



STATE OF COLORADO
STATE BOARD OF LAND COMMISSIONERS

EXPLORATION PERMIT NO. EP-114714

THIS PERMIT dated 7/5/2022 ("Effective Date"), is made and entered into by and between the State of Colorado, acting by and through the State Board of Land Commissioners (the "Board"), whose address is 1127 Sherman Street, Suite 300, Denver, CO 80203 and A & S CONSTRUCTION CO. (the "Permittee"), whose address is:

839 Mackenzi Avenue
Canon City, CO. 81212

The Board and Permittee may collectively be referred to herein as the "Parties." This Permit does hereby grant Permittee the right to access state-owned mineral lands shown in Exhibit A for such purposes as set out below:

1. CONSIDERATION AND RENT - For and in consideration of this Permit, Permittee shall pay the Board the following amounts:

A bonus of Zero Dollars (\$0.00)

First year's rent in the amount of Six Thousand Four Hundred Dollars (\$6,400.00);

Five Dollars (\$5.00) per acre annually as Rent in advance of the Anniversary Date of this Permit so long as this Permit shall remain in effect. The "Anniversary Date" shall mean the date one-year after the Effective Date, and each subsequent one-year date thereafter during the Permit Term.

The Parties acknowledge that the mutual promises and covenants contained in this Permit and other good and valuable consideration are sufficient and adequate to support this Permit.

2. LAND ACCESS AND PERMITTED USE - Access is granted to the Permitted Land For the Permit Term subject to the terms and conditions contained herein and only for the sole purpose of carrying on the following method of exploration to determine the sand and gravel mining potential on the Permitted Land:

Method: Backhoe test pits, auger and/or sonic core drill holes (up to 30 holes per Section), geologic sampling, and geologic mapping.

Permittee may only use the Permitted Land for the purposes specified herein. This Permit does not grant Permittee any right to access adjoining property whether or not the adjacent property is owned by the Board. Permittee shall not establish any water rights and water shall not be used or withdrawn in any amount except by specific permission of the Board and the surface owner and shall be taken only from sources designated by such owner.

3. TERM - This Permit shall be for a term of two (2) years from the Effective Date and expiring 07/05/2024 (the "Permit Term").

4. RESERVATION - The Board reserves all rights, privileges, and uses of every kind or nature not specifically granted to Permittee by this Permit, including but not limited to, the right to access, lease, sell, exchange or otherwise dispose of all or any portion of the Permitted Land during the Permit Term.
5. THIRD PARTIES - This Permit is subject to all existing easements and rights-of-way of third parties and the rights of existing surface owners, lessees, and permittees as shown in Exhibit B (collectively, "Third Parties") attached and incorporated herein by reference. Permittee shall notify Third Parties of Permittee's intention to enter upon the Permitted Land and will, in every way, respect the rights of such Third Parties to the end that the least inconvenience and damage may be caused them by Permittee under this Permit. Prior to surface disturbance, Permittee shall notify existing Third Parties when they will be on the property. Notice must be provided 10 days prior to access.
6. DAMAGES - Permittee shall immediately notify the Board, and any applicable Third Party, of any damages or claims arising from activities under this Permit. Permittee shall be solely responsible for any damages to the lands and personal and private property, including but not limited to livestock, crops, fences, gates, culverts, irrigation systems/structures, wells, stock watering facilities, roads, power lines, buried pipe lines, water lines, etc. Permittee shall settle damage claims within sixty (60) days after the damage occurs, unless otherwise authorized by the Board.

Any damage done by Permittee to the Permitted Land, native grass or timber, or state-owned improvements, shall be paid for by Permittee to Board.

7. SURRENDER- Permittee may at any time surrender this Permit by paying to the Board all amounts then due and submitting a written request to surrender. The Board's approval of a surrender shall not release Permittee from any liability for known or unknown waste or damage to the Permitted Land, including environmental damage which arose from, or in connection with Permittee's use or occupancy of the Permitted Land and from any other requirements of this Permit that survive termination of this Permit.

This surrender clause and the 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, the Board or any assignee of either to enforce this Permit, or any of its terms express or implied. In no case shall any surrender be effective until Permittee shall have made provision for the reclamation of the Permitted Land. Surrender of this Permit shall not relieve the Permittee from its obligation to submit reports, documents and information required by the Board under this Permit, or to other governmental agencies.

8. BOND - The Parties agree that no activities under this Permit are to be commenced on the Permitted Land unless and until the Permittee, or Permittee's agent, has filed a good and sufficient bond with the Board in the amount of Ten Thousand Dollars (\$10,000.00). The Board will accept cash, a surety bond, or a bank irrevocable letter of credit. This requirement may be waived in favor of bonding requirements imposed by the Colorado Division of Reclamation, Mining and Safety. A permanent statewide bond may be filed with this office, but a separate permit shall be required for each exploration area. The Board reserves the right to increase the forgoing bond requirements. The Parties agree that the bond may be used by the Board to (1) guarantee plugging of abandoned test pits and/or boreholes, restoration of the surface, and

settlement for all damages and (2) satisfy Permittee's obligations under this Permit, including any payment obligations and the faithful performance of covenants and agreements herein.

9. BOND RELEASE - Before releasing the Bond, the Board may require Permittee to show proof that its operations have been conducted satisfactorily and that any damages or claims have been settled.
10. GOVERNMENTAL IMMUNITY - Liability for claims or injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act, C.R.S. § 24-10-101 et seq., and the risk management statutes, C.R.S. § 24-30-1501 et seq., as amended. No term or condition of this Permit will be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Governmental Immunity Act as applicable now or hereafter amended.
11. INDEMNIFICATION - Permittee assumes all liability arising from the use, occupation or control of the Permitted Land by Permittee under this Permit. This assumption includes, but is not limited to, liability for all personal injuries (including death) and environmental and property damage and destruction. Permittee agrees to defend, indemnify and hold harmless the Board from and against any and all liabilities, losses, damages, liens, expenses, claims, demands, debts, obligations, fines, penalties, suits or actions, judgments, and costs of any kind whatsoever arising from the use, occupation or control of the Permitted Land, caused by any act, omission or neglect of Permittee, or Permittee's employees, agents, guests, invitees, contractors or assigns. Permittee further agrees to indemnify the Board for any costs, including costs of suit and fees for consultants, experts, and attorneys, incurred by the Board in terminating or canceling, enforcing obligations or defending itself against any matter arising under this Permit caused or permitted by Permittee or Permittee's employees, agents, guests, invitees, contractors or assigns. This provision shall survive termination, surrender, or relinquishment of this Permit and any cause of action by the Board to enforce it shall not be deemed to accrue until the Board's actual discovery of said liability, claim, loss, damage, or exposure. This indemnity is in addition to any other indemnity provided for in this Permit. Permittee will not be responsible for any liability caused by persons granted other uses of the Permitted Land by the Board.
12. INSURANCE - Permittee, at its sole cost and expense, shall during the entire term of this Permit procure, pay for and keep in full force and effect an occurrence based general liability insurance policy from an insurance carrier licensed to do business in Colorado, in an amount not less than one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) aggregate. Permittee, at its sole cost and expense, shall during the entire term of this Permit procure, pay for and keep in full force and effect a property insurance policy from an insurance carrier licensed to do business in Colorado covering all insurable improvements owned by the State Land Board located on the Premises in an amount not less than necessary to cover the replacement cost. All policies shall name the Board as an additional insured, shall provide that the coverage is primary and noncontributory over any other insurance coverage available to the Board, its agents and employees and shall include a clause waiving all rights of recovery, under subrogation or otherwise against the Board, its agents and employees. Failure to buy and maintain the required insurance is a default of this Permit. Before starting work under this Permit, Permittee shall, at the Board's request, furnish a certificate of liability insurance, referencing the lease number and reflecting the above requirements. The Board may

alter any requirements of this section to meet the requirements of the Colorado Governmental Immunity Act or any requirements determined by the Colorado Office of Risk Management.

13. EXCLUSIVE RIGHT TO NEGOTIATE A PRODUCTION LEASE

The Permittee may at any time prior to the expiration of this Permit exercise an exclusive right to negotiate a Production Lease by giving the Board at least ninety (90) days written notice of intent to enter into such lease for the Permitted Land. This right does not guarantee the Permittee a production lease, only the exclusive right to negotiate with and request approval from the Board for a Production Lease during the Permit Term, subject to the terms and conditions contained herein. The Terms and Conditions of any production lease are subject to the Board's approval.

14. OPERATIONS - All work shall be done in a reasonable manner that will protect the public health, safety, and property and prevent unnecessary impacts on the surface and subsurface resources. Permittee shall cause the least possible interference with the operations of Third Parties.

- (a) No more of the surface shall be disturbed than is reasonably necessary for the purpose for which this Permit is issued.
- (b) Permittee shall be responsible for the control and eradication of noxious weeds insofar as the presence of such noxious weeds is the result of Permittee's actions. Permittee shall cooperate with Third Parties and other future lessees or permittees to control and eradicate noxious weeds; including cost sharing in weed control and eradication for up to one year after this Permit is terminated. Said cost sharing will be at the sole discretion of Board. Permittee may survey and document the presence of noxious weeds in the exploration area prior to commencing operations and provide such documentation to the Board.
- (c) All operations of the Permittee shall be conducted in a workmanlike and reasonable manner, and all necessary precautions shall be taken to avoid damage to lands and personal and private property.
- (d) Permittee is to provide drainage and erosion control structures, fences, gates, cattle guards, or any other facilities necessary to protect lands and property.
- (e) Excavations, facilities, and Temporary Improvements shall be maintained in a safe condition to prevent injury to persons, livestock, and wildlife.
- (f) Permittee may not store any items, materials or equipment not directly related to Permittee's exploration operations on the Permitted Land.
- (g) No minerals of any kind, including but not limited to oil, gas, sand, gravel, or stone, discovered on the Permitted Land, shall be removed or sold by the Permittee.
- (h) No wood collection or tree cutting allowed.
- (i) Disturbing, dislodging, damaging, defacing, destroying any improvement, fixture, item, object or thing placed or located in, under or upon the Permitted Land is prohibited.
- (j) No employee, agent or contractor of the Permittee will be permitted to carry firearms, nor will they be permitted to fish on the Permitted Land.
- (k) Permittee shall obtain all necessary federal, state, and local permits relevant to the exploration activities and methods conducted on the Permitted Land.
- (l) There shall be no powder charge exploded within one-quarter (1/4) mile of any water well, spring, reservoir, dam, or dwelling, except by special permission of the Board and Third Parties.
- (m) Protection of fresh water aquifers is vital. Permittee must take the necessary precautions to protect fresh water formations and also agrees to comply with all state and federal laws

as well as the rules and regulations of the State Engineer's Office and other state and federal agencies charged with the protection of same.

- (n) Any public hazard caused by operations of permittee shall be marked or barricaded until restoration is completed.

15. PENALTIES, DEFAULT, AND REMEDIES

- (a) Penalties. A penalty may be imposed for, but not limited to, late payments, improper payments, operational deficiencies, violation of any covenant of this Permit, or false statements made to the Board. Penalties shall be determined by the Board unless otherwise provided for by law and may be in the form of, but not limited to, interest, fees, fines, and/or termination. Interest on delinquent Annual Rent and other fees due under this Permit shall accrue from the date the payment becomes due, at the rate of one and one-half percent (1.5%) per month, or any fraction thereof, compounded monthly, until full payment is received by the Board. In addition, the Board may charge penalties as provided in the Board's published fee schedules, as may be amended from time to time.
- (b) Defaults. The occurrences of any one or more of the following events shall constitute a default hereunder by the Permittee:
 - i. Failure by the Permittee to timely make any payment as required by this Permit.
 - ii. Use or attempted use of the Permitted Land by the Permittee for any purpose other than those permitted by this Permit without the written consent of the Board.
 - iii. Failure by the Permittee to perform any of the covenants, conditions, or requirements contained herein in a timely manner.
 - iv. Permittee becomes insolvent or makes any fraudulent transfer against the Board's interest or if a receiver or trustee is appointed for Permittee or if Permittee abandons the project.
 - v. Any of the above events of default may be cured by the Permittee within thirty (30) days after written notice thereof from the Board to the Permittee. If the nature of the Permittee's default is such that more than thirty (30) days are reasonably required to cure such default, then the Permittee shall not be deemed to be in default if the Permittee commences such cure within thirty (30) days after written notice and thereafter diligently pursues such cure to completion. A failure to diligently pursue a cure to completion within a reasonable time shall be deemed a default of the Permit.
- (c) Remedies. In any event of default, and in addition to any and all other rights of the Board hereunder or provided by law, the Board may exercise the following remedies at its sole option:
 - i. The Board may terminate this Permit and the Permittee's right to possession of the Permitted Land by any lawful means. The Board shall be entitled to recover from Permittee any unpaid amounts due to the Board and any other amount necessary to compensate the Board for the Permittee's failure to perform its obligations under this Permit.
 - ii. If Permittee remains in possession of the Permitted Land after termination or surrender of this Permit, Permittee shall be liable for rent during such holdover possession. The reasonable rent during holdover possession shall be two (2) times the current rent as set forth in this Permit. At the Board's option, Permittee shall be construed to be in possession of the Permitted Land and to be occupying

the same so long as the Permitted Land are used in any way to any extent by Permittee or so long as any of Permittee's personal property remains on the Permitted Land. Continued occupancy shall not establish a new or extended Permit Term or other right, no matter how long maintained and regardless of the Board's knowledge thereof.

- iii. The rights and remedies reserved to the Board, including those not specifically described herein that may be available in law or equity, shall be cumulative and the Board may pursue any or all of such rights or remedies at the same time or separately. Nothing in this section relieves Permittee of any responsibility to restore the Permitted Land to its original condition as required by this Permit.

- 16. **FINAL RECLAMATION** - Permittee must restore any disturbed surface to its original condition as nearly as practicable, including grading and seeding as necessary. Reclamation plans must be approved by the Board prior to disturbance. The Permittee remains liable for final reclamation even past the expiration date of this Permit. If the Permittee requires access to the property or reclamation work after the expiration of this Permit, the Permittee must seek specific permission from the Board.

- (a) All holes shall be substantially, safely and completely plugged, from bottom to top. All holes shall be capped at all times when not in use. Any other method of plugging exploration holes shall be submitted for Board approval prior to use.
- (b) Reseeding any disturbed soil surface with suitable flora and restoring the terrain and soil surface to as close as reasonably practicable to their original condition as determined by the Board, and restoring all Permitted Land disturbed by Permittee to a condition and forage density reasonably similar to its original condition and forage density, as determined by the Board;
- (c) Completing, as reasonably required, all leveling, terracing, seeding, mulching, and other reasonably necessary steps to prevent soil erosion, to ensure the establishment of suitable grasses and forbs, and to control noxious weeds and pests, as approved by Board.
- (d) Removing any personal property in a manner that minimizes injury to the Permitted Premises. At the sole discretion of the Board, Permittee shall forfeit ownership of any personal property remaining on the surface of the Permitted Land after [sixty (60) days] of the expiration or termination of this Permit and shall not be entitled to any portion of the proceeds the Board may realize from the sale of such personal property.
- (e) All materials brought into any area, such as paper, cans, wire, dynamite boxes and other refuse, shall be removed.
- (f) Upon the request of the Board, Permittee shall provide the Board with copies of any plans for restoration and reclamation.

If Permittee fails to satisfy the requirements of this Section, the Board may do so, in which case Permittee shall reimburse the State Land Board for all reasonable costs of removal and restoration incurred by the Board. For up to sixty (60) days after termination or expiration of this Permit or until the time it takes for the Permittee to satisfy its final reclamation obligations, whichever is shorter, Permittee shall have a right of access to the Permitted Land for the sole purpose of satisfying its final reclamation obligations.

- 17. **DATA** - The Board shall be entitled to data obtained from exploration activities on Permitted Land, including a log of each hole and information about the quantity and quality of minerals encountered, which data may be kept confidential upon request as permitted under state law.

18. HISTORICAL, PREHISTORICAL, AND ARCHAEOLOGICAL RESOURCES - Under no circumstances may any person injure, destroy, disturb, mar, appropriate, collect, remove, alter, or excavate any historical, prehistorical or archaeological site or resource on state lands. Discovery or indication of such a site or resource shall be immediately brought to the attention of the Board and the State Archaeologist. Permittee shall comply with the requirements of C.R.S. § 24-80-401 through 411, as same may be amended from time to time.
19. SPECIAL STIPULATIONS - Permittee shall comply with the following Special Stipulations:
 - (a) Wildlife - The Permittee shall make all reasonable efforts to limit negative impacts on wildlife. The Permittee shall meet the following conditions:
 - i. Lesser Prairie Chicken: All disturbances, including backhoe test pits, drill holes, and drill pads, must be completely backfilled and re-seeded. Seed mix must be approved in advance by the Board.
 - (b) Wind Lessee - The Permitted Land includes areas already leased for wind energy. Permittee must consult with the wind lessee prior to conducting exploration activity on the Permitted Land in order to avoid disturbing or damaging the wind lessee's infrastructure.
 - (c) Agriculture Lessee - The Permitted Land is leased for cattle grazing. The Permittee must work with the Board to notify the Agriculture Lessee of the Permittee's plans, including the dates and times of exploration activities. The Permittee may not disturb or damage any existing agriculture improvements including, but not limited to, corrals, fences, stock tanks and water wells.
20. UNMANNED AIRCRAFT SYSTEMS - The Board maintains the right to access, inspect, and monitor the Permitted Land at all reasonable times, utilizing all reasonable means and methods, including but not limited to gate counters, game cameras and Unmanned Aerial Systems (UAS). The use of UAS will be in accordance with applicable Federal Aviation Administration (FAA) rules and regulations. The Permittee will cooperate and not interfere with all reasonable means and methods of access, inspection, and monitoring including taking actions necessary to comply with FAA rules and regulations.
21. LIENS AND CLAIMS - Permittee shall not suffer or permit to be enforced against the Permitted Land, 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 Permitted Land or improvements. Permittee agrees to defend, indemnify and hold the Board and the Permitted Land 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, as they arise from or relate to any liens or claims described in this Paragraph. Notwithstanding the foregoing, if Permittee contests the validity of any such lien, then the Permittee shall at its sole expense defend itself and the Board against the same and shall pay and satisfy any adverse expense or cost or adverse judgment that may be rendered thereon before the enforcement thereof against the Board or the Permitted Land, upon the condition that if the Board shall require, Permittee shall furnish a surety bond satisfactory in form and amount to the Board. Said bond shall not be less than one hundred twenty percent (120%) of such contested lien indemnifying the Board against liability for the same, and holding the Permitted Land free from the effect of such lien.

22. NO WAIVER - No failure by either party to exercise and no delay in exercising any right, power or privilege hereunder will operate as a waiver hereof, nor will any single or partial exercise of any right or privilege hereunder preclude further exercise of the same right or the exercise of any right hereunder. A waiver on one or more occasions of any of the provisions hereof shall not be deemed a continuing one. Acceptance of payments by the Board shall not be deemed to effect (a) a ratification, renewal, extension, or amendment of this Permit, or (b) a waiver of any rights granted to the Board, the obligations imposed upon Permittee, express or implied, or the remedies for Permittee's breach, or (c) an estoppel against the Board preventing the Board from enforcing the Board's rights or Permittee's obligations hereunder, express or implied, or from seeking damages for Permittee's breach thereof. No instrument executed by the Board shall be effective to constitute ratification, renewal, extension or amendment of this Permit unless the instrument is clearly titled to indicate its purpose and intent.
23. COMPLIANCE WITH LAWS AND BOARD POLICIES, DIRECTIVES, AND SCHEDULES - Permittee agrees to obtain all necessary permitting shall comply with all applicable federal, state, and local laws, ordinances, and regulations, including but not limited to criminal, land use, fencing, noxious weed, environmental, wetlands protection, hazardous waste, health and safety, and drilling and subsurface exploration. Furthermore, the Permittee shall not use or permit the Permitted Land to be used in violation of any such rule, regulation, or law or for any purpose tending to damage or harm the Permitted Land, facilities, or improvements thereon or adjacent thereto, or the image or attractiveness thereof, or for any improper, offensive, or immoral use or purpose, or in any manner which shall constitute waste, nuisance, or public annoyance.

Permittee must comply with all of the Board's applicable policies, directives and schedules. Such policies, directives and schedules are available online through the Board's official website and also available at any of the Board's offices. Permittee shall stay fully informed of all applicable policies, directives and schedules and the lack of actual notice or knowledge of applicable policies, directives and schedules will not provide a defense for any failure to comply with this Permit. Permittee acknowledges that the Board meets publicly on a monthly basis and at such public meetings may amend or change existing policies, directives and schedules and/or adopt new policies, directives and schedules. Any amendments to existing policies, directives and schedules and any new policies, directives and schedules, will be effective immediately upon adoption by the Board.

24. HAZARDOUS MATERIALS - If any Hazardous Material used on or at the Permitted Land for Permittee's operations and activities by Permittee or Permittee's agents, employees, subcontractors, assignees, or successors, results in damage, destruction or contamination of the Permitted Land, Permittee shall indemnify, defend and hold the Board harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Permitted Land, damages for the loss or restriction on use of the Permitted Land, damages arising from any adverse impact on future leasing of the Permitted Land, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the Permit Term as a result of such contamination. This indemnification of the Board 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 Permitted Land. If the presence of any Hazardous Material on the Permitted Land caused or permitted by Permittee results in any contamination of the Permitted Land, Permittee shall

promptly take all actions at Permittee's sole expense as are necessary to return the Permitted Land to the condition existing prior to the introduction of any Hazardous Material to the Permitted Land; provided that the Board's approval of such actions shall first be obtained. The term "Hazardous Material" means any hazardous or toxic substance, material or waste, which is now regulated or which may become regulated during the Permit Term by any local governmental authority, the State of Colorado, including the Commission, or the United States Government. This provision shall survive termination, surrender, or relinquishment of this Permit and any cause of action by the Board to enforce it shall not be deemed to accrue until the Board's actual discovery of said liability, claim, loss, damage, or exposure.

25. **WAIVER OF COVENANTS REGARDING CONDITION OF LAND** - Permitted accepts the Permitted Land in its "as is" condition with all faults, including the environmental condition of the land. The Board makes no representations or warranties, and Permittee affirms that the Board has made no representations or warranties of any kind whatsoever with regard to the condition of the Permitted Land or its fitness or suitability for any particular use. Permittee acknowledges that it is solely responsible for performing its own due diligence and for becoming fully familiar with the condition of the land and any applicable restrictions, uses, or other conditions that might affect its development or use for a particular purpose.

26. **MISCELLANEOUS**

- (a) **Notice.** Every notice, demand, request, designation, consent, approval, or other document required under the provisions of this Permit shall be in writing or sent by electronic mail (email) or ground mail unless otherwise provided in the Permit. The Parties may change their address for notice purposes by giving the other party at least ten (10) days prior written notice. Notices shall be sent to the Permittee of record at the address of record as kept by the Board.
- (b) **Survival of Terms, Conditions, Restrictions, Reservations, and Covenants.** Any term, condition, restriction, reservation or covenant that gives rise to any rights or claims of the Board against Permittee shall be deemed to survive the termination, relinquishment, surrender or abandonment of this Permit until all claims and issues have been settled or resolved. Upon termination, surrender, or abandonment of this Permit for any reason, provided the Board does not expressly take-over or assume any of Permittee's obligations hereunder, the Board shall not be liable or responsible for compliance with any laws, rules, regulations, orders, local ordinances or resolutions applicable to this Permit.
- (c) **Counterparts.** This Permit may be executed in any number of multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.
- (d) **Signatures.** Signatures required in this Permit shall be either original "wet" handwritten signatures or digital signatures in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules. If any signatory signs this Permit using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Permit by reference.
- (e) **Severability.** If for any reason provisions of this Permit or the application thereof to any person or circumstances, shall to any extent, be deemed invalid or unenforceable, the

remainder of this Permit shall not necessarily be affected thereby and each provision of the Permit shall be valid and enforceable to the fullest extent permitted by law.

- (f) Captions and Headings. The captions and headings in this Permit are for convenience of reference only, and must not be used to interpret, define, or limit its provisions.
- (g) Construction Against the Drafter. In the event of an ambiguity in this Permit the rule of construction that ambiguities will be construed against the drafter does not apply and the Parties will be treated as equals and no party will be treated with favor or disfavor.
- (h) Entire Agreement. This Permit and all documents incorporated herein by reference represent the entire agreement between the Parties hereto. Prior or contemporaneous additions, deletions, or other changes to this Permit will not have any force or effect whatsoever, unless written in this Permit. No oral agreement shall be held to vary the provisions hereof. No oral agreement or implied covenant shall be held to vary the provisions hereof. This Permit shall not be amended or ratified except by written document executed by the Parties.
- (i) Permittee's Authority. If the Permittee is an entity other than an individual, each individual executing this Permit on behalf of said entity represents and warrants that he or she is duly authorized to execute and deliver this Permit on behalf of said entity and that this Permit is binding upon said entity in accordance with its terms. Each person or entity signing the Permit on behalf of the Board has the full and unrestricted authority to execute and deliver this Permit and to grant the easements and rights granted herein.
- (j) Governing Law, Jurisdiction, and Venue. This Permit shall be governed by and construed in accordance with the laws of the State of Colorado. The exclusive jurisdiction for all suits, actions, or proceedings related to this Permit will be in the State of Colorado and the exclusive venue shall be in the City and County of Denver.
- (k) No Third-Party Beneficiary. Nothing in this Permit is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Permit, including other tenants, lessees or permittees of the Board or surface owners if any portion of the surface estate is not owned by the Board.
- (l) No Partnership. Nothing in this Permit shall cause the Board in any way to be construed as a partner, a joint venturer or associated in any way with the Permittee in the operation of the Permitted Land, or subject the Board to any obligation, loss, charge, or expense connected with or arising from the operation or use of the Permitted Land or any part thereof.
- (m) Colorado Open Records Act ("CORA"). To the extent not prohibited by federal law, this Permit and the performance measures if any, are subject to release through CORA, C.R.S. § 24-72-200.1 et seq.
- (n) Assignment. Permittee may assign this Permit only with prior written approval of the Board. No assignment or transfer of this Permit pursuant to this Section will be held valid by the Board unless made with its consent in writing, on the assignment forms in use by the Board, and duly entered in the books or records of the Board.

The terms and covenants of this exploration permit are accepted by the undersigned Permittee.

A & S CONSTRUCTION CO.

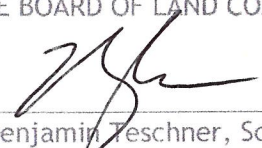
By: 
Signature

7/1/2022
Date

Jodi Schreiber
Printed Name

Title

STATE OF COLORADO BY THE
STATE BOARD OF LAND COMMISSIONERS

By: 
Benjamin Teschner, Solid Minerals Manager

Date: 7/5/22

EXHIBIT A
Exploration Permit No. 114714

PERMITTED LAND

DESCRIPTION	SECTION	TOWNSHIP	RANGE	COUNTY	ACRES
ALL	16	12S	43W	Cheyenne	640.00
ALL	16	12S	44W	Cheyenne	640.00

Containing 1,280 acres, more or less
(referred in the Permit as "Permitted Land").

EXHIBIT B
Exploration Permit No. 114714
EXISTING 3RD PARTY LEASES, PERMITS, EASEMENTS & RIGHTS OF WAY

Section 16, T12S R43W as of June 30, 2022

Lease Number	Lessee	Description	Acres	Expires
AG-101850	Mark Hillman	Grazing	640	8/8/24
ROW-104345	Chase Transportation CO	Energy Right of Way	6.1	--
ROW-112485	Public Service Company of Colorado	Energy Right of Way	19.7	4/11/59
RE-112502	Public Service Company of Colorado	Wind Energy	640	5/28/61
OG-114441	Aspect Holdings	Oil and Gas	640	2/16/27

Section 16, T12S R44W as of June 30, 2022

Lease Number	Lessee	Description	Acres	Expires
AG-102202	Greg Talbert	Grazing	640	6/21/24
ROW-103246 ROW-104245	KC Electric Assn	Power Right of Ways	--	--
ROW-103463 ROW-103487	CDOT Denver	Transportation Right of Ways	0.6	--
RE-112502	Public Service Company of Colorado	Wind Energy	640	5/28/61
OG-114439	Aspect Holdings, LLC	Oil and Gas	640	2/16/27