



July 27, 2022

State of Colorado
Department of Natural Resources
Division of Reclamation, Mining, and Safety
1313 Sherman Street, Room 215
Denver, CO 80203
Attention: Tim Cazier, PE, Environmental Protection Specialist III - Engineering

RE: PERMIT NUMBER M1977-193 TEZAK HEAVY EQUIPMENT COMPANY INC., T.H.E. AGGREGATE SOURCE, APPLICATION FOR TECHNICAL REVISION (TR11), CORE DRILLING PROGRAM

This technical revision is submitted for Division review and approval to allow the operator the ability to Core Drill within the permitted boundary.

The proposed Core Drilling Program would consist of four drill holes currently planned for drilling and shown on the attached Mine Plan Map. Core drilling operations are concentrated within the active mining area or along existing roads accessing the current active mining areas. The drill locations as listed on the attached map depict three boreholes (#1, 2, 4) being drilled within the BLM Mineral Lease area with the fourth borehole (#3) being drilled on private land. All proposed borehole locations are within the permitted and bonded mining area. Drill locations as listed on the map may be subject to minor location changes as a result of minimizing disturbance area. All drill sites will be managed in accordance with DRMS regulations and following the completion of drilling efforts and logging of borehole data, holes will be permanently capped with concrete within 14 days of completion.

At completion of drilling, any drill pad location that is out of the active mining area and it is anticipated that mining activity will not be impacting that location within 12 months, those areas will be graded and seeded with approved site seed mix at the first period favorable for planting. Drill holes as planned, will be 4 inch nominal in diameter, vertically oriented and are planned to run between 200 feet – 500 feet in depth to near the current quarry floor elevation at the 5660. A Standard drill pad area is 30 feet X 50 feet which current access roads accommodate, leaving minimal if any added disturbance to surface areas.

Current mining efforts have shown no typical sub-surface expression of water at the surface giving an indication that if ground water is experienced during drilling operations, it will be limited in its presentation. Boreholes will be abandoned in a permanent fashion and according to the Divisions Construction Material Rules, effective July 15, 2019, specifically Rule 3.1.5(6) and 5.4.2 which outlines the manner in which permanent borehole abandonment is to be performed depending on the type and number of aquifers encountered, if any. Should an aquifer be intersected in any one borehole, the hole would be backfilled to the static water level using clean gravel. The remaining length of the borehole would be filled to within 5 feet of the surface using native clay, drill cuttings, onsite crusher fines or a cement or bentonite base grout, with the final 5 feet being filled and capped

with concrete. Should multiple aquifers or artesian flow be realized in any one borehole, the entire borehole would be grouted to the surface using either a cement or bentonite base grout. Should a borehole not encounter any aquifer, it would be back filled with drill cuttings or onsite crusher fines to the uppermost 2 feet of the borehole being filled, with the remaining 2 feet being filled and capped with concrete. In the event that artesian flow is encountered at any borehole location, a drill hole completion report will be filed.

Core drilling resources are limited, although it would be our intent to schedule a contractor immediately upon approval of this Technical Revision, these efforts may not get underway until fourth quarter of 2022 and could extend into 2023 or as necessary to accommodate core drilling resource schedules and site conditions.

Cordially,



Randy DiLuzio
General Manager
Teak Heavy Equipment Co., Inc.