

August 9, 2023

barbarahubbs@gmail.com Barbara Hubbs 367 County Road 129 Hesperus, CO 81326

Dear Barbara:

La Plata County (Tenant) hereby notifies Hubbs III LLC (Landlord) of the intent to commence with reclamation of the Hubbs Pit in September of 2023. We anticipate completion of the project will be prior to December 31, 2023.

The amended lease agreement had extended the original term to 12-31-22. The County is obligated to perform reclamation work which was not completed by 12-31-22. The Reclamation clause, 6.2, addresses this issue:

The Tenant shall undertake commercially reasonable efforts to complete such reclamation within one (1) year from the Reclamation Start Date (Upon completion of the Tenant's intended operation and on the removal and processing of all of the material contemplated by this Lease has been complete or upon termination of this lease, whichever earlier occurs) and shall have the right to enter upon the property to complete such reclamation.

The County can perform the reclamation work after the expiration/ termination of the lease and can enter onto the property to perform the reclamation work. We understand this could be challenging because when the lease expires/ terminates, our access to the property might change. We may lose our "right of quiet enjoyment," we won't have exclusivity, and there's no provision in the agreement requiring the landlord and other users to stay out of the way or comply with our schedule. We might have to work around other mining activity by other tenants on the property. It can be suggested that we should coordinate our work with owner. Note that the terms within the original lease that weren't altered by the amendment, are still in force. The protections we have under Section 1.2 b are also still valid and we can enter the property for a year after 12-31-22 to provide reclamation services and remove our stockpiled gravel, structures, facilities, equipment and our other property.

We look forward continuing to work with you. If you have any questions, please feel free to call me at 970-382-6372.

Sincerely,

Jim Davis La Plata County Director of Public Works