

November 8, 2018

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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\GOVT2018\DOGMSEDIMENTPOND&WASTEROCKINSPECTIONS\QTR4CERT18.LTR.doc

CANYON FUEL COMPANY - SUFCO MINE

Coal Refuse Pile Quarterly Inspection Report

Inspector Amanda RichardTitle Env. EngineerDate 11/08/18Permit # ACT/041/002

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

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

3. Compaction Yes No

4. Burning (specify extent and location) Yes No

None Observed

5. Angle of Slope 2:1

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

None Observed

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

None Observed

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

None Observed

9. Water Impounding Against Toe Yes No

None Observed

10. Any appearance of instability, structural weakness or other hazardous conditions
 Yes 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 11/8/18

1. Dam Structural Weakness

A. Cracks or scarps on crest Yes NoNothing ObservedB. Cracks or scarps on slope Yes NoNothing ObservedC. Sloughing or bulging on slope Yes NoNothing Observed2. Major Erosion Problems Yes NoNothing Observed3. Surface Movements of Surrounding Slopes Yes NoNothing Observed4. Visible Sumps or Sinkholes in Slurry Surface Yes NoNothing Observed

5. Clogging

A. Spillway channels and pipes Yes NoChannels and pipes clearB. Decant System Yes NoValve is locked

C. Diversion ditches Yes No

Clear of Debris

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

Yes No

Nothing Observed

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

Nothing Observed

8. Other Comments

Everything appears to be in normal operating condition. The pond had no water standing in it.

CANYON FUEL COMPANY - SUFCO MINE

Rock Waste South Sediment Pond Quarterly Inspection Report

Inspector Amanda Richard Date 11/08/18

1. Dam Structural Weakness
- A. Cracks or scarps on crest Yes No

Nothing Observed

- B. Cracks or scarps on slope Yes No

Nothing Observed

- C. Sloughing or bulging on slope Yes No

Nothing Observed

2. Major Erosion Problems Yes No

Nothing Observed

3. Surface Movements of Surrounding Slopes Yes No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface Yes No

Nothing Observed

5. Clogging

- A. Spillway channels and pipes Yes No

Channels and pipes clear

- B. Decant System Yes No

Valve is locked

C. Diversion ditches Yes No

Clear of Debris

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

Yes No

Nothing Observed

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

Nothing Observed

8. Other Comments

Everything appears to be in normal working condition. There was
a small amount of water in the bottom of the pond.

CANYON FUEL COMPANY - SUFCO MINE

Minesite Primary Sediment Pond Quarterly Inspection Report

Inspector Amanda Richard Date 11/08/18

1. Dam Structural Weakness

A. Cracks or scarps on crest Yes No

Nothing Observed

B. Cracks or scarps on slope Yes No

Nothing Observed

C. Sloughing or bulging on slope Yes No

Nothing Observed

2. Major Erosion Problems Yes No

Nothing Observed

3. Surface Movements of Surrounding Slopes Yes No

Nothing Observed

4. Visible Sumps or Sinkholes in Slurry Surface Yes No

Nothing Observed

5. Clogging

A. Spillway channels and pipes Yes No

No debris blocking spillway channels and pipes

B. Decant System Yes No

Valve is locked

C. Diversion ditches Yes No

Clear of Debris

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

Yes No

Nothing Observed

7. Any appearance of instability, structural weakness, or

other hazardous conditions Yes No

Nothing Observed

8. Weir level

Yes No

9. Other Comments

Everything seems to be operating normal. The primary pond will be cleaned out in the Spring of 2019.

CANYON FUEL COMPANY - SUFCO MINE

Minesite Sediment Overflow Pond Quarterly Inspection Report

Inspector Amanda Richard Date 11/08/18

1. Dam Structural Weakness

A. Cracks or scarps on crest Yes NoNothing ObservedB. Cracks or scarps on slope Yes NoNothing ObservedC. Sloughing or bulging on slope Yes NoNothing Observed2. Major Erosion Problems Yes NoNothing Observed3. Surface Movements of Surrounding Slopes Yes NoNothing Observed4. Visible Sumps or Sinkholes in Slurry Surface Yes NoNothing Observed

5. Clogging

A. Spillway channels and pipes Yes NoNo debris blocking spillway channels and pipes.B. Decant System Yes NoValve is locked

C. Diversion ditches Yes No

Clear of Debris

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

Yes No

Nothing Observed

7. Any appearance of instability, structural weakness, or

other hazardous conditions Yes No

Nothing Observed

8. Weir level

Yes No

9. Other Comments

Everything seems to be operating normal. The overflow pond
will be cleaned out Spring of 2019.

**ANNUAL MINE SITE PRIMARY SEDIMENTATION POND
CERTIFICATION -- 2018**

Jacob D. Smith, P.E. on September 28, 2018, 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 7,410.1 feet. This elevation is approximately 2.0 feet above 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 28, 2018.



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

JDS:jn

Attachment

CANYON FUEL COMPANY - SUFCO MINE

Mine Site Primary Sediment Pond Annual Inspection Report

Inspector Jacob Smith Date 9/28/2018

1. Dam Structural Weakness
- A. Cracks or scarps on crest Yes No
None observed
- B. Cracks or scarps on slope Yes No
None observed
- C. Sloughing or bulging on slope Yes No
None observed
2. Major Erosion Problems Yes No
None observed
3. Surface Movements of Surrounding Slopes Yes No
None observed
4. Visible Sumps or Sinkholes in Slurry Surface Yes No
None observed
5. Clogging
- A. Spillway channels and pipes Yes No
No obstructions observed
- B. Decant System Yes No
Valve locked

C. Diversion ditches Yes No

No obstructions observed

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

Yes No

None observed

7. Any appearance of instability, structural weakness, or other hazardous conditions

Yes No

None observed

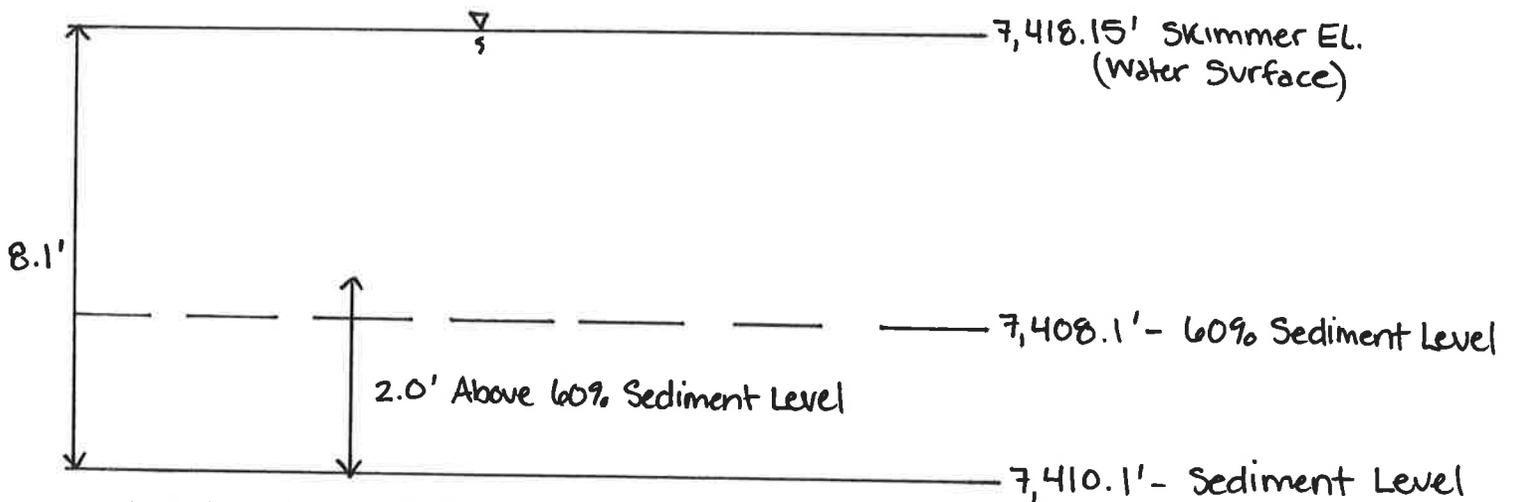
8. Weir level

Yes No

9. Other Comments

Everything appears to be in normal operating condition. The primary pond will be cleaned in 2019.

10. Drawing



**ANNUAL MINESITE SEDIMENTATION OVERFLOW POND
CERTIFICATION -- 2018**

Jacob D. Smith, P.E. on September 28, 2018 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 7,242.6 feet. This elevation is 1.1 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 28, 2018.



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 9/28/2018

1. Dam Structural Weakness
- A. Cracks or scarps on crest Yes No
None observed
- B. Cracks or scarps on slope Yes No
None observed
- C. Sloughing or bulging on slope Yes No
None observed
2. Major Erosion Problems Yes No
None observed
3. Surface Movements of Surrounding Slopes Yes No
None observed
4. Visible Sumps or Sinkholes in Slurry Surface Yes No
None observed
5. Clogging
- A. Spillway channels and pipes Yes No
No obstructions were observed
- B. Decant System Yes No
Valve locked

C. Diversion ditches Yes No

No obstructions were observed

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

Yes No

None observed

7. Any appearance of instability, structural weakness, or other hazardous conditions

Yes No

None observed

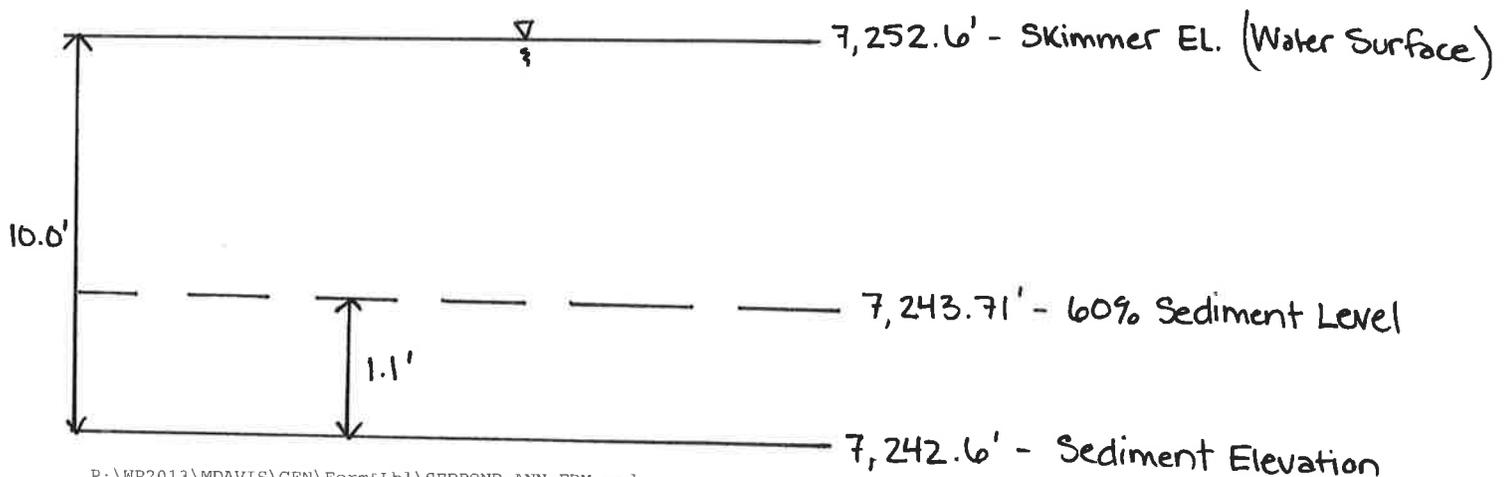
8. Weir level

Yes No

9. Other Comments

Everything appears to be in normal operating condition. The overflow pond will be cleaned in 2019.

10. Drawing



**ANNUAL WASTE ROCK SOUTH SEDIMENTATION POND
CERTIFICATION -- 2018**

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 28, 2018.

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 7,827.0 feet. Therefore, the pond has approximately 9.5 feet of sediment storage available before cleaning will be required.

A small amount of 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 28, 2018.



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

JDS:jn

Attachment

CANYON FUEL COMPANY - SUFCO MINE

Waste Rock South Sediment Pond Annual Inspection Report

Inspector Jacob Smith Date 9/28/2018

1. Dam Structural Weakness
- A. Cracks or scarps on crest Yes No
None observed
- B. Cracks or scarps on slope Yes No
None observed
- C. Sloughing or bulging on slope Yes No
None observed
2. Major Erosion Problems Yes No
None observed
3. Surface Movements of Surrounding Slopes Yes No
None observed
4. Visible Sumps or Sinkholes in Slurry Surface Yes No
None observed
5. Clogging
- A. Spillway channels and pipes Yes No
No obstructions observed
- B. Decant System Yes No
No obstructions observed

C. Diversion ditches Yes No

No obstructions observed

6. Seepage (Specify Location, Color and Approx. Volume) Yes No

None observed

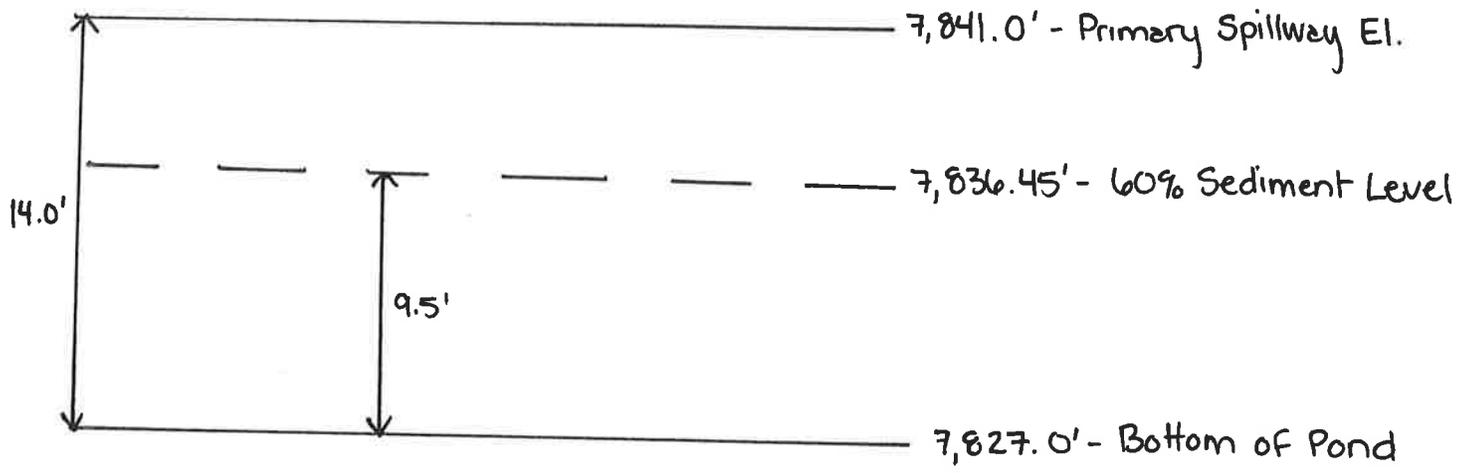
7. Any appearance of instability, structural weakness, or other hazardous conditions Yes No

None observed

8. Other Comments

Some water was in the bottom of the pond. Everything appears to Be in normal operating condition.

10. Drawing



**ANNUAL WASTE ROCK NORTH SEDIMENTATION POND
CERTIFICATION -- 2018**

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 28, 2018.

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 28, 2018.



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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 9/28/2018

1. Dam Structural Weakness

A. Cracks or scarps on crest Yes NoNone observedB. Cracks or scarps on slope Yes NoNone observedC. Sloughing or bulging on slope Yes NoNone observed2. Major Erosion Problems Yes NoNone observed3. Surface Movements of Surrounding Slopes Yes NoNone observed4. Visible Sumps or Sinkholes in Slurry Surface Yes NoNone observed

5. Clogging

A. Spillway channels and pipes Yes NoNo obstructions observedB. Decant System Yes NoNo obstructions observed, valve locked

C. Diversion ditches Yes No

No obstructions observed

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

Yes No

None observed

7. Any appearance of instability, structural weakness, or other hazardous conditions

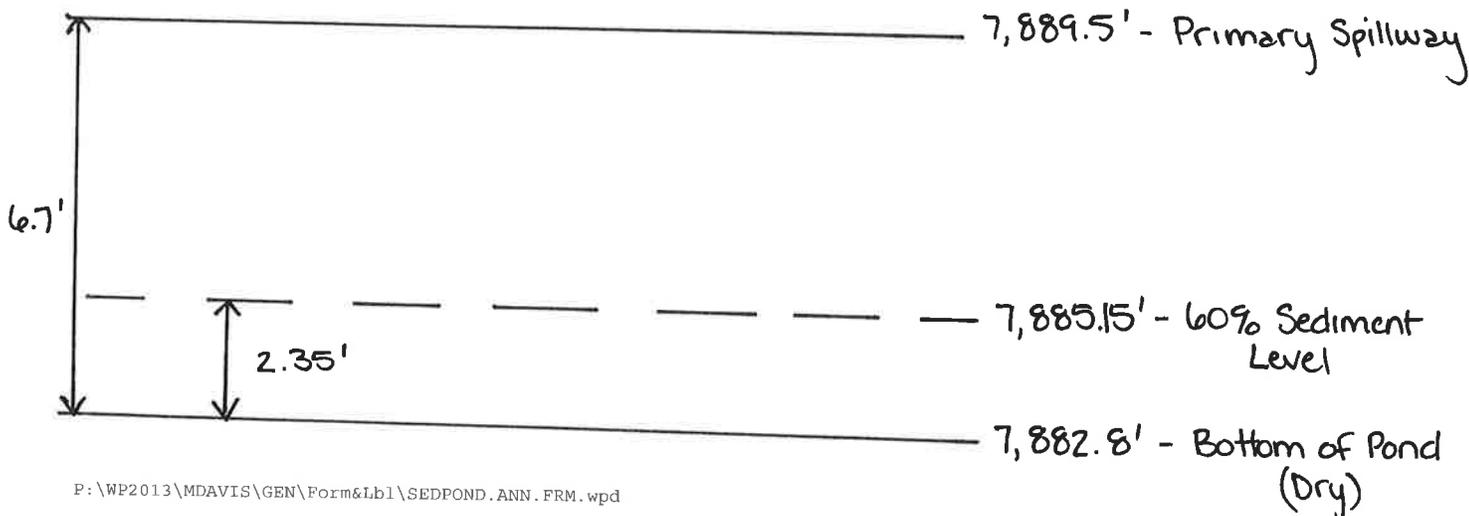
Yes No

None observed

8. Other Comments

Everything appears to be in normal operating condition.

10. Drawing



**ANNUAL WASTE ROCK DISPOSAL SITE
CERTIFICATION -- 2018**

Jacob D. Smith, P.E. on September 28, 2018 made an inspection of Canyon Fuel Company's SUFCO Mine Waste Rock Disposal Site.

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 28, 2018.



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

JDS:jn

Attachment

