

September 26, 2022

Colorado Division of Reclamation, Mining, and Safety Mr. Eric Scott Environmental Protection Specialist 1313 Sherman Street, Room 215 Denver, CO 80203

Re: M-1977-251 Lariat Mine, Jefferson County, Colorado Structure Agreement with Public Service Company of Colorado Corrective Action

Dear Mr. Scott:

On November 10, 2021 the Colorado Division of Reclamation, Mining, and Safety (DRMS) inspected the Lariat Mine. The DRMS cited the following issue:

"The Division will require that the operator obtain an executed damage waiver agreement, or statement of "no anticipated impact", from the owner of the large power lines crossing the permit prior to the resumption of active mining."

General Shale Brick, Inc. (GSB) has contacted Xcel Energy DBA Public Service Company of Colorado, owner of the powerlines, to obtain a structure agreement. Jason McGraw with General Shale Brick Inc. and Amber Dedus of Xcel Energy met at the Lariat Mine on September 9, 2022 to discuss the powerlines and how mining may impact them. The powerlines in question occur north of the current mining area. Mining will proceed south from the current mine area to the south permit boundary away from the powerlines. Given the current mining plan, Xcel Energy has no issue with General Shale driving under the powerlines to access the mine area and clay stockpiles. The mining equipment will be operating south of the powerlines outside of the powerline easement. See exhibit A Lariat Mine Map in this letter for an aerial photo show where the powerlines are located to the permit boundary, mine area, and direction of mining.

Once mining is complete to the south permit boundary General Shale will begin mining north of the mine area. Once this activity begins General Shale will contact Xcel Energy to draft a new structure agreement because the proposed mining area will impact the current location of the powerlines. It was decided that the current structure agreement will not cover the mining area north of the mine area because:

- 1. The current mining date in this area is unknown and is several years into the future. The materials mined may change in the future or limits of mining may change.
- 2. Xcel Energy may replace the towers and the powerlines in the future. General Shale has requested that the new powerlines be located outside of the mine area. Xcel added to their notes to move the power lines out of the mine if they were replaced and to contact General Shale to discuss the location. Moving the powerlines is dependent on whether Lockheed Martin will grant a new easement and the cost of relocating the lines.



The structure agreement along with a location map in exhibit A is enclosed.

Please feel free to contact me with any questions at 303-783-3058 or by email at jason.mcgraw@generalshale.com.

Sincerely, General Shale Brick, Inc.

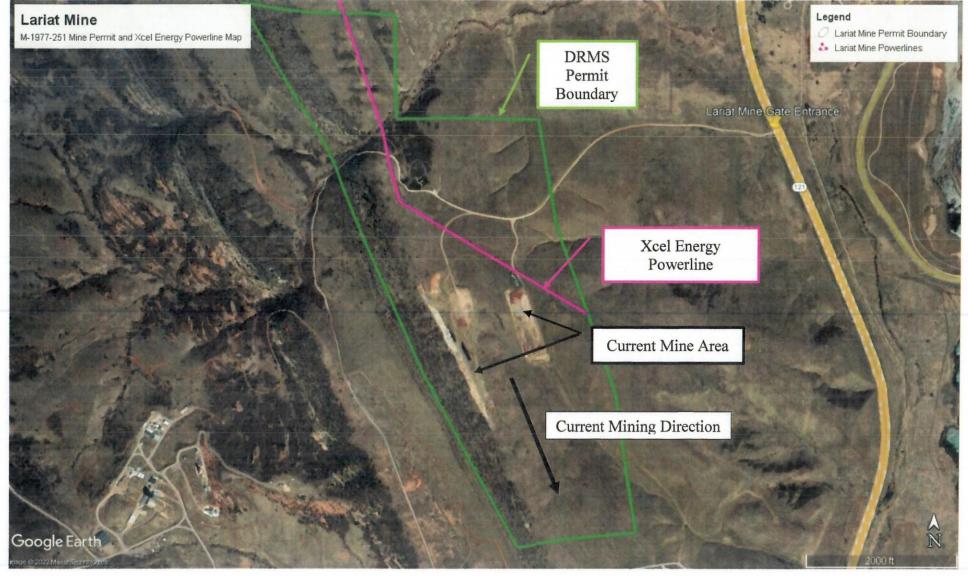
Jacon & Mithant

Jason E. McGraw, P.E. Mine Supervisor

Enclosure: General Shale Brick, Inc. and Public Service Company of Colorado Structure Agreement with Exhibit A



Exhibit A Lariat Mine Map



An example Structure Agreement which meets the requirements of the Statutes is shown below.

Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

- a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or
- b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
- c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20*)

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area: PSCo Circuit, Structure 126

PSCo Circuit, Structure 127	
PSCo Circuit, Structure 128	
(Please list additional st	tructures on a separate page)

NOTARY FOR STRUCTURE OWNER

ACKNOWLEGED BX: Public Schice Company of Colorado, a Colorado corporation
Structure Owner (Muby S. Dedyn Name Amber Dedus, Manager, Sitting +,
Date 9/19/2022 Title Manager, Siting + Land Rights, as STATE OF (COLORADO)) SS. COLDITY OF DUDIE DENTED)SS. COLDITY OF DUDIE DENTED)SS.
STATE OF (COLORADO) Cuthoniced agent of Dublic Service
) ss. COUNTY OF DENIER)
The foregoing was acknowledged before me this 1949 day of SETEMBER, 2022, by AMBER DEDLES as MANAGER OF SITING LAND RIGHTS XCELENERGY
Notary Public My Commission Expires: 6/28/2025
ADAM WILLSON HUTCHINSON NOTARY PUBLIC - STATE OF COLORADO Notary ID #20214025598 My Commission Expires 6/28/2025

CERTIFICATION

The Applicant, General S	Shale Brick, Inc.	(print applicant/con	npany name),
by Harold Stickler	(print representative's name),	as Plant Manager	(print
representative's title), does	hereby certify that Public Service		owner) shall
be compensated for any dar	mage from the proposed mining o	peration to the above listed strue	cture(s)
located on or within 200 fee	et of the proposed affected area de	escribed within Exhibit A, of the	e Reclamation
Permit Application for Lar	riat Mine	(operat	ion name),
File Number M-1977-251			

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEGED BY:
Applicant <u>HAROLD STICKLER</u> Representative Name <u>Hawler Shertlo</u>
Date 10/8/22 Title flowt MANAGER
STATE OF <u>Colorcedo</u>) SS. COUNTY OF <u>Adems</u>)
COUNTY OF <u>Adems</u>) ss.
The foregoing was acknowledged before me this g day of <u>october</u> , 2022, by <u>Herold Sticklevas Plant Mangger</u> of <u>Pleneval Shale Brick</u> , Inc. My Commission Expires: 09/30/2024
Notary Public
RATNA BHANDARI NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20204033997 MY COMMISSION EXPIRES SEPT. 30, 2024



