



Sugar Camp Energy, LLC
11525 N. Thompsonville Rd.
Macedonia, IL 62860

October 28, 2021

Illinois Environmental Protection Agency
Division of Water Pollution Control
Attn: Mr. Rob Yoggerst
P.O. Box 19276
Springfield, IL 62794-9276
Robert.yoggerst@illinois.gov

Re: Violation Notice: Sugar Camp Energy, LLC
IL0078565 – W0558010004
Violation Notice No.: W-2021-50155

Dear Mr. Yoggerst:

Please find the following information in response to Violation Notice (“VN”) W-2021-50155 issued to Sugar Camp Energy, LLC (“Sugar Camp”) on September 21, 2021. Sugar Camp would like to request a meeting with representatives of the Illinois Environmental Protection Agency (“IEPA”) if the issues detailed herein cannot be resolved from this written response.

The VN alleges certain violations of qualitative water quality standards related to firefighting foam that was injected into the mine in an effort to overcome a heating event. The VN further alleges that the firefighting foam leaked from mine property and was found in an unnamed tributary of Akin Creek down gradient of the Mine Hoist Site and in a swale adjacent to the Mine Hoist Site. On August 14, 2021, an underground heating event required evacuation of all underground personnel. To overcome the heating event, Sugar Camp drilled seven boreholes from the surface for visual observation, atmospheric monitoring and remote firefighting. On August 18, 2021, Sugar Camp began injecting water and firefighting foam into the mine. By September 7, 2021, Sugar Camp pursued alternative action and no additional firefighting foam has been injected since. The mine used vacuum trucks to remove any residual water from the containment/drill pits before reclaiming the entire area. Empty foam containers were sealed and/or placed in Roll-Off Containment for disposal by an environmental contractor.

Sugar Camp accepts the IEPA recommendations listed in Attachment B of the VN and requests to enter into a Compliance Commitment Agreement (“CCA”). Below are the proposed terms of a CCA.

1. As of September 1, 2021, Sugar Camp ceased all releases from the transfer and storage of the firefighting foam concentrate. The active remote firefighting methods in response to the heating event were discontinued by September 7, 2021, and as of

September 7, 2021, Sugar Camp has ceased all injections of firefighting foam at the mine.

2. Sugar Camp has cleaned up and removed all spilled firefighting foam concentrate. A combination of absorbent and vacuum trucks were used to remove any residual foam concentrate. The absorbent was removed using equipment and placed in Roll-Off Containment provided by an environmental contractor. The residual water was transported to our treatment facility for processing.
3. To prevent any future leaks, Sugar Camp will immediately inspect all firefighting foam concentrate containers for leaks when receiving shipments at the mine site. In addition, Sugar Camp will conduct routine inspections of firefighting foam concentrate containers when storing, transporting and utilizing during mixing and injecting into the coal mine. The results of our inspections will be included in our monthly SPCC report.

If you have any questions or concerns, or if you wish to discuss this matter in any particular, please do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink, appearing to read "C. Drew Hudson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Authorized Person