

Pam Jensen

From: Laura Schroetlin
Sent: Monday, March 23, 2020 9:26 AM
To: Pam Jensen
Subject: action: Jensen Pit adequacy questions
Attachments: CN-1 Adequacy letter.pdf

Importance: High

Notes from conversation with Brock on 3/23.

- 1) New soils map <https://websoilsurvey.sc.egov.usda.gov/App/WebSoilSurvey.aspx>. Zoom into area of interest. Choose AOI on tool bar – print map. Brock will walk you through this if you need assistance.
- mike* 2) NRCS – updated reseeding mix – they should review what was recommended before and make changes is necessary
- mike* 3) Are we interfering with established water rights (stopping the normal runoff flow), no ponding is allowed after 72 hours. What are we doing to make sure this doesn't happen?
- 4) We need a current letter from the State Land board confirming that we still have the legal right to enter. The letter included is not adequate. We can suggest they call Brock directly
- f* 5) Commissioner notice and clerk notice and copies needs to be in Sedgwick County, not Phillips County. All these updates need to be sent to the Sedgwick County clerk.

Brock is available to help with all this. Please call his cell number if you need assistance.

From: Bowles - DNR, Brock <brock.bowles@state.co.us>
Sent: Monday, March 23, 2020 9:06 AM
To: Laura Schroetlin <laura.schroetlin@phillipscounty.co>
Subject: Jensen Pit adequacy questions

Laura,
Attached are the adequacy questions for the Jensen Pit application.
If you have any questions, please contact me on my cell, 720.774.0040
Brock

--

Brock Bowles
Environmental Protection Specialist



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

P 303.866.3567 x8142 | C 720.774.0040 | F 303.832.8106
1313 Sherman St., Room 215, Denver, CO 80203
brock.bowles@state.co.us | <https://www.colorado.gov/drms>

Soil Map—Phillips County, Colorado, and Sedgwick County, Colorado



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

3/23/2020
Page 1 of 4

Soil Map—Phillips County, Colorado, and Sedgwick County, Colorado

MAP LEGEND

Area of Interest (AOI)		Spoil Area
Area of Interest (AOI)		Stony Spot
Soils		Very Stony Spot
Soil Map Unit Polygons		Wet Spot
Soil Map Unit Lines		Other
Soil Map Unit Points		Special Line Features
Special Point Features		Water Features
Blowout		Streams and Canals
Borrow Pit		Transportation
Clay Spot		Rails
Closed Depression		Interstate Highways
Gravel Pit		US Routes
Gravelly Spot		Major Roads
Landfill		Local Roads
Lava Flow		Background
Marsh or swamp		Aerial Photography
Mine or Quarry		
Miscellaneous Water		
Perennial Water		
Rock Outcrop		
Saline Spot		
Sandy Spot		
Severely Eroded Spot		
Sinkhole		
Slide or Slip		
Sodic Spot		

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at scales ranging from 1:15,800 to 1:20,000.

Warning: Soil Map may not be valid at this scale.

Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
Web Soil Survey URL:
Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Phillips County, Colorado
Survey Area Data: Version 13, Sep 13, 2019

Soil Survey Area: Sedgwick County, Colorado
Survey Area Data: Version 15, Sep 13, 2019

Your area of interest (AOI) includes more than one soil survey area. These survey areas may have been mapped at different scales, with a different land use in mind, at different times, or at different levels of detail. This may result in map unit symbols, soil properties, and interpretations that do not completely agree across soil survey area boundaries.

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Jul 10, 2010—Aug 4, 2017

Soil Map—Phillips County, Colorado, and Sedgwick County, Colorado

MAP LEGEND

MAP INFORMATION

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
PaB	Platner loam, 0 to 3 percent slopes	4.1	3.5%
Ra	Rago and Kuma loams	7.2	6.1%
RcB	Richfield loam, 0 to 3 percent slopes	5.2	4.4%
WeE	Wages-Eckley-Dix complex, 5 to 25 percent slopes	4.4	3.7%
Subtotals for Soil Survey Area		20.9	17.8%
Totals for Area of Interest		117.4	100.0%

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
KgB	Keith, goshen, and kuma silt loams, 0 to 3 percent slopes	2.1	1.8%
RaB	Rago and kuma silt loams, 0 to 3 percent slopes	21.2	18.0%
RcB	Richfield loam, 0 to 3 percent slopes	39.2	33.4%
WaC	Wages gravelly loam, 3 to 5 percent slopes	1.2	1.0%
WaD	Wages gravelly loam, 5 to 9 percent slopes	32.8	27.9%
Subtotals for Soil Survey Area		96.5	82.2%
Totals for Area of Interest		117.4	100.0%

Sedgwick County, Colorado

RaB—Rago and kuma silt loams, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 35t1
Elevation: 3,200 to 5,000 feet
Mean annual precipitation: 14 to 18 inches
Mean annual air temperature: 48 to 52 degrees F
Frost-free period: 130 to 160 days
Farmland classification: Prime farmland if irrigated

Map Unit Composition

Rago and similar soils: 65 percent
Kuma and similar soils: 25 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Rago

Setting

Down-slope shape: Linear
Across-slope shape: Linear
Parent material: Silty eolian deposits

Typical profile

H1 - 0 to 5 inches: silt loam
H2 - 5 to 13 inches: loam
H3 - 13 to 24 inches: clay loam
H4 - 24 to 40 inches: loam
H5 - 40 to 60 inches: gravelly sandy loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Well drained
Runoff class: Low
Capacity of the most limiting layer to transmit water (Ksat):
Moderately low to moderately high (0.06 to 0.20 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum in profile: 15 percent
Salinity, maximum in profile: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)
Available water storage in profile: Moderate (about 8.7 inches)

Interpretive groups

Land capability classification (irrigated): 2e
Land capability classification (nonirrigated): 2c
Hydrologic Soil Group: C

Ecological site: Loamy Tableland (R072XY100KS)

Hydric soil rating: No

Description of Kuma

Setting

Down-slope shape: Linear

Across-slope shape: Linear

Parent material: Silty eolian deposits

Typical profile

H1 - 0 to 6 inches: silt loam

H2 - 6 to 28 inches: silt loam

H3 - 28 to 42 inches: silt loam

H4 - 42 to 60 inches: silt loam

Properties and qualities

Slope: 0 to 3 percent

Depth to restrictive feature: More than 80 inches

Natural drainage class: Well drained

Runoff class: Low

Capacity of the most limiting layer to transmit water (Ksat):

Moderately high to high (0.20 to 2.00 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Calcium carbonate, maximum in profile: 10 percent

Available water storage in profile: High (about 10.6 inches)

Interpretive groups

Land capability classification (irrigated): 2e

Land capability classification (nonirrigated): 2c

Hydrologic Soil Group: B

Ecological site: Loamy Tableland (R072XY100KS)

Hydric soil rating: No

Minor Components

Richfield

Percent of map unit: 4 percent

Hydric soil rating: No

Aquic haplustoll

Percent of map unit: 3 percent

Landform: Swales

Hydric soil rating: Yes

Keith

Percent of map unit: 3 percent

Hydric soil rating: No

Data Source Information

Soil Survey Area: Phillips County, Colorado

Survey Area Data: Version 13, Sep 13, 2019

Soil Survey Area: Sedgwick County, Colorado

Survey Area Data: Version 15, Sep 13, 2019

Sedgwick County, Colorado

RcB—Richfield loam, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 35t3
Elevation: 3,200 to 4,600 feet
Mean annual precipitation: 14 to 18 inches
Mean annual air temperature: 48 to 52 degrees F
Frost-free period: 130 to 160 days
Farmland classification: Prime farmland if irrigated

Map Unit Composition

Richfield and similar soils: 90 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Richfield

Setting

Landform: Playa lakes, ridges, rises
Down-slope shape: Linear
Across-slope shape: Linear
Parent material: Silty eolian deposits

Typical profile

H1 - 0 to 6 inches: loam
H2 - 6 to 15 inches: clay loam
H3 - 15 to 60 inches: loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Well drained
Runoff class: Low
Capacity of the most limiting layer to transmit water (Ksat):
Moderately low to moderately high (0.06 to 0.20 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum in profile: 15 percent
Available water storage in profile: High (about 9.8 inches)

Interpretive groups

Land capability classification (irrigated): 2e
Land capability classification (nonirrigated): 2c
Hydrologic Soil Group: C
Ecological site: Loamy Tableland (R072XY100KS)
Hydric soil rating: No

Minor Components

Kuma

Percent of map unit: 5 percent

Hydric soil rating: No

Rago

Percent of map unit: 4 percent

Hydric soil rating: No

Aquic haplustoll

Percent of map unit: 1 percent

Landform: Swales

Hydric soil rating: Yes

Data Source Information

Soil Survey Area: Phillips County, Colorado

Survey Area Data: Version 13, Sep 13, 2019

Soil Survey Area: Sedgwick County, Colorado

Survey Area Data: Version 15, Sep 13, 2019

Sedgwick County, Colorado

WaD—Wages gravelly loam, 5 to 9 percent slopes

Map Unit Setting

National map unit symbol: 35td
Elevation: 3,200 to 4,600 feet
Mean annual precipitation: 14 to 18 inches
Mean annual air temperature: 48 to 52 degrees F
Frost-free period: 130 to 160 days
Farmland classification: Not prime farmland

Map Unit Composition

Wages and similar soils: 90 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Wages

Setting

Landform: Intermittent streams, ridges
Down-slope shape: Linear
Across-slope shape: Linear
Parent material: Gravelly & loamy silty eolian deposits

Typical profile

H1 - 0 to 6 inches: gravelly loam
H2 - 6 to 14 inches: clay loam
H3 - 14 to 40 inches: loam
H4 - 40 to 60 inches: sandy loam

Properties and qualities

Slope: 5 to 9 percent
Depth to restrictive feature: More than 80 inches
Natural drainage class: Well drained
Runoff class: Medium
Capacity of the most limiting layer to transmit water (Ksat):
Moderately high to high (0.20 to 2.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum in profile: 15 percent
Salinity, maximum in profile: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)
Available water storage in profile: Moderate (about 8.3 inches)

Interpretive groups

Land capability classification (irrigated): 4e
Land capability classification (nonirrigated): 6e
Hydrologic Soil Group: B
Ecological site: Loamy Tableland (R072XY100KS)

Hydric soil rating: No

Minor Components

Other soils

Percent of map unit: 10 percent

Hydric soil rating: No

Data Source Information

Soil Survey Area: Phillips County, Colorado

Survey Area Data: Version 13, Sep 13, 2019

Soil Survey Area: Sedgwick County, Colorado

Survey Area Data: Version 15, Sep 13, 2019

Grass Seeding PART I - Planned

Seed Mix Recommendation

PLS = Pure Live Seed

Shrubs (add shrub seed to grass - forb seed mix)

Notes:

Use adapted improved varieties and cultivars in the following order of preference, when available:

1. Certified named varieties, 2. Named varieties, 3. Common seed

When bare-root stock shrubs are planned: [Complete Tree and Shrub Establishment 612, Job Sheet](#)

FOTG, Section IV Planning Forms

EXHIBIT G- WATER INFORMATION

The excavation does border a dry creek bed that can contain water when there is heavy rainfall in the area. The only water that affects the site could be runoff from heavy rainfall. There are no barriers restricting flow, and no mining will occur in the dry creek bed area. Rainfall in the area averages about 17.8 inches per year. The site will not be impacted by water.

There are no water structures on or adjacent to the site. This project will not have any water requirements for its operation.

The excavation should not encounter any water during mining. The water table in the area is substantially below the surface, in most cases at least 150' deep. Material mined will be above the water level. If water ponds in an area, that area is filled with material prior to 72 hours.

Revised April 7, 2020

STATE OF COLORADO
STATE BOARD OF LAND COMMISSIONERS
Department of Natural Resources
Denver, Colorado

SAND & GRAVEL PERMIT NO GP3328
Issued in Lieu of Extension of GP 242

THIS SAND & GRAVEL MINING PERMIT, Made in duplicate and entered into this 28th day of March, 1998, by and between the State of Colorado, acting through its STATE BOARD OF LAND COMMISSIONERS, hereinafter referred to as Permittee, and Phillips County Commissioners, Attn: Randy Schafer
Phillips County Courthouse, 221 S. Interocean, Holyoke, CO 80734
hereinafter referred to as Permittee:

WITNESSETH: Permittee, for and in consideration of the sum of two hundred fifty and no/100 Dollars (\$ 250.00), receipt of which is hereby acknowledged as payment of the filing fee in the amount of \$ N/A, rental payment in the amount of \$ 250.00 for the five year permit term, and a bonus in the amount of \$ N/A, and in further consideration of the terms, conditions and agreements herein and of the payments of reserved herein, to be kept and performed by Permittee, its successors and assigns, does hereby lease to Permittee the right and privilege of exploring and prospecting for, developing, and mining of and taking of sand and gravel minerals for the sole purpose of fulfilling a local, state, or federal contract from the lands herein described, situated in the County of Sedgwick, State of Colorado, to wit:

<u>ACRES</u>	<u>SUBDIVISION</u>	<u>SEC.TWP.RGE</u>	<u>PATENTS</u>
20.00	Fractional Part of SW/4SW/4	16-8N-44W	None

FUND: School

containing 20.00 acres, more or less, together with the right to use as much of the surface within the Division of Minerals & Geology, Mined Land Reclamation Permit, as may be reasonably required, including the right to reasonable ingress and egress; the right to make excavations, stockpiles, and other improvements as may be reasonably necessary in the mining and removal of said minerals; subject, however, to all existing easements and rights-of-way of third parties, and the rights of surface Permittees and surface owners, and further subject to the terms, conditions and agreements set out in this lease. The benefits, terms, and obligations of this lease shall extend to and be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

RESERVING, however, to Permittee:

- A. All rights and privileges of every kind and nature, except as are herein specifically granted.
- B. The right to use or lease said premises or any part thereof at any time for any purpose, including the right to explore and prospect said premises, to issue additional permits within the legal description of the premises but outside of the Reclamation Permit boundary, not inconsistent with the rights and privileges herein specifically granted.
- C. The right to dispose of or lease the surface where Permittee is the surface owner.
- D. The right at all times during the life of this lease to go upon said premises and every part thereof for the purpose of inspecting said premises, and the books of accounts and records of mineral workings therein, and of ascertaining whether or not said Permittee and those holding thereunder by and from it, are carrying out the terms, covenants and agreements in this lease contained.
- E. The right at any time to grant a right-of-way upon, over or across all or any part of said premises for any ditch, reservoir, railroad, communication system, electric powerline, or pipeline, schoolhouse or other lawful purpose; but that such grants shall be subject to the rights of Permittee.
- F. The right at any time to place the Leased Premises into the Stewardship Trust as set forth in Section 10(1)(b)(1) of Article IX, of the State Constitution. Said placement into the Stewardship Trust shall be for reasons not inconsistent with the rights and privileges of Permittee.

TO HAVE AND TO HOLD The above-described premises unto Permittee, its heirs, successors, assigns, or legal representatives for the term of five years, and until Twelve O'clock noon on the 28th day of March, 2003, and, except as hereinafter stated, as long thereafter as the royalties and rentals provided for herein are being paid, or by any extension hereof, subject to the following terms, conditions and agreements, to wit:

1. ADVANCE MINIMUM ROYALTY -- This paragraph is not applicable.
2. PRODUCTION ROYALTY -- Permittee reserves as royalty, and Permittee agrees to pay to Permitter on or before the last day of each calendar month following the month of production, \$ 0.35 per ton of 2000# for gravel, and \$ 0.25 per ton for screened fines.
3. EXTENSION -- Permittee may have a preferential right to renew the lease or to receive a new lease, whichever may be determined by Permitter to be in the best interest of the State, under the following conditions:
 - A. An advance minimum royalty, the amount to be negotiated before expiration of the lease, will be due and payable annually commencing on the date this lease is renewed or a new lease is executed and shall continue until the expiration of the new or renewed lease. This amount may be adjusted by Permitter at the end of each five-year period of the renewed or new lease.
 - B. Permittee shall furnish to Permitter satisfactory evidence of plans for mining during the term of the renewed lease or during the term of a new lease.
 - C. Permittee shall furnish adequate geological evidence to Permitter that the acreage subject to the renewed or new lease is in fact an integral part of and contains reserves in a logical mining unit. Whether the acreage is or is not a part of a logical mining unit will be determined by Permitter.
 - D. An extension of this Lease as determined by Permitter would be in the best interest of Permitter
4. EXTENSION BY PRODUCTION -- This paragraph is not applicable.
5. ANCILLARY USE -- Permittee may remove approved minerals, and place on the Leased Premises stock piles of material mined from this lease and such equipment as is approved by Permitter for this removal. All other ancillary uses such as concrete plants, asphalt plants, accessory equipment, offsite aggregate materials and any other uses not specifically mentioned herein will be subject to the approval of Permitter and require a yearly rental payment of no less than \$100.00 per acre. Haul roads and/or access roads which do not directly benefit the Leased Premises will be subject to a separate permit and approval of Permitter.
6. REPORTS AND RECORDS -- After operations begin, it is agreed that on or before the last day of each month during the term of this lease Permittee shall submit a sworn, verified, written report to Permitter, in which report shall be entered and set down the exact amount in weight of all products and the assay thereof mined and removed from said leased premises during the preceding calendar month. Permittee agrees to keep and to have in possession complete and accurate books and records showing the production and disposition of any and all substances produced on the leased land and to permit Permitter at all reasonable hours, to examine the same or to furnish copies of same to Permitter within 60 days following written request along with purchaser's support documentation. All said books and records shall be retained by Permittee and made available in Colorado to Permitter for a period of not less than 10 years. If any such examination shall reveal, or if either party shall discover any error or inaccuracy in its own or the other party's statement, payment, calculation, or determination, then proper adjustment or correction thereof shall be made as promptly as practicable thereafter, except that no adjustment or correction shall be made if more than 10 years have elapsed between the time the error or inaccuracy occurred and the discovery by either party of said error or inaccuracy.

Further, Permittee shall furnish annually a complete operations report to Permitter disclosing the number of tons and the assay thereof of all ores, minerals and other materials mined from the premises during the preceding year. Permittee shall also furnish in said report geologic interpretations and recoverable reserve calculations, and maps and cross sections showing location of any mineral-bearing outcrops, drill holes, trenches, ore bodies and other prospecting and exploration activities, along with assays showing the amount of mineral contained in the ore. The records required to be maintained by Permittee and provided to Permitter upon request include logs of all strata penetrated and all geologic and hydrologic conditions encountered, and copies of in-hole surveys--this information to be collected and prepared under the supervision of a qualified geologist, geological engineer or mining engineer. Other qualified persons may collect and prepare this data, if agreed to in writing between Permittee and Permitter. Any request to keep certain information confidential should be in writing to Permitter at the time such information is submitted to Permitter, and such data may be kept confidential as consistent with State law. Permittee shall submit, if requested by Permitter, such additional reports, records or documents regarding Permittee's operation on the Leased Premises as necessary for the compliance with lease provisions.
7. OVERRIDING ROYALTY LIMITATIONS -- It is agreed that this lease or any subsequent assignment hereof shall not be burdened with overriding royalties the aggregate of which exceeds two percent (2%) of the gross value of the minerals or ore at the first point of sale. Permitter must be notified of all overriding royalties accruing to this lease.

8. DEVELOPMENT -- This paragraph not applicable.
9. PENALTIES -- A penalty shall be imposed for, but not limited to, late payments, improper payments, operational deficiencies of any kind whatsoever, violations of any covenants of this lease, or any false statements made to Permittee. Penalties shall be determined by Permittee unless otherwise provided for by law and may be in the form of, but not limited to, interest, fees, fines, and/or lease cancellation. A penalty schedule shall be prepared by Permittee and shall become effective immediately after public notice. Said schedule may be changed from time to time after such notice.
10. ASSIGNMENT -- Permittee, only with written consent of Permittee, may assign this lease as to the leasehold interest of such Permittee in all or part of the lands covered hereby; not less, however, than tracts of approximately forty (40) acres or governmental lots corresponding to a quarter-quarter section for any partial assignment.
- No assignment of undivided interests or retention or reservation of overriding royalties will be recognized or approved by Permittee, and the effect, if any, of any such assignments or reservations will be strictly and only as between the parties thereto and outside the terms of this lease. No dispute between parties to any assignment or reservation shall operate to relieve Permittee from performance of any terms or conditions hereof or to postpone the time therefor. Permittee will at all times be entitled to look solely to Permittee or his assignee shown on Permittee's books as being sole owner hereof, and for the sending of all notices required by this lease, for the performance of all terms and conditions hereof.
- If an assignment of a part of this lease is approved, a new lease designated as an assignment will be issued to the assignee covering the lands assigned for the balance of the term of the base lease on the mining lease form in use at the time of assignment and limited as to term as said lease is limited. The assignor will be released and discharged from all further obligations for such lands assigned, as if the same had never been a part of this lease.
11. ASSIGNMENT CONSIDERATION -- The consideration for approval of assignment by Permittee shall be 10% of the value of any consideration tendered to Assignor by Assignee for the assignment. Divulgence of the value of these considerations shall be mandatory, in affidavit form, which form shall be presented to Permittee along with the other assignment instruments in order to obtain Permittee's approval for the assignment. An assignment does not constitute a new lease but is a continuation of the base lease. Any attempt to withhold this information shall be construed as an attempt to defraud the State of Colorado and shall render this lease null, void and nonexistent, and all moneys paid to Permittee shall be forfeited to Permittee. In addition, the current statutory fees will be paid at the time the assignment record form is submitted.
12. WEIGHTS AND MEASUREMENTS
- WEIGHTS -- It is agreed that all ores, minerals and other materials mined and taken from the leased premises shall be weighed and assayed and the weight and assay thereof shall be entered in due form in weight and assay records kept for such purposes by Permittee.
- Ton means 2000 pounds. Ton shall be determined by official Colorado State certified scales or other methods approved by Permittee.
- MEASUREMENTS -- It is agreed that all ores, minerals and other materials mined and taken from the leased premises shall be recorded by the counting of truckloads for mine run material and by the volume measurement of stockpiles of washed material and shall be entered in due form in records kept for such purposes by Permittee.
- Yard shall mean loose cubic yard after extraction from the pit and before washing unless otherwise stated. If yard is measured in the pit it shall be bank cubic yard and adjusted with an appropriate bulking factor.
13. STEWARDSHIP TRUST STIPULATION -- Permittee shall specify certain stipulations with respect to use of the surface if said surface is included in the Stewardship Trust prior to the issuance of this Lease. These stipulations are attached as Exhibit 1 and by this reference incorporated herein.
14. MINING METHODS -- Only mining methods that will insure the extraction of the greatest possible amount of minerals consistent within the laws and with prevailing good mining practice shall be used.
15. OPERATION PLAN -- All plans for exploration and mining shall be submitted to Permittee for approval by Permittee before such operations begin. These plans will include, but not be limited to, location of additional roads, location of access points to the Leased Premises, and location of any cattle guards or gates. These plans shall include provisions for control of weeds.

16. ENVIRONMENTAL ANALYSIS -- Permitter may require that Permittee submit an environmental analysis for approval by Permitter before any exploration or mining begins.
17. RECLAMATION -- Permittee shall submit all plans for restoration and reclamation of leased premises to Permitter for Permitter's approval before submitting the appropriate permit or permits pursuant to the Colorado Mined Land Reclamation Act 34-32-101 ET SEQ., C.R.S. 1973 as amended. Rules and regulations as set forth by the Division of Minerals and Geology for recovery and restoration of mined land will apply where applicable to the Leased Premises. Variations from the reclamation plan as originally submitted to the Board for approval may be granted only with the written approval of Permitter.
18. PERMITTER'S APPROVAL -- Whenever approval by Permitter is required or contemplated by Permittee, approval must be in writing and shall be optional and shall be within the sole and absolute discretion of Permitter.
19. OTHER STATE AGENCIES -- Permitter may determine that instruments and documents required by other State agencies satisfy certain requirements of this lease. In the event that Permittee is required to file instruments and documents with other State agencies, including the Division of Minerals and Geology, Permittee shall notify Permitter of said filing and Permitter reserves the right to request and obtain copies of such instruments and documents from the agency or from Permittee.
20. INSPECTION -- It is agreed that during all proper hours and at all times during the continuance of this lease, Permitter or Permitter's duly authorized agent, is authorized to check assays and scales as to their accuracy, to go through or on any part or all of the leased premises to examine, inspect, survey and take measurements of the same and to take samples of any kind and to examine and make extracts from or copies of all books and weight sheets and records which show in any way the ore output, ore values, payments and royalties from and of the leased premises. All conveniences necessary for such inspection, survey, or examination shall be furnished to Permitter. Permitter may require Permittee to provide all instruments and documents of any kind and nature whatever which affect Permitter's interests.
21. NOTICES -- Any notice required to be given to Permittee under the provisions of this lease shall be sent by certified mail to the address set forth at the beginning of this lease or to such other address as Permittee may indicate in writing to Permitter, and such service by mail shall be deemed sufficient and in full compliance with the terms of this lease as of the date it is postmarked. Notice to Permitter shall be given in like manner, addressed to the State Board of Land Commissioners' Denver, Colorado address.
22. NOTIFICATION OF MINING OPERATIONS--It is understood that Permitter may not own or control the surface estate of leased premises, or Permitter may have issued a surface use lease to another Permittee. Mineral Permittee shall be responsible for identifying such ownership or determining the surface Permittee or Permittees, and shall notify all such parties in advance of any on-site activity. Notification will be given thirty (30) days for untilled or grazing acreage and sixty (60) days for tilled farm ground prior to any on site activity. Mineral Permittee shall closely coordinate any on-site activity with the surface owner or Permittee, and make a reasonable effort to protect the integrity of surface owner's or surface Permittee's fences, gates, cattleguards, and other property.
23. PROTECTION AGAINST SURFACE DAMAGE -- Permittee has the right to utilize as much of the surface of the lands as is reasonably necessary for mining operations; however, Permittee shall be liable and agrees to pay for all damages to the surface, livestock, growing crops, water wells, reservoirs, or other improvements caused by Permittee's operations on said lands. There shall be no removal of timber without prior notice to Permitter. Any merchantable timber cut in conjunction with the approved mining plan is to remain the property of the State. All other timber, slash, stumps, and boughs are to be disposed of by Permittee.
24. HOLD HARMLESS -- Permittee shall indemnify Permitter against all liability and loss, and against all claims and actions, including the defense of such claims or actions, based upon or arising out of damage or injury, including death, to persons or property caused by or sustained in connection with this lease or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation.
25. LIENS AND CLAIMS -- Permittee shall not suffer or permit to be enforced against the leased premises, or any part thereof, or any improvements thereon, any liens arising from, or any claim for damage growing out of the work of any construction, repair, restoration, replacement or improvement, or any other claims or demand howsoever the same may arise, but Permittee shall pay or cause to be paid all of said liens, claims, or demands before any action is brought to enforce the same against the leased premises or improvements. Permittee agrees to defend, indemnify and hold Permitter and the leased premises free and harmless from all liability for any and

all such liens, claims, demands, and actions together with reasonable attorney fees and all costs and expenses in connection therewith.

Permittee shall, upon execution of this lease at its cost, prepare a Notice, pursuant to C.R.S. 1973, § 38-22-105 and cause the same to be posted for the purpose of protecting Permitter against any liens or encumbrances upon the leased premises by reason of work, labor, services or materials contracted for or supplied to Permittee.

26. BOND -- It is agreed that no operations are to be commenced on the lands herein described unless and until Permittee or Permittee's agent has filed a good and sufficient bond with Permitter in an amount fixed by Permitter, to secure the payment for damages caused by Permittee's or Permittee's agent's operations on said lands. Permitter reserves the right to grant relief from the foregoing bond requirements. Permitter may require such bond to be held in full force and effect for one year after cessation of operations for which the bond was intended. This requirement may be waived in favor of the requirements of the Division of Minerals and Geology.
27. WATER -- If Permittee initiates or establishes any water rights for which the point of surface diversion or ground water withdrawal is on the leased premises, title to such water rights shall, upon termination of the lease, become the property of the surface owner without cost, and title to the water rights shall be conveyed to the surface owner immediately upon termination, except that if Permitter is the surface owner the water right shall be taken in the name of Permitter in the first instance and shall be the property of Permitter without cost.
28. SURRENDER AND RELINQUISHMENT -- Permittee may, at any time, by paying to Permitter, all amounts then due as provided herein, surrender and cancel this lease insofar as the same covers all or any portion of the lands herein leased and be relieved from further obligations or liability hereunder with respect to the lands so surrendered; provided that no partial surrender or cancellation of this lease shall be for less than tracts of approximately forty (40) acres or governmental lot corresponding to a quarter-quarter section, the rental being reduced proportionately.

This surrender clause and option herein reserved to Permittee shall cease and become absolutely inoperative immediately and concurrently with the institution of any suit in any court of law by Permittee, Permitter or any assignee of either to enforce this lease, or any of its terms, express or implied, but in no case shall surrender be effective until Permittee shall have made full provision for conservation of the minerals and protection of the surface rights of the leased premises as may be determined by Permitter.

Notwithstanding the foregoing, no surrender and relinquishment of this lease shall be effective unless and until all reports, documents and information of any kind required to be submitted to Permitter under this lease, or to such state agencies as provided in this lease have been submitted to Permitter or such state agency.
29. RIGHT OF REMOVAL -- In the event this lease is terminated by surrender, or the expiration of its term, and all obligations of Permittee under this lease are satisfied, all Permittee's improvements, equipment, man-made objects of any type, including stockpiles and dumps except as these stock piles and dumps may be disposed of pursuant to the reclamation plan, shall be removed from the leased premises within six months from the date of such termination at Permittee's expense. Such removal is to be accomplished without unnecessary waste or damage to the premises and Permittee shall restore the surface of the leased premises to the same condition as immediately prior to the execution of this lease as it pertains to such removal. All improvements and equipment remaining on the leased premises six months after the termination hereof shall be forfeited automatically to Permitter without compensation and without necessity of execution of additional documents.
30. CONDEMNATION -- If the Leased Premises shall be taken in any condemnation proceeding, this lease shall automatically terminate as of the date of taking. The award for such condemnation shall be paid to Permitter, except for any specific award(s) paid to Permittee for severed minerals reserves, in which event a percent of such specific award(s) equal to royalty shall be paid to Permitter in lieu of royalty lost by virtue of the condemnation. Improvements shall be removed by Permittee per terms in the RIGHT OF REMOVAL paragraph herein. If only a portion of the leased land is taken by condemnation, Permitter may, at its option, terminate this lease or terminate only that portion of the lease so taken.
31. COMPLIANCE WITH LAW -- Permittee shall comply fully with all the provisions, terms, conditions of all laws, whether state or federal, and orders issued thereunder, which may be in effect during the continuance hereof, which in any manner affect or control mining or other operations of Permittee, and Permittee further agrees that good mining methods shall be used at all times of active mining so long as said methods are consistent within the law.

Permittee shall comply with all applicable federal, state and local environmental, wetlands protection, health and hazardous waste laws, ordinances and regulations. In addition to the foregoing, and not in limitation thereof, Permittee shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Leased Premises by Permittee or Permittee's agents, employees, contractors or invitees, without the prior written

consent of Permittee. If Permittee breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Leased Premises caused or permitted by Permittee results in contamination of the Leased Premises, or if contamination of the Leased Premises by Hazardous Material otherwise occurs for which Permittee is legally liable, then Permittee shall indemnify, defend and hold Permittee harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Leased Premises, damages for the loss or restriction on use of the Leased Premises, damages arising from any adverse impact on future leasing of the Leased Premises, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the lease term as a result of such contamination. This indemnification of Permittee by Permittee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises. Without limiting the foregoing, if the presence of any Hazardous Material on the Leased Premises caused or permitted by Permittee results in any contamination of the Leased Premises, Permittee shall promptly take all actions at Permittee's sole expense as are necessary to return the Leased Premises to the condition existing prior to the introduction of any such Hazardous Material to the Leased Premises; provided that Permittee's approval of such actions shall first be obtained. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Colorado or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is (i) defined or designated as a "hazardous substance", "hazardous waste" or a "regulated substance" under appropriate state or federal law.

32. ARCHAEOLOGY -- It is contrary to State law to excavate, appropriate or disturb any historical, prehistoric or archaeological site or resource on any lands administered by Permittee. Discovery of a suspected site or resource shall be immediately brought to the attention of Permittee and the State Archaeologist or Permittee shall provide evidence that no significant archaeological sites exist on the leased premises which could be destroyed by Permittee's operations.

33. DEFAULT AND FORFEITURE -- If for any reason Permittee fails to keep each and every one of the covenants and conditions herein, and if such default continues for a period of thirty (30) days after service of written notice thereof by certified mail upon Permittee, Permittee shall have the right to declare this lease forfeited, and to enter onto the leased premises either with or without process of law, and to expel, remove and put out Permittee or any person occupying the premises, using such force as may be necessary to do so.

In the event of the termination of the lease by reason of breach of the covenants herein contained, Permittee shall surrender and peaceably deliver to Permittee the above-described premises, and such premises shall be in good mining condition. If, upon termination of this lease for any reason, whether by surrender, forfeiture or expiration of term or otherwise, Permittee shall not have fully complied with the terms of the lease, Permittee shall hold and retain possession of the property, improvements, and equipment of Permittee as security unto Permittee for the payment of rents and royalties due Permittee, or to protect Permittee against liens, or to indemnify Permittee against any loss or damage sustained by Permittee by reason of the default of Permittee, for which purpose Permittee is hereby given a lien upon all such property, improvements, and equipment, which lien shall attach as the same are placed upon the premises. In the event Permittee shall foreclose the lien in this article given to Permittee by Permittee, Permittee may itself be a purchaser at any sale thereof under such foreclosure. Upon the termination of this lease for any cause, if Permittee shall remain in possession of said premises, Permittee shall be guilty of an unlawful detainer under the statutes in such case made and provided, and shall be subject to all the conditions and provisions thereof and to eviction and removal, forcibly or otherwise, with or without process of law, as above provided.

Permittee shall be liable for all taxes lawfully assessed on property of Permittee located on the leased premises.

The benefits, terms, and obligations of this lease shall extend to and be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

34. IN WITNESS WHEREOF, Permitter has caused these presents to be executed in duplicate by the State Board of Land Commissioners and sealed with the official seal of said Board, and Permittee has hereunto set his hand and seal, all on the day and year first above written.

STATE BOARD OF LAND COMMISSIONERS

Recommended:

Malcolm
Minerals Director

Thomas W. Swanson
Thomas W. Swanson, Commissioner
Charles E. Bedford
Charles E. Bedford, Division Director

PERMITTEE:

Jack L. Kennedy
Seal or Authority

ATTEST

State of Colo
County of Phillips

The foregoing instrument was acknowledged before me this 30th day of June, 1998, by Jack L. Kennedy as being authorized to execute same.

(SEAL)

Mary Louise Evans
Notary Public County Clerk & Recorder
My Commission Expires _____



STATE OF COLORADO
STATE BOARD OF LAND COMMISSIONERS

Solid Mineral Lease No. 102438 (GP 3328)

Lease Term Extension Rider ("Extension Rider")

Effective March 28, 2018 ("Effective Date"), the Colorado State Board of Land Commissioners ("Board") approves the extension of State Lease No. SM-102438 ("Lease") with PHILLIPS COUNTY BOARD OF COUNTY COMMISSIONERS ("Lessee") for five (5) years. The term of this Lease will expire on March 28, 2023.

Anniversary date: March 28

Annual Rental at \$3.00 per acre for a total of \$60.00 per annum

It is further understood the royalty rate will increase to \$0.60 per ton.

This Extension Rider is incorporated by reference into the Lease, and except to the extent specifically modified hereby, all other terms and conditions of the Lease shall remain in full force and effect through the end of the Lease term.

The parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Lease.

Persons signing for Lessee hereby swear and affirm that they are authorized to act on behalf of the Lessee, and acknowledge that the Board is relying on their representations to that effect.

The Board and the Lessee, by their signatures below, agree to the extension of this Lease as specified in this Extension Rider:

Lessee: K. Joe Kinnie
Signature

K. Joe Kinnie
Printed Name

as Commissioner of
Position

PHILLIPS COUNTY BOARD OF COUNTY COMMISSIONERS
Entity



(Seal)

STATE OF COLORADO ACTING BY AND THROUGH THE
STATE BOARD OF LAND COMMISSIONERS

Phillip Courtney
Phillip Courtney, Program Manager

Approval Date: March 28, 2018

Notice to County Commissioners

I, Pam Jensen, Administrator of Phillips County, hereby acknowledge that on April 6, 2020, I mailed to the Sedgwick County Courthouse, Clerk's office a copy of the permit application which has been submitted to the Colorado Mined Land Reclamation Board requesting permission to expand mining sand and gravel from property located in Sedgwick County Colorado, SW ¼ of Section 16, T9N, R44W of the 6th P.M., known as the Jensen Pit. The application will be posted at this location so as to be available for public inspection.

It is understood, that by signing for receipt of this application, neither the person signing, nor this office assumes any responsibility as to the accuracy of the information which it contains, endorses the application, or assumes any responsibility of it whatsoever.



Commissioner Donald Schneider, Chairman

4/7/2020

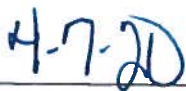
Date

I, Christy Beckman, Sedgwick County Clerk hereby acknowledges that on April 6, 2020, the Colorado Division of Reclamation, Mining and Safety application for expansion of the Jensen gravel pit (located Section 16, Township 9 north, Range 44 west, southwest quarter section) was filed in my office and a copy of said application made available for public review today.

It is understood, that by signing for receipt of this application, neither the person signing nor this office assumes any responsibility as to the accuracy of the information which it contains, endorses the application, or assumes any responsibility for it whatsoever.



Christy Beckman
Sedgwick County Clerk



Date

NOTICE OF FILING APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT
FOR HARD ROCK/METAL MINING REGULAR (112) OPERATION

NOTICE TO THE BOARD OF SUPERVISORS
OF THE SEDGWICK COUNTY SOIL CONSERVATION DISTRICT

Phillips County (the "Applicant/Operator") has applied for a Regular (112) reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct hard rock/metal mining operations in Sedgwick County. The application would expand the existing Jensen Pit located in the SW ¼ of Section 16, T9N R44W of the 6th P.M. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining and Safety (the "Division") and the Sedgwick County Clerk and Recorder.

The applicant/operator proposes to reclaim the affected land to range land use. Pursuant to Section 34-32-116(4)(m), C.R.S., the Board may confer with Sedgwick Board of County Commissioners before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within ten (10) days after the date of the applicant's newspaper publication.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Minerals and Geology, 1313 Sherman Street, Room 215, Denver Colorado 80203, (303) 866-3567.



Office of the Sedgwick County Soil Conservation District

04/21/2020

Date

NOTE TO APPLICANT/OPERATOR: You must attach a copy of the application form to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the change