
J. E. STOVER & ASSOCIATES, INC.

2352 NORTH 7TH STREET, UNIT B
GRAND JUNCTION, COLORADO 81501
PHONE: (970) 245-4101, FAX: (970) 242-7908

MINE ENGINEERING
MINE RECLAMATION

CIVIL ENGINEERING
CONST. MANAGEMENT

March 24, 2020

Rob Zuber
Division of Reclamation, Mining & Safety
1313 Sherman St., Room 215
Denver, CO 80203

Re: Bowie Resources, LLC, Bowie No. 2 Mine
MR-203 Adequacy No. 1
Permit C-1996-083

Dear Mr. Zuber:

On behalf of Bowie Resources, LLC, (BRL), enclosed is a minor revision application in response to the questions listed in Section VI of the MT-05 Findings Document.

1. **DRMS:** Compile all rights of entry information into one location. This could be the existing Exhibit 1 (For Clarity, re-name it "Coal, Water Rights, and Right of Entry Information" or something similar) or it could be another Exhibit.

BRL: All Surface rights of Entry will be added into Exhibit 25. The Table of Contents for Volume III, page v, has been amended to direct the reader to Volume IIIB Exhibit 25

2. **DRMS:** Confirm to the Division that the Bowie No. 2 PAP contains all the information necessary to describe BRLs right to enter all applicable lands for the operations related to this mine (See Division Rule 2.03.6(1)). See Revised page vi.

BRL: Please see Bob Barnes Access agreement which will be inserted into Volume IIIB, Exhibit 25.

Please let me know if you have any additional questions.

Sincerely,

Tamme Bishop

Tamme Bishop, P.E.
Project Engineer

Cc: Basil Bear

Enclosures:

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21	Angle of Draw A Determination of Angle of Draw, D-Seam Longwall Mining, Bowie Resources, LLC, Prepared by Collin Stewart, P.E.
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STORAGE AND EASEMENT AGREEMENT

THIS STORAGE AND EASEMENT AGREEMENT (this "Agreement") is entered into as of March 23, 2020, but shall be effective as of July 12, 2005 ("Effective Date"), between Robert Barnes and Barbara Barnes, whose address is 44356 Bowie Rd, Paonia, Colorado 81428 (collectively "Barnes"), and BOWIE RESOURCES, LLC, a Delaware limited liability company, with an address of 1401 North 1st Street, Suite A, Grand Junction, CO 81501 ("Bowie").

RECITALS

A. By virtue of a Special Warranty Deed dated July 12, 2005, Bowie conveyed to Barnes certain real property located in Delta County, Colorado and more particularly described on Exhibit A attached hereto and made a part hereof (the "Premises").

B. Bowie maintains a pile of soil, rock and other natural matter and certain areas of the Premises are used as vegetation reference areas, as referred to in the letter agreement incorporated herein as Exhibit B, (collectively the "Permitted Area") located on the Premises and will need to continue to do so pending final reclamation of Bowie's mining operations.

C. As a further condition to convey the Premises to Barnes, Barnes verbally agreed to permit Bowie the right to use the Permitted Area on the Premises, and to grant Bowie access to the Permitted Area for purposes of moving, securing and removing soil, rocks and other matter, subject to the terms and conditions set forth in this Agreement.

D. Barnes and Bowie now desire to enter into this Agreement to memorialize the verbal agreements made concurrently with the conveyance of the Premises and otherwise agreed to between the parties.

AGREEMENT

NOW, THEREFORE, in consideration of the conveyance of the Premises by Bowie to Barnes, and for other good and valuable consideration, as further defined, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Barnes hereby consents to Bowie's use of the Premises for purposes of storing soil, rock and other natural matter and accessing certain areas used as vegetation reference areas, within the Permitted Area. Bowie shall have no obligation to Barnes to pay rent or other fees for said uses. In furtherance of the foregoing, Barnes hereby grants to Bowie, its successors and assigns a non-exclusive easement over the Premises to the Permitted Area, including the unlimited right of ingress and egress over the Premises for such storage, moving, maintenance, security and removal as is necessary or desirable in Bowie's sole discretion.

2. The rights granted under this Agreement shall continue so long as it is necessary for Bowie to access the Permitted Area pursuant to the requirements of Colorado Mining and Reclamation Permit C-1996-083. This Agreement and the rights granted hereunder shall terminate the earlier of either Bowie providing Barnes with written notice thereof or the final Phase III bond release of permit C-1996-083.

3. Barnes understands and acknowledges that the Permitted Area is vital to the reclamation of Bowie's mining operations and, accordingly, it is necessary for Bowie to keep said Permitted Area safe and secure pending completion of reclamation. Accordingly, Barnes agrees: (a) that, subject to Section 4 below, Barnes shall do nothing (and shall prohibit others from taking any action) to use, remove, extract, alter or otherwise disturb or access the Permitted Area (including, without limitation, use by Barnes or others for ATV or other recreational purposes); (b) that Barnes shall permit Bowie to maintain and shall do nothing (and shall prohibit others from taking any action) to alter or otherwise disturb the ditch currently surrounding the Permitted Area or any other security measures constructed by Bowie in the future; (c) that Barnes shall permit Bowie to construct and maintain (at Bowie's sole cost and expense) such other security measures with respect to the Permitted Area as are required by any regulatory authority or deemed necessary or desirable by Bowie in its sole discretion (including, without limitation, fencing around the Permitted Area).

4. Notwithstanding the foregoing, Barnes shall be permitted to continue to harvest the grass growing adjacent to the Permitted Area for pasture purposes; provided, however, that Barnes agrees to and does hereby release, indemnify and hold harmless Bowie from and against any and all claims of liability, damage, penalty, judgment, cost and expense, including, without limitation, reasonable attorneys' fees and expenses, arising from any loss, damage or injury to person or property sustained by anyone as a result of said activities, except as may result from any intentional or willful acts or omissions by Bowie. As further consideration, Bowie hereby grants to Barnes the right to irrigate, farm and harvest the adjacent parcel owned by Bowie, identified as Delta County Parcel number 318714200021, during the term of this Agreement.

5. In furtherance of the foregoing, Barnes agrees to release, indemnify and hold harmless Bowie, its members, managers, officers, directors, employees, agents and representatives from and against any and all claims of liability, damage, penalty, judgment, cost and expense, including, without limitation, reasonable attorneys' fees and expenses, arising from any loss, damage or injury to person or property sustained by anyone as a result of the operation of the Permitted Area, any access to the Premises undertaken in connection therewith, or Barnes' failure to comply with any of the terms and conditions set forth in this Agreement.

6. Barnes, at the request of Bowie, shall execute and deliver to Bowie any available instruments, agreements, documents, permits or applications, or any other papers reasonably required by Bowie, and Barnes shall do such other acts as may be reasonably requested by Bowie, all to effect the purposes of this Agreement. Conversely, Bowie, at the request of Barnes, shall execute and deliver to Barnes any available instruments, agreements, documents, permits or applications, or any other papers reasonably required by Barnes, and Bowie shall do such other acts as may be reasonably requested by Barnes, all to effect the purposes of this Agreement. Barnes

agrees to support Bowie's efforts to obtain any necessary federal, state, and local governmental agencies approval of any leases, NEPA actions, permits, licenses, and any other agreements with landowners, water rights owners, and water users associations in conjunction with Bowie's coal mining operations and/or reclamation activities. Barnes, including all heirs, agents, assigns, tenants and occupants of the Premises, shall not oppose any of Bowie's permitting activities, including reclamation activities, on or adjacent to the Premises and the Permitted Area.

7. Upon termination of this Agreement, Barnes shall hold the right to purchase Delta County Parcel 318714200021 from Bowie for ten dollars (\$10.00) ("Purchase Option"). In order for Barnes to exercise the Purchase Option, Barnes shall be in possession of the Premises. If not exercised prior thereto, this Purchase Option shall terminate without further notice upon the one-year anniversary of final release of permit C-1996-083.

8. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Colorado.

9. This Agreement constitutes the entire agreement between the parties hereto regarding the subject matter hereof, and it supersedes all prior or contemporaneous written or oral agreements between such parties with respect to such subject matter. This Agreement shall not be amended, altered or changed except by a written agreement signed by each party.

10. The agreements contained herein, and the rights granted hereby, shall run with the land and shall bind and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

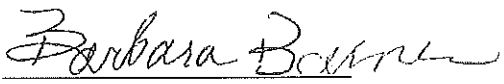
12. This Agreement shall be recorded in the real estate records of the Clerk and Recorder's Office of Delta County, Colorado.

Signatures on Following Page


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

BARNES:


Robert Barnes


Barbara Barnes

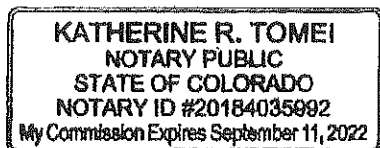
BOWIE:


By: Brian S. Settles
Title: Chief Administrative Officer

STATE OF Colorado)
COUNTY OF Delta) ss.

The foregoing Agreement was acknowledged before me this 13th day of March 2020, by Robert Barnes, known to me to be the signer of the above Agreement.

Witness my hand and official seal.

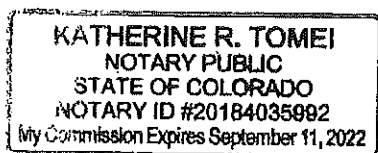


Kat Tomei
NOTARY PUBLIC
My commission expires: 9/11/2022

STATE OF Colorado)
COUNTY OF Delta) ss.

The foregoing Agreement was acknowledged before me this 13th day of March 2020, by Barbara Barnes, known to me to be the signer of the above Agreement.

Witness my hand and official seal.



Kat Tomei
NOTARY PUBLIC
My commission expires: 9/11/2022

STATE OF Kentucky)
COUNTY OF Jefferson) ss.

The foregoing Agreement was acknowledged before me this 23rd day of March 2020, by Brian S. Settles, as Chief Administrative Officer of Bowie Resources, LLC, a Delaware limited liability company, who duly acknowledge he executed the same on behalf of the company.

Witness my hand and official seal.

Angela Fowler
NOTARY PUBLIC
My commission expires Oct. 15, 2022



EXHIBIT A

The Premises

Delta County Parcel 318714200020

A portion of the NW1/4, Section 14,
Township 13 South, Range 91 West, 6th P.M.,
Delta County, Colorado
Described as follows:

Beginning at a point on the West line of said NW1/4 Section 14,
on the south right of way line of the Fire Mountain Canal
whence the Northwest corner of said Section 14 bears N 00°33'23" W, 1523.30 feet,
Thence running along on the south right of way line of said Fire Mountain Canal the
following courses:

- L1. N 78°31'50" E, 12.22 feet
- C2. along the arc of a curve to the right 31.06 feet, with a radius of 117.00 feet,
and a long chord which bears N 86°08'06" E, 30.97 feet,
- L3. S 86°15'38" E, 327.70 feet
- L4. S 03°44'22" W, 7.00 feet
- L5. S 86°15'38" E, 19.80 feet
- C6. along the arc of a curve to the left 43.80 feet, with a radius of 140.00 feet,
and a long chord which bears N 84°46'39" E, 43.62 feet,
- L7. N 75°48'57" E, 4.40 feet
- C8. along the arc of a curve to the right 67.31 feet, with a radius of 160.00 feet,
and a long chord which bears N 87°52'04" E, 66.82 feet,
- L9. S 80°04'49" E, 42.20 feet
- C10. along the arc of a curve to the left 55.24 feet, with a radius of 190.00 feet,
and a long chord which bears S 88°24'35" E, 55.05 feet,
- L11. N 83°15'39" E, 97.80 feet,
- C12. along the arc of a curve to the right 39.08 feet, with a radius of 60.00 feet,
and a long chord which bears S 78°04'44" E, 38.39 feet,
- L13. S 59°25'08" E, 73.20 feet,
- C14. along the arc of a curve to the left 115.83 feet, with a radius of 160.00 feet,
and a long chord which bears S 80°09'32" E, 113.32 feet,
- L15. N 79°06'05" E, 57.30 feet,
- L16. S 10°53'55" E, 5.00 feet,
- C17. along the arc of a curve to the left 195.19 feet, with a radius of 345.00 feet,
and a long chord which bears N 62°53'37" E, 192.59 feet,
- L18. N 46°41'09" E 130.60 feet,
- C19. along the arc of a curve to the right 17.73 feet, with a radius of 55.00 feet,
and a long chord which bears N 55°55'10" E, 17.65 feet,
- L20. N 65°08'12" E, 108.90 feet
- C21. along the arc of a curve to the left 43.69 feet, with a radius of 75.00 feet,
and a long chord which bears N 48°27'48" E, 43.08 feet,
- L22. S 58°13'35" E, 25.00 feet,
- L23. N 31°46'25" E, 25.03 feet,
- L24. N 80°09'09" E, 171.73 feet,
- C25. along the arc of a curve to the left 85.69 feet, with a radius of 100.00 feet,
and a long chord which bears N 55°36'17" E, 83.09 feet,

EXHIBIT A
(continued)

Thence leaving said Fire Mountain Canal, and following the south line of old highway 133
along the arc of a curve to the right 114.81 feet, with a radius of 780.00 feet,
and a long chord which bears N 80°23'04" E, 114.70 feet,
Thence N 84°36'04" E, 181.42 feet,
Thence leaving said south line of old highway,
Thence S 67°16'25" W, 382.78 feet,
Thence along the arc of a curve to the left 431.39 feet, with a radius of 864.49 feet,
and a long chord which bears S 52°58'40" W, 426.93 feet,
Thence S 38°40'55" W, 382.04 feet,
Thence N 88°24'38" W, 1008.99 feet to the west line of the northwest 1/4 of said
Section 14
Thence N 00°33'23" W, 366.53 feet along the west line of the northwest 1/4 of said
Section 14
to the point of beginning, containing 11.03 acres more or less.

Bearings are based on the assumption that the West line of said NW1/4 Section 14
bears N 00°33'23" W

EXHIBIT B

October 12, 2009

Bob Barnes:

Dear Bob:

The Bowie No. 1 Mine unit train loadout will be regraded and seeded in the near future. Bowie plans to plant the area with a premium irrigated pasture mix. The reclaimed area will be irrigated and maintained for a number of years. After about five or six years Bowie will need to gauge the success of its revegetation effort. Bowie would like to compare the vegetation on the reclaimed area with the vegetative growth in the field west of your house. Your field would be considered the reference area. The comparison would be performed as follows:

Production plots will be randomly placed in the reclaimed and reference areas and clipped. Due to the herbaceous nature of the crop, production plots will be $1/4$ meter² in size ($1/2$ meter by $1/2$ meter). All current annual herbaceous production within the volumetric vertical projection of each quadrat will be clipped, separated according to life form, and bagged. The three life forms will include perennial species, annual species, and noxious weeds. A maximum of 50 quadrats will be clipped which equates to 134 square feet.

Bowie would also need to perform the comparison during the ninth and tenth year of the vegetation effort. Bowie may also need to perform an initial sampling of your field in the next year or two. In summary Bowie needs to have access to your field a few times in the next ten plus years to perform the study explained above. Bowie will provide you 48 hour advance verbal notice prior entering your property. Please signify your consent to grant Bowie access to your field by signing in the space below.

Robert Barnes

