

February 14, 2023

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, ADDENDUM TO TECHNICAL REVISION (TR11), INTENT TO DEMONSTRATE PROPER ABANDONMENT OF BORE HOLES.

This addendum to technical revision #11 is submitted to the Division as a means in demonstrating the proper abandonment of bore holes and release of TR11 as a result of core drilling operations being completed.

The mine operator is submitting the Divisions form, MINERAL PROSPECTING DRILL HOLE PERMANENT ABANDONMENT FINAL REPORT which has been modified to reflect a mine site location rather than a prospecting site, all other information has stayed consistent with the original form. One form is being submitted to reflect the findings on all the bore holes drilled as they were relatively close to each other in proximity and reflected like conditions and results in the data collected. Four bore holes were planned, although five holes were the final result. The first attempt in drilling hole #1 was abandon 77 feet down from the surface as a result of a mechanical failure during advancement of boring thus causing the driller to reposition the drill and attempt another hole. The second attempt to drill hole #1 was successful to a depth of 407 feet from the surface.

Hole #2 was successful to a depth of 367 feet. Holes #3 and #4 were also drilled successfully to a depth of 247 feet and 470 feet respectively. A 2.75 inch diameter HQ core drilling system was used to drill all bore holes. The attached bore hole location map gives the Lat/Long coordinates of each hole drilled, to include the abandon hole. All holes drilled were terminated in bedrock to their respective depths with no groundwater encountered in any of the borings at the time of drilling. As per the commitment in TR11 narrative, since no groundwater was encountered, all bore holes were backfilled with crusher fines to the uppermost 2 feet of the bore hole with the remaining 2 feet being filled and plugged with concrete. All holes were plugged within 14-days of completion of drilling. Photos of concrete plugs for all five holes are attached.

Cordially,

Randy DiLuzio

General Manager

Teak Heavy Equipment Co., Inc.



MINERAL PROSPECTING DRILL HOLE PERMANENT ABANDONMENT FINAL REPORT

Pursuant to the terms of 34-32-113(5.5)(d) and (e) of the Act and Rule 5.7 of the Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations, abandonment reports shall be submitted to the Division within 60 days of abandonment for any drill hole with artesian flow, or within 12 months of abandonment for any other drill hole.

T.H.E. Aggregate S	Source	M1977-193						
(MINE SI	ΓE NAME)	(MINE No.)						
	,							
I. <u>DRILL HOLE</u> : D	Orill Hole I.D. No.	#1, #1A (abandon), #2, #3, #4						
For this Section I, please attach completed drill hole logs OR complete the following information:								
77' to 470'	Up to 7' on some ho	oles	Maximum of 470'					
(Total Depth)	(Depth of Unconsolida	ted Material)	(Depth of Penetration into Bedrock)					
Was water encountered: No X Yes if so, at what depth(s):								
Was water encountered in either Volcanic or Sedimentary Rock: No X Yes								
Date Drilled:	Date Drilled: 08/25/2022 - 09/14/2022 Date Permanently Abandoned: All by 09/19/2022							
II. <u>OPERATOR</u> (PROSPECTOR) : <u>DRILLER</u> :								
Tezak Heavy Equip	ment Co., Inc.	Godbe Drilling, LLC						
((Name)	(Name)						
532 Main St.		1128 E. Main St.						
(A	Address)	(Address)						
Canon City	СО	Montrose	СО					
(City)	(State)	(City) (State)						
81212	(719) 269-1173	81401	(970) 275-1758					
(Zip)	(Telephone No.)	(Zip)	(Telephone No.)					

III. LOCATION:

The following information is required for <u>ALL</u> prospecting drill holes:



W 1/4 of the NW 1/4 of Section 3	Township 18 South Range	70 west					
6th Principal Meridian F	remont						
or attach a location map, preferably a USGS Quad.	See Attached West and Latitude See	Attached					
The following additional information is required for artesian flowing holes:							
No Flow Experienced Feet North South from the South North section line							
No Flow Experienced feet east		ast section line					
NOTE: In the case of closely spaced drill holes having similar geologic and hydrologic characteristics, the Operator may,							
with the approval of the Division, submit a single consolidated final report including the location of all drill holes and a description of abandonment technique. In such case, complete one abandonment final report form and attach a list of drill							
hole locations. If more space is needed to provide any of the information for this form, please attach separate sheets.							
IV. Complete Either Subsection A or B:							
PERMANENT ABANDONMENT (Check either box 1 or subsection 2 boxes as appropriate and provide the							
requested information)							
1. Plugged dry hole, method of plugging: Bore hole	es were backfilled to within 2' of surface with crusher fines, with the ren	naining 2' capped in concrete					
Depth at which concrete plug set: 2 feet below ground surface.							
2. Sealed Hole (when groundwater is encountered):							
2a. Neat Cement Grout, top to bottom: grout mixture used:							
N/A							
Intervals grouted (feet beneath ground surface, method and materials):							
N/A							
2b. Neat Cement Grout, interval grouting: grout mixture used:							
N/A							
Intervals grouted (feet beneath ground surface, method and materials):							
N/A							
2c. Abandonment Fluid Mixture (Such as Sodium Bentonite with Polymer) Brand Name:							
N/A							
Marsh Funnel viscosity of abandonment fluid:	N/A	sec.					

Type of surface plugging used:		N/A					
Depth at which plug set:		N/A		feet below ground surface,			
Method:	N/A						
2d. Other method used with approval of the Division of Reclamation, Mining and Safety; describe in detail							
method and materials used on a separate attached sheet.							
B. CONVERSION TO A WATER WELL							
State Engineer's Permit No.: N/A				(attach copy of permit)			
County Where Well is Located: N/A							
Water Well Use: NONE							
V. METHOD OF RECLAIMING DRILL SITE SURFACE DISTURBANCE:							
All drill sites were graded after plugging of bore holes. Of the five holes drilled, three holes were on active access/haul roads within the quarry, one was on an active mine bench and the final site was located on an active look-out point, which now is used for strategic planning of future mine development.							
The Operator who conducted the prospecting drill operation states that the information set forth							
hereupon is true to the best of their knowledge.							
Randy DiLuzio				General Manager			
(Name of Operator's Representative)			tive)	(Title)			
Ranger Dhis			_	February 14, 2023			
(Signature of Operator's Representati			tative)	(Date)			



LEGEND

PERMIT BOUNDARY

R.D.









