



February 6, 2024

Hunter Ridley
Environmental Protection Specialist
Colorado Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203

Re: Hourglass Sands, LLC's Jemadojin Sand Mine- Second Consecutive Period of Temporary Cessation of Operations

Dear Hunter:

Hourglass Sands, LLC is requesting a Second Consecutive Period of Temporary Cessation of Operations at its Jemadojin Sand Mine. Due to current economic, market and other constraints, the applicant does not believe that continuation of operations on site is warranted at this time. However, the applicant does believe that due to the large variability of profitable uses of the sand mined on the site, which includes but is not limited to fracking, construction, and drilling operations as well as water treatment filtration systems, that continuation of operations will likely be viable by the end of the proposed five (5) year cessation period. As shown in the enclosed reclamation cost sheet as well as the final regrade cross-sections diagram, the applicant feels as though the existing Financial Warranty is adequate to cover the reclamation liability on the site. In addition, the applicant will continue to work closely with the Division to coordinate the recommencement of operations when the applicant determines that it is warranted and that all current constraints have been overcome.



If you have any questions or require additional information, please feel free to contact me at (812) 299-2800 ex. 217 or by email at JSMcGuire@halladorenergy.com. Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in black ink that reads "J. Scott McGuire".

Scott McGuire, PE
Senior Corporate Engineer
Hallador Energy Company

Enclosure

cc: