ___ Yes _X_ No

No obstructions observed

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes _X_ No

None observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes _X_ No

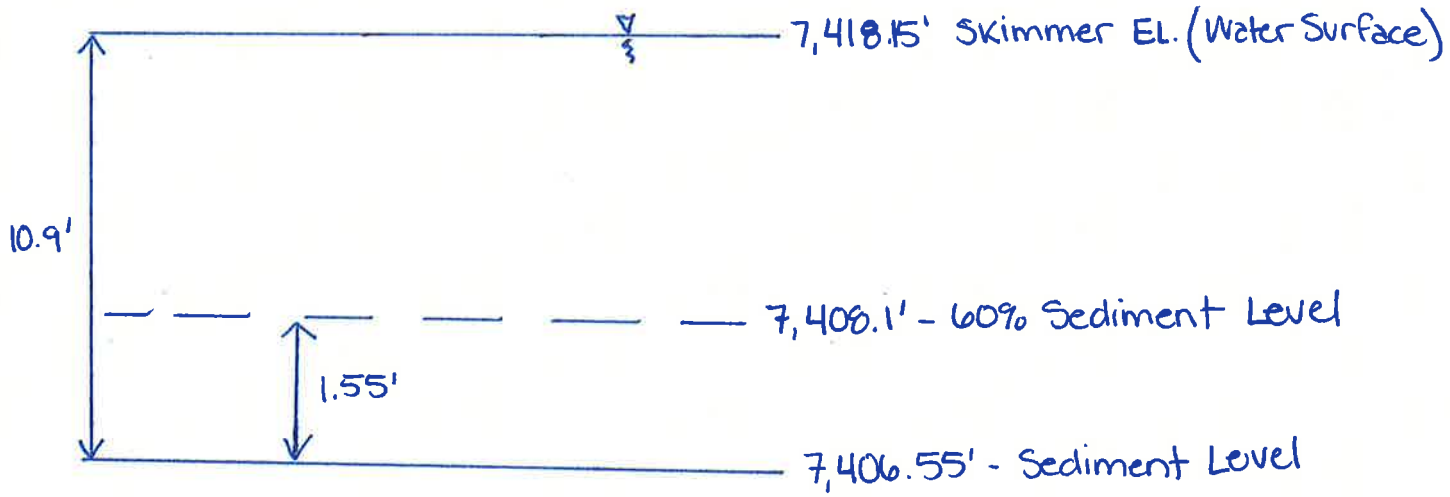
None observed

8. Weir level ___ Yes _X_ No

9. Other Comments

The pond was cleaned in 2016. Everything appears to Be in normal operating condition.

10. Drawing



ANNUAL MINESITE SEDIMENTATION OVERFLOW POND CERTIFICATION -- 2017

Jacob D. Smith, P.E. on September 29, 2017 conducted an inspection of Canyon Fuel Company's SUFCO Mine Site Sediment Overflow Pond.

There were no signs of structural weakness in the area of the sediment pond.

The fill slope above the pond was eroded with some minor gullies in random locations. There were no signs of instability of the fill slope.

The decant structure appeared to be functional and the decant valve was locked.

The water in the pond was at an elevation of 7,252.6 feet, which is at the standpipe spillway elevation. The sediment level in the pond just north of the decant structure was at 7,240.71 feet. This elevation is 3 feet below the 60% sediment level.

A copy of the field notes is attached.

I certify that the above description accurately represents the condition of the Minesite Sediment Pond as observed during my inspection on September 29, 2017.

Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

JDS:jn

Attachment

CANYON FUEL COMPANY - SUFCO MINE

Mine Site Sediment Overflow Pond Annual Inspection Report

Inspector *Jacob Smith* Date *9/29/2017*

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

None observed

B. Cracks or scarps on slope ___ Yes X No

None observed

C. Sloughing or bulging on slope ___ Yes X No

None observed

2. Major Erosion Problems ___ Yes X No

None observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

None observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

None observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

No obstructions were observed

B. Decant System ___ Yes X No

Valve locked

C. Diversion ditches ___ Yes X No

No obstructions were observed

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes X No

None observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes X No

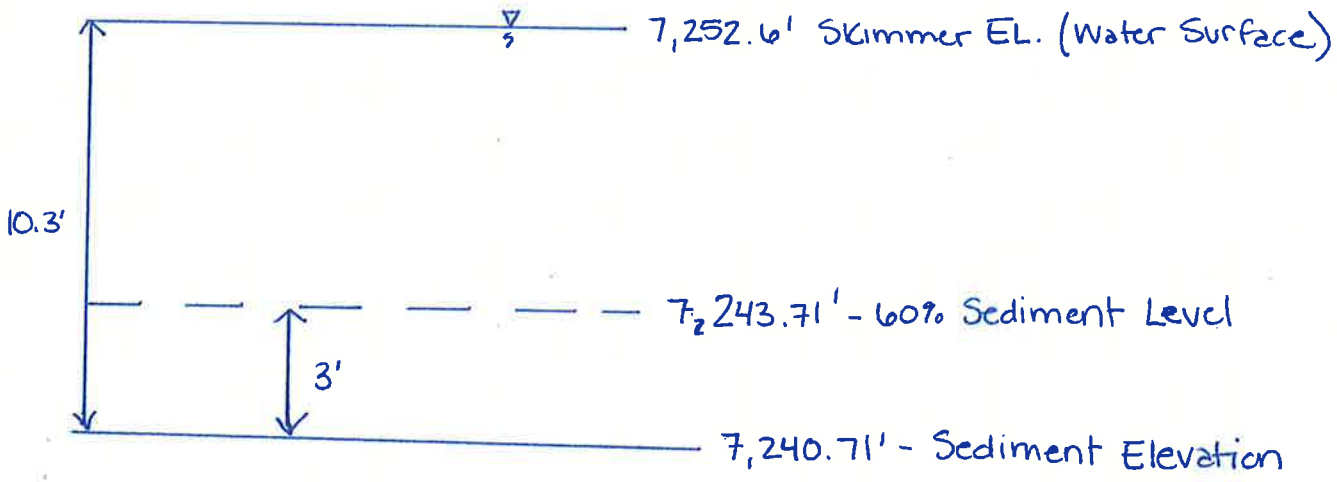
None observed

8. Weir level ___ Yes X No

9. Other Comments

Everything appears to be in normal operating condition. The overflow pond will be cleaned in 2018.

10. Drawing



ANNUAL WASTE ROCK SOUTH SEDIMENTATION POND CERTIFICATION -- 2017

Jacob D. Smith, P.E. made an inspection of Canyon Fuel Company's SUFCO Mine Waste Rock Sediment Pond and associated Decant Impoundment on September 29, 2017.

This pond was constructed during the fall of 2015 and spring of 2016.

No signs of structural weakness of the sediment pond dam or decant impoundment dam were observed. The spillways and decant devices are in good condition and are functional.

The primary spillway elevation is 7,841.0 feet. The 60% sediment level for the pond is at 7,836.45 feet. The pond is currently dry with a bottom elevation of 7,826.9 feet. Therefore, the pond has approximately 9.55 feet of sediment storage available before cleaning will be required.

No sediment or water was observed in the decant impoundment.

A copy of the field notes of the inspection is attached.

I certify that the above description accurately represents the condition of the Waste Rock Sedimentation Pond and Decant Impoundment observed during the inspection conducted on September 29, 2017.

Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

JDS:jn

Attachment

09/09/10 MLD

CANYON FUEL COMPANY - SUFCO MINE

Waste Rock South Sediment Pond Annual Inspection Report

Inspector *Jacob Smith* Date *9/29/2017*

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes _X_ No

None observed

B. Cracks or scarps on slope ___ Yes _X_ No

None observed

C. Sloughing or bulging on slope ___ Yes _X_ No

None observed

2. Major Erosion Problems ___ Yes _X_ No

None observed

3. Surface Movements of Surrounding Slopes ___ Yes _X_ No

None observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes _X_ No

None observed

5. Clogging

A. Spillway channels and pipes ___ Yes _X_ No

No obstructions observed

B. Decant System ___ Yes _X_ No

No obstructions observed

C. Diversion ditches ___ Yes _X_ No

No obstructions observed

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes _X_ No

None observed

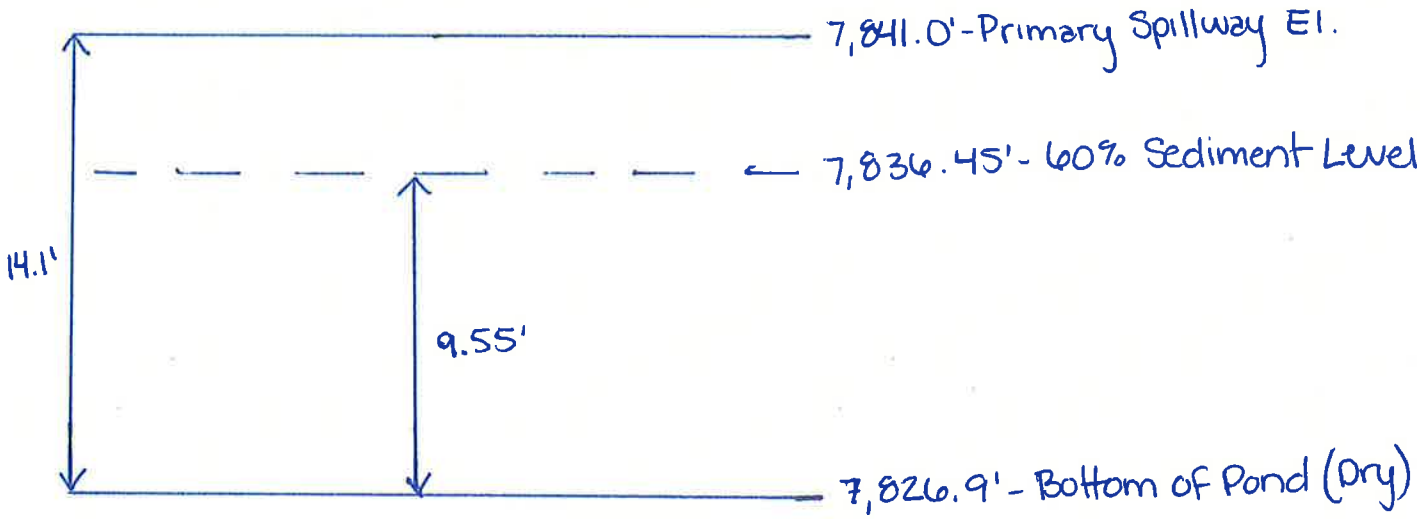
7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes _X_ No

None observed

8. Other Comments

Sediment pond was constructed in 2016. Everything appears to Be in normal operating condition.

10. Drawing



ANNUAL WASTE ROCK NORTH SEDIMENTATION POND CERTIFICATION -- 2017

Jacob D. Smith, P.E. made an inspection of Canyon Fuel Company's SUFCO Mine Waste Rock Sediment Pond and associated Decant Impoundment on September 20, 2016.

No signs of structural weakness of the sediment pond dam or decant impoundment dam were observed.

The spillways and decant devices are in good condition and are functional.

The primary spillway elevation is 7,889.5 feet. The 60% sediment level for the pond is at 7885.15 feet. The pond is currently dry with a bottom elevation of 7,882.8 feet. Therefore, the pond has approximately 2.35 feet of sediment storage available before cleaning will be required.

No sediment or water was observed in the decant impoundment.

A copy of the field notes of the inspection is attached.

I certify that the above description accurately represents the condition of the Waste Rock Sedimentation Pond and Decant Impoundment observed during the inspection conducted on September 29, 2017.

Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

JDS:jn

Attachment

CANYON FUEL COMPANY - SUFCO MINE

Waste Rock North Sediment Pond Annual Inspection Report

Inspector *Jacob Smith* Date *9/29/2017*

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

None observed

B. Cracks or scarps on slope ___ Yes X No

None observed

C. Sloughing or bulging on slope ___ Yes X No

None observed

2. Major Erosion Problems ___ Yes X No

None observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

None observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

None observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

No obstructions observed

B. Decant System ___ Yes X No

No obstructions observed, valve locked

C. Diversion ditches ___ Yes X No

No obstructions observed

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes X No

None observed

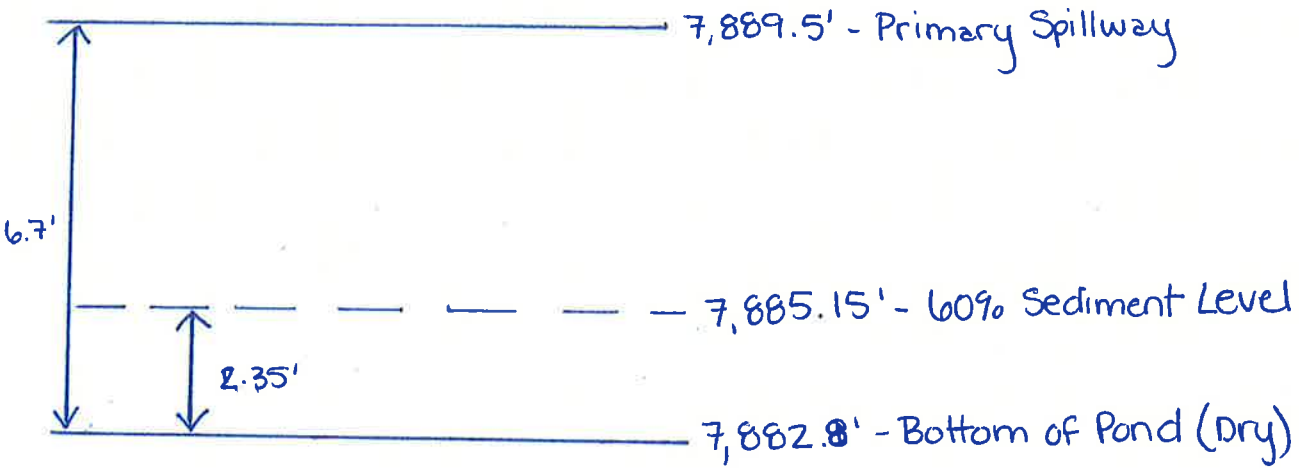
7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes X No

None observed

8. Other Comments

Everything appears to be in normal operating condition.

10. Drawing



ANNUAL WASTE ROCK DISPOSAL SITE
CERTIFICATION -- 2017

Jacob D. Smith, P.E. on September 29, 2017 made an inspection of Canyon Fuel Company's SUFCO Mine Waste Rock Disposal Site.

Placement of the 5th cell completed in 2015. During the fall of 2015 and spring of 2016, expansion of the Waste Rock site occurred. Currently waste rock material is being placed on the Phase 1 and 2 cells of the new expansion. The current pad measures approximately 500 feet long by 225 feet wide. Material is being placed using belly and end-up haul trucks. A Caterpillar D6 dozer is being used to spread the material into 1-foot-thick lifts. Compaction of each lift is being performed using a Caterpillar D6 dozer, haul trucks and a double-drum vibratory compactor. Final and intermediate construction slopes were at or less than the designed 1v:2h (26.5°) on the south and west slope. Slopes are constructed such that water cannot collect against the toe.

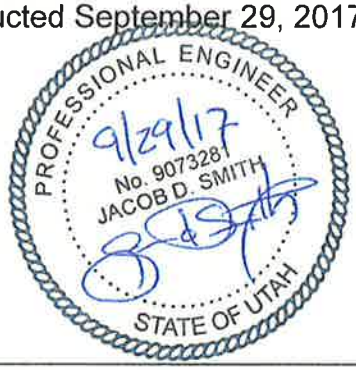
No fires have occurred at the site since it was constructed and none were observed during the inspection.

No significant erosion was observed at the time of inspection.

A copy of the field notes is attached.

Cells 1 – 5 have been reclaimed and vegetation is growing. The Vegetation consists of grass, brush and forbes.

I certify that the above description accurately represents the conditions observed at the Waste Rock Disposal Site during my inspection conducted September 29, 2017.



Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

JDS:jn

Attachment

CANYON FUEL COMPANY - SUFCO MINE

Coal Refuse Pile Annual Inspection Report

Inspector *Jacob Smith* Title *Engineering Manager*
Date *9/29/2017* Permit # *ACT/041/002*

1. Foundation Preparation (vegetation, topsoil removal?) ___ Yes X No

2. Lift Thickness (inches) *12*

3. Compaction X Yes ___ No

4. Burning (specify extent and location) ___ Yes X No

None observed

5. Angle of Slope (degrees) *26.5*

6. Seepage (specify location, color, & appr. volume) ___ Yes X No

None observed

7. Cracks or Scarps (location and size) ___ Yes X No

None observed

8. Major Erosion Problems (location and extent) ___ Yes X No

None observed

9. Water Impounding Against Toe ___ Yes X No

None observed

10. Any appearance of instability, structural weakness or other hazardous conditions ___ Yes X No

None observed

CANYON FUEL COMPANY - SUFCO MINE

Coal Refuse Pile Quarterly Inspection Report

Inspector Amanda Richard Title Env. Engineer
Date 12/06/17 Permit # ACT/041/002

1. Foundation Preparation (vegetation, topsoil removal?)
__ Yes X No

2. Lift Thickness (inches) 12 (+ or - 1 Ft compacted)

3. Compaction X Yes ___ No

4. Burning (specify extent and location) ___ Yes X No

None Observed

5. Angle of Slope 2:1

6. Seepage (specify location, color, & appr. volume)
___ Yes X No

None Observed

7. Cracks or Scarps (location and size) ___ Yes X No

None Observed

8. Major Erosion Problems (location and extent) __ Yes X No

None Observed

9. Water Impounding Against Toe ___ Yes X No

None Observed

10. Any appearance of instability, structural weakness or other hazardous conditions ___ Yes X No

None Observed

Jacob D. Smith, P.E.
Registration No. 9073281
State of Utah

CANYON FUEL COMPANY - SUFCO MINE

Rock Waste North Sediment Pond Quarterly Inspection Report

Inspector Amanda Richard Date 12/6/17

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

Nothing Observed

B. Cracks or scarps on slope ___ Yes X No

Nothing Observed

C. Sloughing or bulging on slope ___ Yes X No

Nothing Observed

2. Major Erosion Problems ___ Yes X No

Nothing Observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

Nothing Observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

Channels and pipes clear

B. Decant System ___ Yes X No

Valve is locked

C. Diversion ditches ___ Yes X No

Clear of Debris

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes X No

Nothing Observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes X No

Nothing Observed

8. Other Comments

Everything appears to be in normal operating condition.

CANYON FUEL COMPANY - SUFCO MINE

Rock Waste South Sediment Pond Quarterly Inspection Report

Inspector Amanda Richard Date 12/06/17

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

Nothing Observed

B. Cracks or scarps on slope ___ Yes X No

Nothing Observed

C. Sloughing or bulging on slope ___ Yes X No

Nothing Observed

2. Major Erosion Problems ___ Yes X No

Nothing Observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

Nothing Observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

Channels and pipes clear

B. Decant System ___ Yes X No

Valve is locked

C. Diversion ditches ___ Yes _X_ No

Clear of Debris

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes _X_ No

Nothing Observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes _X_ No

Nothing Observed

8. Other Comments

Everything appears to be in normal working condition.

CANYON FUEL COMPANY - SUFCO MINE

Minesite Primary Sediment Pond Quarterly Inspection Report

Inspector Amanda Richard Date 12/06/17

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

Nothing Observed

B. Cracks or scarps on slope ___ Yes X No

Nothing Observed

C. Sloughing or bulging on slope ___ Yes X No

Nothing Observed

2. Major Erosion Problems ___ Yes X No

Nothing Observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

Nothing Observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

No debris blocking spillway channels and pipes

B. Decant System ___ Yes X No

Valve is locked

C. Diversion ditches ___ Yes X No

Clear of Debris

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes X No

Nothing Observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes X No

Nothing Observed

8. Weir level X Yes ___ No

9. Other Comments

Everything seems to be operating normal.

CANYON FUEL COMPANY - SUFCO MINE

Minesite Sediment Overflow Pond Quarterly Inspection Report

Inspector Amanda Richard Date 12/06/17

1. Dam Structural Weakness

A. Cracks or scarps on crest ___ Yes X No

Nothing Observed

B. Cracks or scarps on slope ___ Yes X No

Nothing Observed

C. Sloughing or bulging on slope ___ Yes X No

Nothing Observed

2. Major Erosion Problems ___ Yes X No

Nothing Observed

3. Surface Movements of Surrounding Slopes ___ Yes X No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface ___ Yes X No

Nothing Observed

5. Clogging

A. Spillway channels and pipes ___ Yes X No

No debris blocking spillway channels and pipes.

B. Decant System ___ Yes X No

Valve is locked

C. Diversion ditches ___ Yes _X_ No

Clear of Debris

6. Seepage (Specify Location, Color and Approx. Volume)

___ Yes _X_ No

Nothing Observed

7. Any appearance of instability, structural weakness, or other hazardous conditions ___ Yes _X_ No

Nothing Observed

8. Weir level _X_ Yes ___ No

9. Other Comments

Everything seems to be operating normal. A layer of ice has Formed on the pond.