MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY, ABANDONED MINE LANDS DIVISION

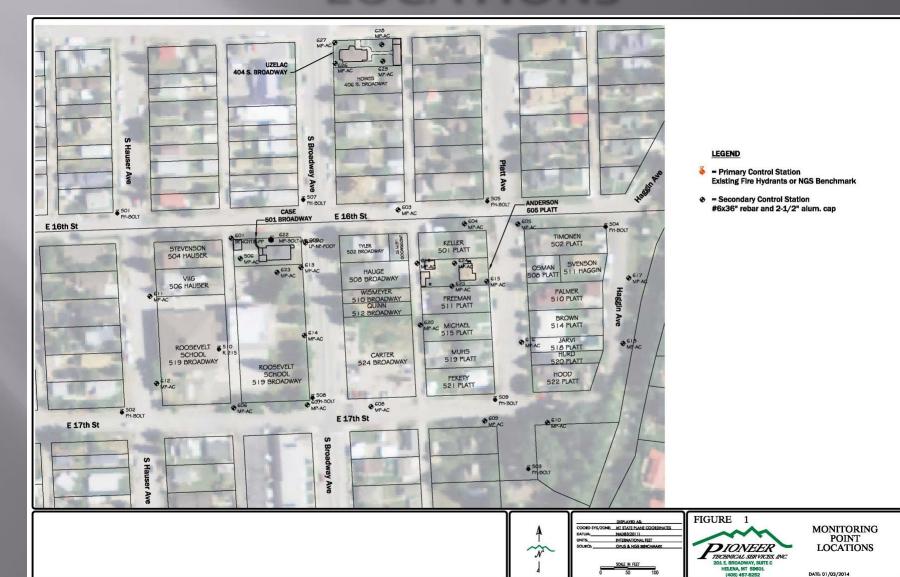
Bill Snoddy - Project Manager at DEQ

PIONEER TECHNICAL SERVICES, INC.

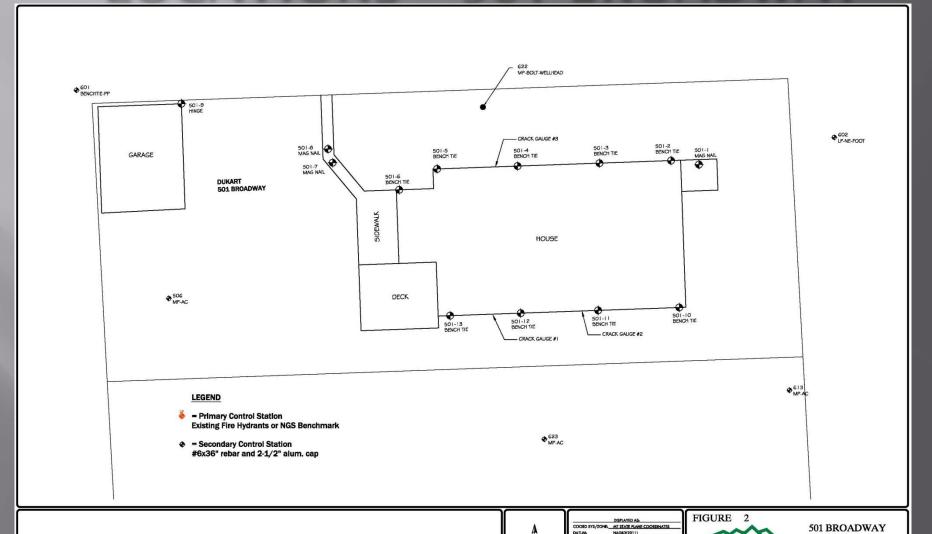
Tim Ranf - Project Manager at Pioneer

- Work Ongoing this year (since January):
 - Survey and Monitoring of 3 residences:
 - 501 Broadway
 - □ 505 Platt
 - 404 S. Broadway
 - Established survey monitoring points and control, crack gauges.
 - Monitoring quarterly to determine if active settlement is occurring. Next event – July.
 - No settlement measured to date (January & April).
- Additional House to be added at 207 S. Hauser

RED LODGE MONITORING LOCATIONS



RED LODGE MONITORING LOCATIONS – 501 BROADWAY



OPUS & NGS BENCHWAR

DIONEER
TECHNICAL SERVICES, INC.

DATE 02/04/2014

- OBJECTIVE Determine whether historic underground coal mines have any potential for causing (or have caused) ground subsidence.
 - In response to concerns from several citizens.
 - Based on previous investigations and historic mine maps, the mine workings are very deep – 250- to 900-feet below the ground surface in this area.
- Outcome from the drilling investigation and survey monitoring will be used to determine whether or not ground subsidence has or could occur as a result of collapsing underground mine workings.

RED LODGE DRILLING INVESTIGATION SITE MAP SHOWING PROPOSED BOREHOLE LOCATIONS

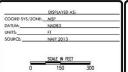


KEY:

DENOTES PROPOSED BOREHOLE LOCATIONS

DH-2; CHEN-NORTHERN, 1987



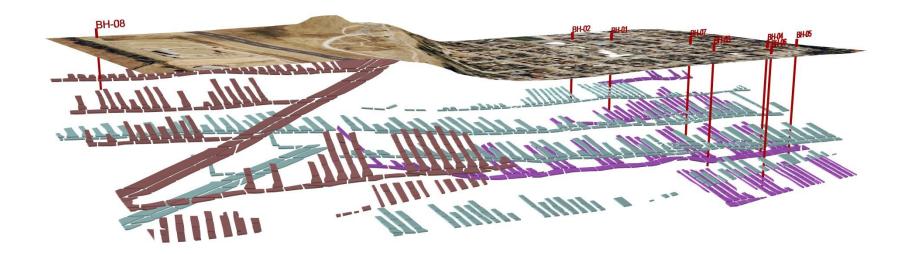




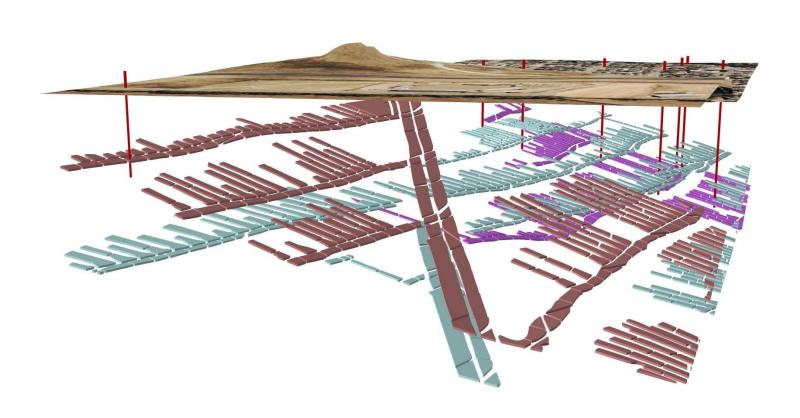
RED LODGE DRILLING INVESTIGATION BORE HOLE LOCATIONS

DATE: 6/19/14

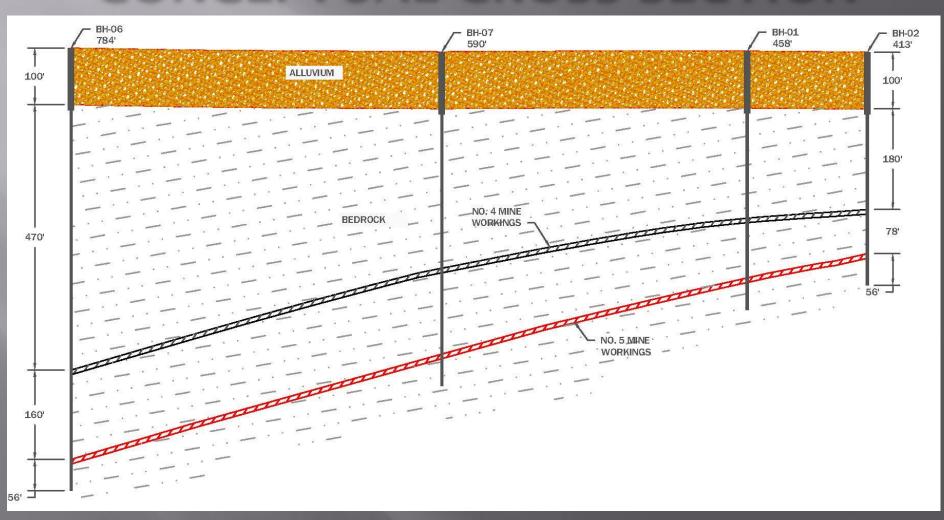
RED LODGE DRILLING INVESTIGATION MINE WORKINGS VIEW



RED LODGE DRILLING INVESTIGATION MINE WORKINGS VIEW



RED LODGE DRILLING INVESTIGATION CONCEPTUAL CROSS SECTION



• SCHEDULE

- Requests for Bids for drilling contractor currently out.
- Select Drillers July 1
- Start Drilling August 4
 - Drilling activities 8 AM to 6 PM Monday Saturday
 - Possibly have two drill rigs operating simultaneously for a couple weeks
- Drilling complete September 26
- Final Report December 22