

STATE OF  
COLORADO

Cazier - DNR, Tim &lt;tim.cazier@state.co.us&gt;

## Phillips Ranch (M2000-046) SO-1 Response to Incomplete Application for Transfer and SO

1 message

**Kurt THURMANN** <kurt.thurmann@holcim.com>

Mon, Apr 24, 2023 at 4:06 PM

To: tim.cazier@state.co.us

Cc: Jessica WALKER &lt;j.walker@holcim.com&gt;, Wyatt WEBSTER &lt;wyatt.webster@holcim.com&gt;, Neil WHITMER &lt;neil.whitmer@holcim.com&gt;

Hi Tim,

Here is what we have put together in response to the incomplete application notice for the Phillips Ranch Transfer and SO application. The numbers below correspond to the sections listed in your notice letter.

1. See attached application now with Craig Wilson's signature.
2. See attached Secretary's Certificate, giving Michael LeMond's authority to sign for Holcim-WCR, Inc.
3. The Performance Warranty signed by César Silerio is attached. The original copy was sent to the Division on 3/28 to the attention of Sara Stevenson-Benn. The Completed Financial Warranty Form is attached along with the Affidavit of Authority. The original copies were sent to the Division on 3/28.
4. See attached List, showing the permits that are currently held by Holcim-WCR, Inc.
5. Attached is a structure agreement for the San Isabel Electric association and the Ranch Fences are covered as a component of the lease (see attached excerpts from the lease agreement).
6. The Phillips Ranch Gravel Pit #2 is located in a parcel owned by Hardscrabble, LLC. Pioneer Sand Company, Inc. ("Pioneer") operated Phillips Ranch under the terms of a lease dated December 1, 2014. On January 20, 2023, Holcim-WCR, Inc. ("Holcim") acquired all right, title, and interest in the Phillips Ranch Gravel Pit from Pioneer. In anticipation of the acquisition, Holcim and Pioneer obtained consent to the assignment of the lease from Hardscrabble, LLC. Attached for your records and to prove legal right of entry is a copy of the November 18, 2022 consent to assignment of the lease to Holcim. Additionally, a Lease Assignment document is provided for the northern portion of the permit since it is managed by the Colorado State Land Board.
7. See the revised application that is attached.

We are aware of the current deadline of Friday April 28, 2023 for this application. Please let me know if Holcim shall submit anything formal for an extension since this date is approaching and additional time may be needed for review.

Thank you and please let us know if you have any questions.

**Kurt Thurmann** | Environmental and Land Manager  
Holcim Group | Holcim - WCR, Inc.  
C: (720) 329-8851

BUILDING PROGRESS FOR  
PEOPLE AND THE PLANET.

9 attachments

The Company shall install and maintain a cattle guard at the entrance to Colorado State Highway No. 120 for use at the Hardcastle Pit and at the entrance to the Silos Road. At the entry of Hardcastle, the cattle guards installed shall remain a permanent fixture of the property. Hardcastle shall be responsible for the repair and maintenance of presently existing property boundary fences. The boundary of Hardcastle's property shall remain fenced at all times. If it is necessary to move any boundary fences, they shall, at the Company's expense, be replaced by permanent fencing suitable for maintaining livestock on the property. If required by Hardcastle, the Company shall, at the Company's expense, be responsible for installing and maintaining a good and sufficient fence around the land on which operations and any additional cattle guards.

## Excerpt from Phillips lease, Fences.JPG 192K



**Phillips Revised SO Application.pdf**

683K



**Secretary's Certificate - Michael LeMonds.pdf**

50K



**M-2000-046 Performance Warranty.pdf**

148K



**M-2000-046 Holcim Financial Warranty Bond.pdf**

548K



**DRMS Permit List for SO.pdf**

46K



**Signed Phillips Ranch SIEA Structure Agreement Packet.pdf**

382K



**Phillips consent to assignment.pdf**

141K



**Phillips SLB Lease Assignment.pdf**

240K

The *Company* shall install and maintain a cattle guard at the entrance to Colorado State Highway No. 120 for use at the Hardscrabble Pit and at the entrance to the Siloam Road . At the option of *Hardscrabble*, the cattle guards installed shall remain a permanent fixture of the properties. *Hardscrabble* shall be responsible for the repairs and maintenance of presently existing property boundary fences. The boundary of *Hardscrabbles'* property shall remain fenced at all times. If it is necessary to move any boundary fences, they shall, at the *Company's* expense, be replaced by permanent fencing suitable for maintaining livestock on the property. If required by *Hardscrabble* the *Company* shall, at the *Company's* expense, be responsible for installing and maintaining a good and sufficient fence around the active mining operations and any additional cattle guards.

# STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY  
Department of Natural Resources

1313 Sherman St., Room 215  
Denver, Colorado 80203  
Phone: (303) 866-3587  
FAX: (303) 832-8108



## APPLICATION FORM FOR TRANSFER OF MINERAL PERMIT AND SUCCESSION OF OPERATORS

### ADMINISTRATIVE INFORMATION

#### Permit Information

Permit Number: M-2000-046

Operation Name: Phillips Ranch Property Gravel Pit #2

#### Permittee Information

Contact Person: Craig Wilson

Company Name: Pioneer Sand Company Inc.

Street Address: 5000 Northpark Drive

City: Colorado Springs

State: Colorado

Zip: 80933

Phone: (719) 599-8100

Email (optional): \_\_\_\_\_

#### Prospective Successor Information

Contact Person: Michael LeMonds

Company Name: Holcim-WCR, Inc

Street Address: 8700 Bryn Mawr Avenue, Suite 300

City: Chicago

State: Illinois

Zip: 60631

Phone: (248) 705-4238

Email (optional): \_\_\_\_\_

Other Reclamation Permits held by Prospective Successor (if applicable):

See attached table.

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### **DESIGNATION OF REVIEW TIMELINE**

As explained above, the Permittee and Prospective Successor may waive their right to receive a decision on an Application within 30 days in order to allow the Division to calculate the required Financial Warranty before issuing its decision. Permittee and Prospective Successor must initial one of the following two options to designate their choice. If Permittee and Prospective Successor cannot agree, the Division will render its decision within 30 days.

\_\_\_\_\_  
Permittee

I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to **WAIVE MY RIGHT TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.**

\_\_\_\_\_  
Prospective Successor

  
\_\_\_\_\_  
Permittee

I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to **MAINTAIN MY RIGHT TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.**

  
\_\_\_\_\_  
Prospective Successor

The Prospective Successor must provide an adequate Financial Warranty or *conditional* replacement Financial Warranty, consistent with the designation above. Hard Rock and Construction Materials Rule 4.3 describes the various acceptable types of Financial Warranties. Each Financial Warranty must be submitted on the Board's approved forms (available online at <http://mining.state.co.us/Mineral%20Forms.htm>).

## **DUE DILIGENCE CERTIFICATION**

The Board wishes to ensure that Prospective Successors are fully informed of their duties and obligations should they become Successor to the Permit. Accordingly, the Prospective Successor must carefully review the items below and must initial indicating its agreement and understanding.

HL

If the Application is approved, the Prospective Successor will assume all liability for the reclamation of the affected land, and for compliance with the Hard Rock Act and Rules or the Construction Materials Act and Rules, as applicable (available online at <http://mining.state.co.us/Rules%20and%20Regs.htm>). Successor will be liable for any pre-existing conditions or violations, whether known or unknown at the time of the SO. It is the Prospective Successor's sole responsibility to investigate the operation prior to filing an Application.

HL

If the Application is approved, the Successor will be solely responsible for maintaining the mining and reclamation operations in compliance with the Reclamation Permit. The Permit includes the original approved Application, along with any and all subsequent revisions, amendments, and conversions thereto. It is not uncommon for a Permit to include dozens of documents that span many years. It is the Successor's sole responsibility to obtain a full and complete copy of the Permit and to understand the extent of his/her/its obligations thereunder. Permit documents may be purchased from the Division of Reclamation, Mining and Safety (the "Division") upon request or viewed on the Division's website at <http://drmsweblink.state.co.us/drmsweblink/search.aspx?cbid=0>

HL

If the Application is approved, the Successor must submit Annual Fees and Annual Reports to the Division on the anniversary date of the Reclamation Permit. For hard rock and designated mining operations, consult C.R.S. § 34-32-127(2) for the amount of the Annual Fee. For construction materials operations, consult the C.R.S. § 34-32.5-125 for the amount of the Annual Fee. Required annual reporting information is described in Hard Rock and Construction Materials Rule 1.15 and in the Annual Report Form provided by the Division. Failure to submit Annual Fees or Annual Reports may result in enforcement action.



**APPLICANTS' AGREEMENT TO REQUEST TRANSFER  
OF MINERAL PERMIT AND SUCCESSION OF OPERATORS**

WHEREAS, on June 16, 2000 Permit Number M-2000-046 ("Permit")  
was granted to Pioneer Sand Company Inc. ("Permittee"),  
pursuant to which Permit, Permittee has engaged in a mining operation located in  
Fremont County, Colorado.

WHEREAS, The Permit includes and incorporates any and all subsequent Amendments,  
Technical Revisions and/or Conversions.

WHEREAS, Permittee wishes to assign the entire Permit, along with all associated rights and  
responsibilities to Holcim-WCR, Inc ("Prospective  
Successor"), and Prospective Successor wishes to become Successor Permittee under the Permit.

WHEREAS, Prospective Successor has inspected the mining and reclamation operations and is  
fully aware of the conditions thereof.

WHEREAS, Prospective Successor understands that the Reclamation Plan (the "Plan") is an  
integral part of the Permit and is required by law. Prospective Successor has had an opportunity  
to thoroughly review the Plan, understands that the Plan has not been completed and that, if  
Prospective Successor becomes Successor, he/she/it will assume full responsibility for the  
completion of the Plan.

NOW THEREFORE, Permittee and Prospective Successor hereby agree, for their own benefit  
and for the benefit of the State, as follows:

Prospective Successor agrees to accept all of the conditions of the Permit, including the  
condition that the operation remains in compliance with all applicable laws and regulations, and  
to perform all of the obligations of the Permittee under the Permit.

Prospective Successor agrees to complete the Plan, and to assume all liability for the  
same, as to all areas presently disturbed, as well as to all areas hereafter disturbed.

Prospective Successor agrees to submit to the Division of Reclamation, Mining and  
Safety ("Division"), Performance and Financial Warranties, as required by applicable law and  
regulations, which will be substituted for the Performance and Financial Warranties previously  
filed by the Permittee, if and when the Division approves a Transfer of Mineral Permit and  
Succession of Operators ("SO") and releases the latter Warranties.

Prospective Successor represents to the State that, to the best of its knowledge,  
information and belief, it is not in violation of any of the provisions of the Mined Land  
Reclamation Act (C.R.S. § 34-32-101 *et. seq.*) ("Hard Rock Act") and associated Rules (2  
C.C.R. 407-1) ("Hard Rock Rules") or the Land Reclamation Act for the Extraction of

Construction Materials (C.R.S. § 34-32.5-101 *et. seq.*) ("Construction Materials Act") and associated Rules (2 C.C.R. 407-4) ("Construction Materials Rules"), with respect to any other operation conducted by the Prospective Successor in the State of Colorado.

Permittee and Prospective Successor hereby request that the Mined Land Reclamation Board ("Board") approves their SO Application, recognizes the Prospective Successor as Successor Operator under the Permit, accepts the Prospective Successor's Performance and Financial Warranties, and releases the current Permittee's Performance and Financial Warranties.

SIGNED, SEALED AND DATED this 9<sup>th</sup> day of January, 2023.

**PERMITTEE**

**Pioneer Sand Company Inc.**

Name of Permittee

By

Signature of Officer

CEO

Title of Officer

**PROSPECTIVE SUCCESSOR**

**Holcim-WCR, Inc**

Name of Prospective Successor

By

Signature of Officer

Vice President

Title of Officer

**NOTARY FOR PERMITTEE**

STATE OF

Colorado

) ss.:

COUNTY OF

Douglas

The foregoing instrument was acknowledged before me this 9 day of January, 2023  
by Craig Wilson as CEO of Holcim

Notary Public

My Commission Expires

Deena L Harris  
April 4, 2023

DEENA L HARRIS  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20194013105  
MY COMMISSION EXPIRES APRIL 4, 2023



**NOTARY FOR PROSPECTIVE SUCCESSOR**

STATE OF Illinois )  
 ) ss.:  
COUNTY OF Cook )

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of January, 2023,  
by Michael Le Woods as Vice President of Holcim.



Notary Public

My Commission Expires

Nichayette Vil  
3/6/2023

**STATE APPROVAL**  
**[for completion by Division]**

- (a) The Board hereby approves the transfer of permit number \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_.
- (b) The Board hereby recognizes \_\_\_\_\_ as Successor Operator under such Permit.
- (c) The Board hereby accepts the Performance and Financial Warranties submitted by Successor and hereby releases \_\_\_\_\_, as former Permittee from all obligations under its Performance and Financial Warranties. The Board further releases all affected financial warrantors from obligations under Financial Warranties associated with the former Permittee.

STATE OF COLORADO  
DEPARTMENT OF NATURAL RESOURCES  
MINED LAND RECLAMATION BOARD  
DIVISION OF RECLAMATION, MINING AND SAFETY

By: \_\_\_\_\_  
Division Director

Date Executed: \_\_\_\_\_

## Secretary's Certificate

I, Shelbee L. Hundley, Corporate Secretary of Holcim – WCR, Inc., a Colorado corporation (the “Company”), certify that Michael LeMonds, as the current Vice President, ESG and Chief Sustainability Officer, is duly authorized to execute contracts, agreements and instruments relating to the Company’s acquisition of the sand and aggregate operations of Pioneer Landscape Centers.

IN WITNESS WHEREOF, I have executed this Secretary’s Certificate as of the 9th day of February, 2023.

  
Shelbee L. Hundley  
Corporate Secretary

State of Illinois)

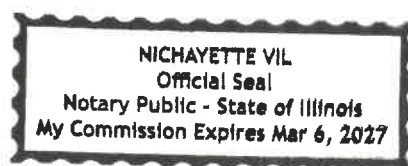
)ss:

County of Cook)

The undersigned, a Notary Public in and for the above State and County, hereby certifies that on the 13th day of February, 2023, before me personally appeared Holcim (US) Inc. by Shelbee L. Hundley, its U.S General Counsel, ACM, who is known to me as the person described herein and who executed the foregoing instrument on behalf of said corporation.

In Witness Whereof, I have hereunto set my hand and affixed my official seal on the day and year last aforesaid.

[SEAL]

  
Notary Public

M-2000-046 Performance Warranty indexed separately as **CONFIDENTIAL**

M-2000-046 Holcim Financial Warranty Bond indexed separately as **CONFIDENTIAL**

Daniels Sand Pit #2	M1973007SG
Morrison Quarry	M1973021
Lyons Quarry	M1977141
Brighton Mine	M1977436
Longmont Distel Operations	M1989029
Platte Valley Operation	M1989120
83rd Joint Venture	M1992069
Longmont Operation	M1994027
Dahlia North Resources Pit	M1994093
Deer Creek Quarry	M1997014
Cooley Reservoir & Fulton Wildlife Area	M1999034
Riverview Resouce	M1999098
Miliken Resource	M2000087
Fredstrom Resource	M2001016
Tucson South Resource	M2004044
Wattenberg Lakes	M2004051
Irwin/Thomas Mine	M2016054
Baurer Pit	M2020058
Wattenberg Disturbance	M2022021

**SENDER: COMPLETE THIS SECTION**

- ☐ Complete items 1, 2, and 3.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

*San Isabel Electric Association  
781 East Industrial Blvd  
Pueblo West, CO 81007*



9590 9402 7847 2234 8348 71

2. Article Number (Transfer from service label)

7020 1810 0000 4174 1213

PS Form 3811, July 2020 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

**X**

☐ Agent  
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

- |  |   |
|--|---|
| <input type="checkbox"/> Adult Signature                         | <input type="checkbox"/> Priority Mail Express®                     |
| <input type="checkbox"/> Adult Signature Restricted Delivery     | <input type="checkbox"/> Registered Mail™                           |
| <input type="checkbox"/> Certified Mail®                         | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery      | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery |   |
| <input type="checkbox"/> Insured Mail (over \$500)               |   |
| <input type="checkbox"/> Insured Mail Restricted Delivery        |   |

Domestic Return Receipt



April 24, 2023

USPS Certified Mail No. 70201810000041741213

San Isabel Electric Association  
781 East Industrial Blvd  
Pueblo West, CO 81007

RE: Structure Owner Agreement

Dear Structure Owner/ Representative:

In January of 2023, Holcim – WCR, Inc. (“Holcim”) acquired Pioneer Sand Company, Inc. Holcim has taken over operations of the Phillips Ranch Property Gravel Pit and has submitted an application for the transfer of permit and succession of operator for DRMS Permit No. M-2000-046 (Phillips Ranch).

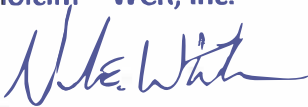
See the attached letter from the San Isabel Electric Association (“SIEA”), dated June 2, 2015. While Holcim follows the conditions of the 2015 letter, an update to the agreement is needed as the mine permit number has changed since 2015. The attached structure agreement covers the electric power distribution lines running over the Phillips Ranch Gravel Pit.

The State of Colorado, Division of Reclamation, Mining and Safety (“Division”) requires that structure agreements be sent out where the affected lands of the mine permit are within two-hundred feet of any significant, valuable and permanent man-made structures.

Holcim does not anticipate adverse effects on the electric power lines described above. Please read the attached structure agreement and sign and return the agreement using the self-addressed stamped envelope. Should you require any additional information, please contact Neil Whitmer at [neil.whitmer@holcim.com](mailto:neil.whitmer@holcim.com).

Sincerely,

Holcim – WCR, Inc.



Neil Whitmer  
Director Land & Environment

Attachments: Structure Agreement, Exhibit A, 06/02/2015 SIEA Agreement

## CERTIFICATION

The Applicant, Holcim - WCR, Inc. (print applicant/company name),  
by Kevin Peart (print representative's name), as Senior VP / General Manager (print  
representative's title), does hereby certify that San Isabel Electric Association, Inc. (structure owner) shall  
be compensated for any damage from the proposed mining operation to the above listed structure(s)  
located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation  
Permit Application for Phillips Ranch Property Gravel Pit (operation name),  
File Number M- 2000 - 046.

*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

ACKNOWLEDGED BY:

Applicant [Signature] Representative Name KEVIN PEART

Date 4-24-2023 Title DIRECTOR / SENIOR VP

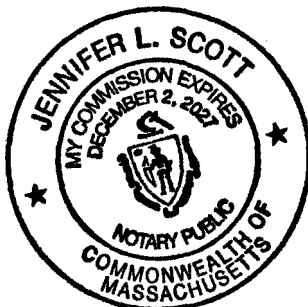
STATE OF MA )  
 ) ss.

COUNTY OF Essex )

The foregoing was acknowledged before me this 24<sup>th</sup> day of April, 2023, by  
Kevin Peart as Director / SUP of Holcim-WCR, Inc.

[Signature]  
Notary Public

My Commission Expires: December 2, 2027



**NOTARY FOR STRUCTURE OWNER**

ACKNOWLEDGED BY:

Structure Owner \_\_\_\_\_ Name \_\_\_\_\_

Date \_\_\_\_\_ Title \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.

COUNTY OF \_\_\_\_\_ )

The foregoing was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

\_\_\_\_\_  
Notary Public My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**LEGAL DESCRIPTION**

**Parcel A:**

A parcel of land located within a portion of the North Half of Section 1, Township 20 South, Range 69 West and the South Half of Section 36, Township 19 South, Range 69 West of the Sixth Principal Meridian, County of Freemont, State of Colorado, and being more particularly described as follows:

**Basis of Bearings:** The West line of the Northwest Quarter of Section 1, Township 20 South, Range 69 West of the Sixth P.M., monumented at both ends with 3 1/4" aluminum caps, assumed to bear S 02°41'03" E, a distance of 2696.63 feet.

Commencing at the Northwest corner of said Section 1;  
Thence S 54°45'17" E, a distance of 1696.17 feet to the Point of Beginning;  
Thence N 00°16'34" W, a distance of 377.68 feet;  
Thence N 36°10'32" E, a distance of 486.47 feet;  
Thence N 89°43'26" E, a distance of 173.99 feet;  
Thence N 35°34'12" E, a distance of 2625.16 feet;  
Thence N 89°43'26" E, a distance of 612.70 feet;  
Thence S 27°31'45" E, a distance of 566.56 feet;  
Thence S 15°48'24" E, a distance of 2904.23 feet;  
Thence S 88°49'55" W, a distance of 2306.13 feet;  
Thence N 72°07'11" W, a distance of 1414.69 feet to the Point of Beginning.

**For Informational Purposes Only**

**Tax ID No.:** N012274 / 99704484

**Parcel B:**

**Access Road:**

Commencing at the Northwest corner of said Section 1;  
Thence S 54°45'17" E, a distance of 1696.17 feet;  
Thence S 72°07'11" E, a distance of 1051.06 feet to the Point of Beginning of the centerline of a 60 foot wide access road, 30 feet on each side of the following described centerline:  
Thence S 16°37'22" W, a distance of 1604.17 feet to the Northern right of way line of Siloam Road, said point also being the Point of terminus with the sidelines of the aforementioned 60 feet access road being lengthened or shortened to and on said Northern right of way line of Siloam Road.



781 East Industrial Blvd. • Pueblo West, Colorado 81007 • Telephone (719) 547-2160 • www.siea.com

June 2, 2015

Pioneer Sand & Gravel

RE: Phillips Ranch Property Gravel Pit

File #M-97-097

Pit Located in Section 36, Township 19S, Range 69W, Section 1, Township 20S, Range 69W, Fremont County, Colorado

This letter is to advise you that San Isabel Electric Association, Inc. has no objection to the operation of said gravel pit under certain conditions.

1. That the operations of said pit do not interfere with the operations and maintenance of existing electrical facilities.
2. No equipment will be operated within twenty (20') feet of any electrical facility. (Horizontal or Vertical)
3. The applicant will reimburse San Isabel Electric Association, Inc. for any and all costs arising from any damages to said facilities or disruption of electrical services.
4. Enclosed is a drawing showing the area to be left undisturbed and made part of the operation.
5. San Isabel Electric Association, Inc. requests extreme caution be exercised when working around or near said facilities for the protection of property owners, contractors, and the general public.

Please Note

If you have any questions please contact this office at 719-547-2160.

SAN ISABEL ELECTRIC ASSOCIATION, INC.

By: [Signature]

Manager of Engineering Services

State of Colorado  
County of Fremont

The foregoing instrument was acknowledged before this 3 day of June, 2015

By: Fred Sola

Notary Public [Signature]

My Commission Expires 5/16/18

My Address is 781 East Industrial Blvd

81007

**S**ervice **I**ntegrity **E**xcellence **A**ccountability

Our story since 1938

**LESLIE AMIDEI-BAK**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20024010596**  
**MY COMMISSION EXPIRES MAY 16, 2018**



**PIONEER SAND COMPANY, LLC**  
630 Plaza Drive, Suite 150, Highlands Ranch, CO, 80129

November 18, 2022

**CONFIDENTIAL**

Via Federal Express and Email

Hardscrabble, LLC  
c/o J.R. Phillips and William J. Phillips  
1203 Sherman Avenue  
Canon City, Colorado 81212  
Email: [fishnsailing@yahoo.com](mailto:fishnsailing@yahoo.com)

Re: Request for Consent under Business Lease and Royalty Agreement

Dear Sir or Madam:

As you know, Hardscrabble, LLC, as lessor, and Pioneer Sand Company, LLC (f/k/a Pioneer Sand Company, Inc.) ("Pioneer Lessee"), as lessee, are parties to that certain Business Lease and Royalty Agreement dated December 1, 2014 (as amended and in effect as of the date hereof, and including all supplements, addendums, appendices, extensions, schedules, and attachments thereto, collectively, the "Lease"). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease.

Pioneer and its affiliates (including Pioneer Lessee and the Company (defined below), collectively, "Pioneer") are pleased to advise you that Pioneer has entered into an agreement with Holcim Participations (US) Inc. ("HPUS"), an affiliate of Holcim Ltd. ("Holcim"), pursuant to which all of the other entities comprising Pioneer will assign and transfer to JLL Pioneer Inc. (the "Company") all of the assets they own or hold relating to Pioneer's quarry business, including the Lease, and following such assignments and transfers, HPUS will acquire ownership of the Company, resulting in a change of control of the Company. The foregoing transactions, including the assignment of the Lease by Pioneer Lessee to the Company (the "Pioneer Assignment") and the change of control of the Company are referred to herein as the "Sale Transactions".

Promptly following the closing of the Sale Transactions, Holcim will complete an internal reorganization pursuant to which the Lease will be assigned or otherwise conveyed by the Company to Holcim-WCR, Inc. an indirect wholly owned subsidiary of Holcim (the "Holcim Contribution," and such subsidiary, the "Holcim Subsidiary").

The Sale Transactions (including the Pioneer Assignment) and the Holcim Contribution are expected to occur during January 2023.

Pursuant to the Lease, Pioneer may be required to obtain your consent in connection with the Sale Transactions and the Holcim Contribution. Accordingly, Pioneer hereby requests your consent to the Sale Transactions and the Holcim Contribution for all purposes under the Lease.

Please indicate your consent to the Sale Transactions and the Holcim Contribution for all purposes under the Lease by executing the acknowledgement set forth below. By signing below, you agree as follows:

1. The Sale Transactions and the Holcim Contribution shall not constitute a default or breach under the Lease (and you hereby waive any notice or other procedural requirements set forth in the Lease with respect thereto) and that you shall not terminate the Lease as a result of or in response to the Sale Transactions or the Holcim Contribution.
2. The Lease shall continue in full force and effect in accordance with its terms, and the Holcim Subsidiary shall continue to enjoy the same rights and benefits and be subject to the same obligations under the Lease following the Sale Transactions and the Holcim Contribution as Pioneer Lessee enjoyed and was subject to prior to the consummation of the Sale Transactions.
3. Upon the effectiveness of the Pioneer Assignment, the Company will assume all liabilities and obligations under the Lease, whether attributable to periods before or after the effectiveness of the Pioneer Assignment (the "Assumed Lease Obligations"), and notwithstanding any provision of the Lease to the contrary, Pioneer Lessee is hereby released from all such Assumed Lease Obligations effective upon the Pioneer Assignment.
4. The Sale Transactions, the Holcim Contribution and the contents of this notice shall be kept confidential.
5. This letter and the request for your consent made herein do not create any rights to which you are not contractually entitled under the Lease or expand any rights to which you are contractually entitled under the Lease.
6. You will execute and deliver the Estoppel Certificate that has been provided to you with this letter.

Your consent will become effective immediately; however, if the Sale Transactions do not close, your consent will be void and of no force or effect.

Once executed, please email a copy of the acknowledgement to my attention at [kevin.guzior@pioneerco.com](mailto:kevin.guzior@pioneerco.com).

If you have any questions regarding this letter, please do not hesitate to contact me at (602) 999-1155 or by email at the address set forth in the preceding paragraph. We would appreciate your response as soon as possible, and in any event, no later than December 31, 2022. Thank you for your assistance and cooperation.

*[Signature Pages Follow]*

Very truly yours,

PIONEER SAND COMPANY, LLC

By: 

Name: Kevin Guzior

Title: President

Enclosure:

Estoppel Certificate

Acknowledged and agreed:

HARDSCRABBLE, LLC

By:  DEC. 19<sup>TH</sup> 2022  
Name:  
Title: GENERAL MANAGER

**COLORADO**

State Land Board

Department of Natural Resources

APP NO. \_\_\_\_\_

**LEASE ASSIGNMENT - Solid Minerals**ASSIGNMENT OF LEASE NO. GL 109558Please check if this is a full or partial assignment: FULL ☒ PARTIAL ☐

If there is a conflict between the full/partial box checked above and the acreage assigned indicated below, the specific acreage assigned will control.

In consideration of good and valuable consideration agreed to between the Assignor and Assignee (named below), this lease assignment ("Assignment") is entered into between the Assignor and Assignee and they agree as follows:

ASSIGNOR ("Assignor")(Name) Pioneer Sand Company, Inc.(Address) 5000 Northpark Drive(City, State, Zip) Colorado Springs, Colorado 80918

hereby assigns and transfers, subject to approval from the State of Colorado, acting by and through its State Board of Land Commissioners ("State Land Board"), all right, title and interest as "Lessee of Record" on the State Land Board's solid minerals lease identified above (the "Lease") in

160 acres of the Lease lands located in Fremont County, Colorado ("County"), SE,  
of: (Acreage Assigned) (Subdivision)

Section 36 Township 19S, Range 69W (collectively, the "Assigned Lands"),

including all stipulations and requirements attached and incorporated into the Lease, unto:

ASSIGNEE ("Assignee")(Name) Holcim - WCR, Inc.(Address) 8700 Bryn Mawr Avenue, Suite 300(City, State, Zip) Chicago, Illinois 60631

Reserving unto the Assignor all previously reserved minority reservations of Lease ownership and/or overriding royalties made and filed by the Assignor in the clerk and recorder's office of the County ("Clerk & Recorder's Office"), to the extent that such reservations comply with the terms of the Lease. The parties acknowledge that the State Land Board has one "Lessee of Record" on the Lease and does not track minority assignments of overriding royalties or minority leasehold interests in the Lease; however, pursuant to the terms of the Lease, the State Land Board acknowledges that separate contracts for minority leasehold interests and overriding royalties in the Lease may exist between the Assignor, the Assignee and/or other minority owners in documents filed in the Clerk & Recorder's Office and this Assignment does not purport to assign those interests.

As of the Effective Date (as defined below), the Assignee hereby agrees to accept and assume all title, responsibility, liability and interest in, and to abide by all terms and conditions of the Lease being assigned, and will herein be the new "Lessee of Record" for all, or part of the Lease assigned (as specified above). However, pursuant to the terms of the Lease, the State Land Board's approval of this Assignment shall not release the Assignor from any liability for known or unknown waste or damage to the Assigned Lands, including, but not limited to, environmental damage which arose from, or in connection with Assignor's use or occupancy of the Assigned Lands and/or from any liability for violations of the Lease and/or of applicable federal, state, and local laws, regulations, rule, and ordinances including without limitation the rules and regulations of the Colorado Division of Reclamation and Mining Safety during Assignor's use or occupancy of the Assigned Lands.

As of the Effective Date, the Assignor represents and warrants to the State Land Board that all rents, royalties and advanced minimum royalties under the Lease are paid up to date, and there are no outstanding reclamation issues.

Consideration Amount: \$66,810 (refer to lease terms), and submit affidavit stating the value of any consideration tendered to Assignor by Assignee.

Lease No. GL 109558





# COLORADO

State Land Board

Department of Natural Resources

The Assignor and Assignee acknowledge that the State Land Board has the right to deny this Assignment, in its sole discretion, and that the State Land Board must approve this Assignment by execution below before this Assignment becomes effective. Further, the Assignor and Assignee agree that the State Land Board's approval of this Assignment does not modify any terms or conditions of the Lease which may be implied by documents provided to the State Land Board related to this Assignment, other than the "Lessee of Record" for the Assigned Lands.

The Assignor and Assignee, by their signatures below, agree to the terms and conditions of this Assignment.

## ASSIGNOR:

Assignor Name: Pioneer Sand Company, Inc.

Signature: [Signature]

Printed Name: Dave Sawyers

Title: Vice Pres of Quarries

Date Signed: 1-26-2023

STATE OF Arizona )

COUNTY OF Maricopa )

ss. ASSIGNOR ACKNOWLEDGMENT

On this 26 day of January, 2023, before me, personally appeared Dave Sawyers, to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed.

My commission expires: 11/13/2026

STATE OF Illinois )

COUNTY OF Cook )

ss. ASSIGNEE ACKNOWLEDGMENT

On this 16<sup>th</sup> day of January, 2023, before me, personally appeared Michael LeMonds, to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed.

My commission expires: 3/6/2023

## ASSIGNEE:

Assignee Name: Holcim - WCR, Inc.

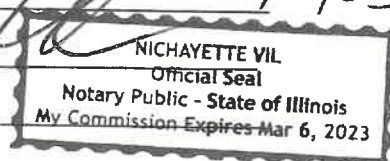
Signature: [Signature]

Printed Name: Michael LeMonds

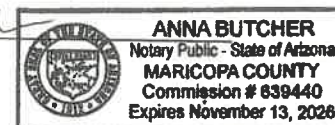
Title: Vice President 01/16/23

Date Signed: [Signature]

Phone: 248-705-4238



[Signature]  
Notary Public



## APPROVAL OF ASSIGNMENT

In consideration of One Hundred dollars (\$100.00) and other valuable consideration, the State Land Board consents to this Assignment of the Lease from the Assignor to the Assignee effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date").

State of Colorado, acting by and through the  
State Board of Land Commissioners

By: \_\_\_\_\_  
Name & Title: \_\_\_\_\_

(Seal)

Lease No. \_\_\_\_\_

**AFFIDAVIT REGARDING CONSIDERATION  
(ASSIGNMENT OF SAND AND GRAVEL LEASE NO. GL 109558)**

STATE OF COLORADO                     )  
   ) ss.  
COUNTY OF FREMONT                     )

Affiant, on oath, swears that the following statements are true:

1. My name is Michael LeMonds. I am over the age of 21 years. I am the Vice President of Holcim – WCR, Inc., a Colorado corporation.
2. This Affidavit is prepared pursuant to paragraph 10 of that certain State of Colorado Sand and Gravel Lease No. GL 109558 by and between the State of Colorado acting through its State Board of Land Commissioners, as lessor, and Pioneer Sand Company, Inc., as lessee (the "Lease") covering 160 acres in Fremont County, Colorado.
3. JLL Pioneer LLC entered into an agreement with Holcim Participations (US) Inc. ("HPUS"), an affiliate of Holcim Ltd. ("Holcim Ltd."), pursuant to which certain subsidiaries of JLL Pioneer Inc. (the "Company") including Pioneer Sand Company, LLC, the successor by conversion to Pioneer Sand Company, Inc., first transferred their business assets to the Company, after which HPUS acquired ownership of JLL Pioneer Inc., resulting in a change of control of the Company (the "Sale Transactions"). The closing of the Sale Transactions occurred on January 20, 2023.
4. Promptly following the closing of the Sale Transactions, Holcim Ltd. completed an internal reorganization pursuant to which the Lease was assigned by the Company to Holcim – WCR, Inc., an indirect, wholly-owned subsidiary of Holcim Ltd. (the "Holcim Contribution"). That internal reorganization has been completed.
5. As a result of the transactions described in paragraphs 3 and 4 above the Lease is being assigned from Pioneer Sand Company, LLC (as the successor by conversion to Pioneer Sand Company, Inc.) to Holcim – WCR, Inc.
6. In the Sale Transactions, the Lease was valued at \$57,860.00. 10% of the value tendered for the Lease is \$5,786.
7. The Holcim Contribution was an internal reorganization that did not involve in the payment of monetary consideration.

Affiant

  
Michael LeMonds

Subscribed and sworn to before me on this 20<sup>th</sup> day of February, 2023.



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20702121\_v2

  
Notary Public

My Commission Expires: March 6, 2027

