

Proctor Pit 111 Permit

File No. M-2024-027

Revision 1

EXHIBIT B – Site Description
Rule 6.3.2

1) Primary present land use (check one):

- | | | |
|--|---|---|
| <input type="checkbox"/> Cropland (CR) | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA) |
| <input checked="" type="checkbox"/> Rangeland (RL) | <input type="checkbox"/> Forestry (FR) | <input type="checkbox"/> Wildlife Habitat (WL) |
| <input type="checkbox"/> Residential (RS) | <input type="checkbox"/> Recreation (RC) | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input type="checkbox"/> Developed Water Resource (WR) | | |

Additional land use information:

2) Current vegetative cover (check all that apply):

- | | | |
|----------------------------------|---|--|
| <input type="checkbox"/> Grasses | <input type="checkbox"/> Trees | <input type="checkbox"/> No vegetative cover |
| <input type="checkbox"/> Shrubs | <input checked="" type="checkbox"/> Pasture | <input type="checkbox"/> Other: _____ |

3) Current Soil Characteristics:

VALENT LOAMY SAND
3 to 9 PERCENT SLOPES

(This information is publically available and free. It may be obtained through the local office of the Natural Resources Conservation Service or obtained from websoilsurvey.sc.egov.usda.gov)

4) Are there any permanent manmade structures (homes, roads, bridges, power lines, fences, etc.) located within two hundred (200) feet of the permit boundary: (☒) Yes or (☐) No

Structure: Existing Fence	Owner: Rodney Blough
Structure: County Road 67	Owner: Logan County
Structure: _____	Owner: _____
Structure: _____	Owner: _____

*Attach separate sheet if there are additional structures

5) Are there any streams, springs, lakes, stock water ponds, ditches, reservoirs, and aquifers that would receive drainage directly from the mine: (☐) Yes or (☒) No

If yes, please describe the water features: _____

6) (Optional) Please attach a Wildlife Statement prepared by the Colorado Parks and Wildlife.

7) (Optional) Additional site description information:

Utility locates were called for the area 200LF around the site and no structures were marked. _____

EXHIBIT C - Mining Plan
Rule 6.3.3

The purpose of the mining plan is to describe how mining will affect the permit area for the duration of the operation.

- 1) **Estimated dates of commencement:** July 1st 2024 **and completion:** December 1st 2025

Note: Reclamation of all affected lands shall be completed within 12 months after issuance of the permit. An Operator possessing a 111(1)(b) Reclamation Permit must convert to the appropriate regular construction materials permit if extraction and export of materials from the site are not completed within 12 months after the issuance of the permit.

- 2) **Depth of topsoil to be salvaged (check one):**

☒ 4-6 inches ☐ 6-8 inches
☐ 8-10 inches ☐ 10-12 inches
☐ Other: _____
☐ N/A, explain: _____

- 3) **Description of how topsoil will be stockpiled and stabilized:**

Scraper Stockpile in north east corner of site which will be surface roughened to prevent erosion. Stockpiles will not be seeded but will be re surface roughened any time erosion observed on stormwater inspections. There will also be an earthen berm downhill of the stockpile.

- 4) **Thickness of overburden needed to be moved:** 0 feet or ☒ N/A
- 5) **Thickness of deposit to be mined:** 20 feet
- 6) **How will the mine be accessed:** (☒) existing roads (☐) new roads will be created

- a. Please describe the existing roads:

County Road 67 will be used to access the pit. This is a gravel surfaced road
approximately 25 feet wide.

- b. If there will be new roads or road improvements, please describe the new roads and road improvements (note, new roads must be included in permitted acreage):

N/A

- 7) **Will water be needed during the mining operation (check one):** (☒) Yes or (☐) No

- a. If yes, please describe the source of the water and how much water will be used during the operation:

Water will be used for dust control within the pit limits. It will be obtained from Dinklage
Feed Yards approximately 2 miles north of the pit.

8) Will groundwater be encountered and/or surface water intercepted or disturbed (check one):

☐ Yes or ☒ No.

a. If yes, please describe:

9) (Optional) Please provide additional information about the Mining Plan:

Mining will commence in July 2024 or as soon thereafter as this permit is approved and will continue until the completion of the I-76 Panel Replacement Project. The completion of this project will be in the fall of 2025. Reclamation will be complete just after the project is finished.

Significant Disturbances to the Land: This pit will be mined from East to West starting at the Eastern border just inside of the berm being used as a perimeter erosion BMP. The pit will be cut to the final contours shown on the reclamation plan which leave a flattened bench. No product stockpiles will be required since the product will not be processed only loaded into trucks. Topsoil will be stockpiled in the Northeast corner of the pit as well as being utilized to build compacted berms along the down stream perimeter of the pit for erosion control purposes. No overburden material is anticipated based off of soil borings but if encountered it will be stockpile next to the topsoil and re-spread following mining. Total dimensions of excavation: 700 LF x 350 LF

Processing: The deposit will not be washed, crushed, or processed in anyway on site. It will be loaded into trucks and hauled away. Thus no wash ponds or chemical agents will be required. This area is virgin land and no refuse (physical or chemical) is anticipated to be encountered. The only water use anticipated will be for dust control onsite.

Drainage and Hydrologic Impact Control: This site is located across an existing hill, thus there is no concern of any impacts from upland drainage since the topography is sloping away from the proposed mining site. A 2 foot tall compacted earthen berm will be constructed from existing topsoil and overburden along the Western and Southern borders of the pit in order to provide erosion and sediment control. This proposed BMP is in compliance with the erosion and sediment requirements for the contracted project along Highway 76. A temporary fence will be installed and maintained around the pit perimeter to prevent any off site damage.

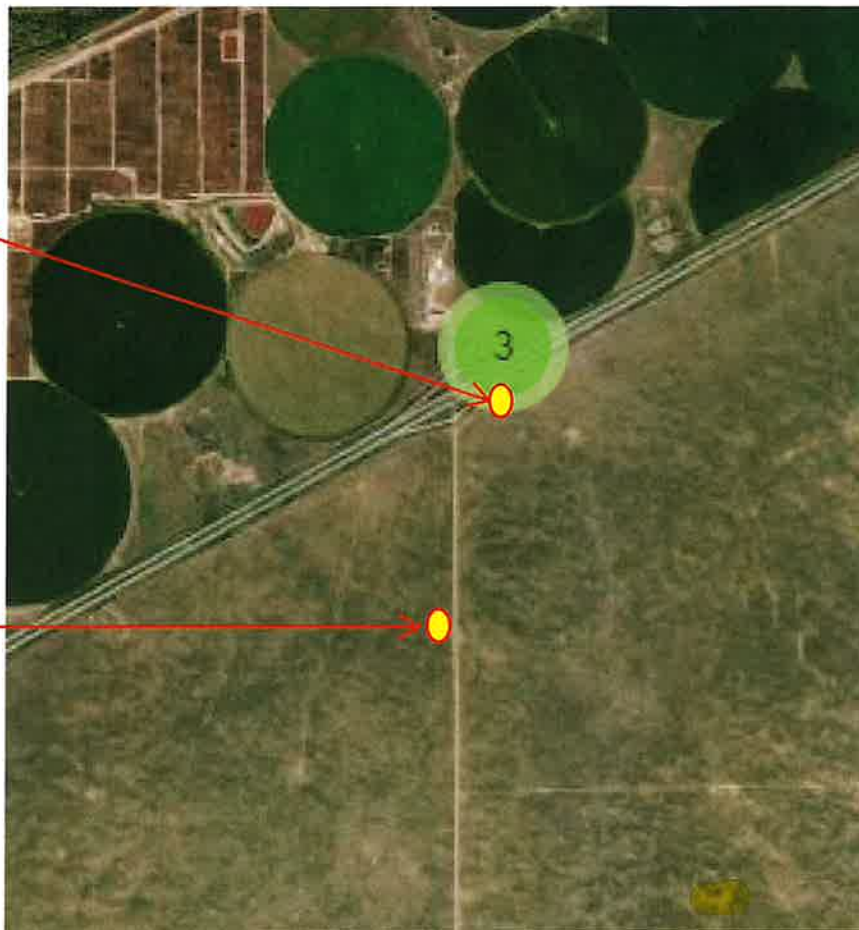
Proposed Future Land Use: This property will remain as rangeland following mining operations. All final slopes will be 4:1 or shallower to allow livestock and ranch vehicles safe access. See reclamation plan (map) for final stable configuration.

Commodities: The only commodity to be produce from this site is earthen fill for CDOT project 25037. No secondary commodities will be extracted from this pit.

Exhibit 1: Groundwater Depth

Well Location
Approx 3840'
Elevation, 63' deep

Proposed Mine Location
Elevation 3920'



STATE OF COLORADO
DIVISION OF WATER RESOURCES
OFFICE OF THE STATE ENGINEER



Index No. 1777
IDWD 1-64
Use 4
Registered 22

MAP AND STATEMENT FOR WATER WELL

PERMIT NUMBER 12046-F

Know all men by these presents: That the undersigned William E. Condon claimant(s), whose address is 916 Fairhurst, City Sterling, Colorado states: Claimant(s) is (are) the owner(s) of well No. _____ located as shown on the map below; the total number of acres of land owned by him (them) to be irrigated from this well is 2; work was commenced on this well by actual construction 22nd day of May, 1968; the tested capacity of said well is 50 (gpm) (cfs), for which claim is hereby made for Stock-Comm purposes; that the average annual amount of water to be diverted is 50 acre-ft.; and that the aforementioned statements are made and this map and statement are filed in compliance with the law.

State of Colorado)
County of Morgan) ss

William E. Condon
Claimant(s)

Subscribed and sworn before me this 2nd day of July, 1968.

My Commission expires August 24, 1971

Bette Lou Dunning
Notary Public

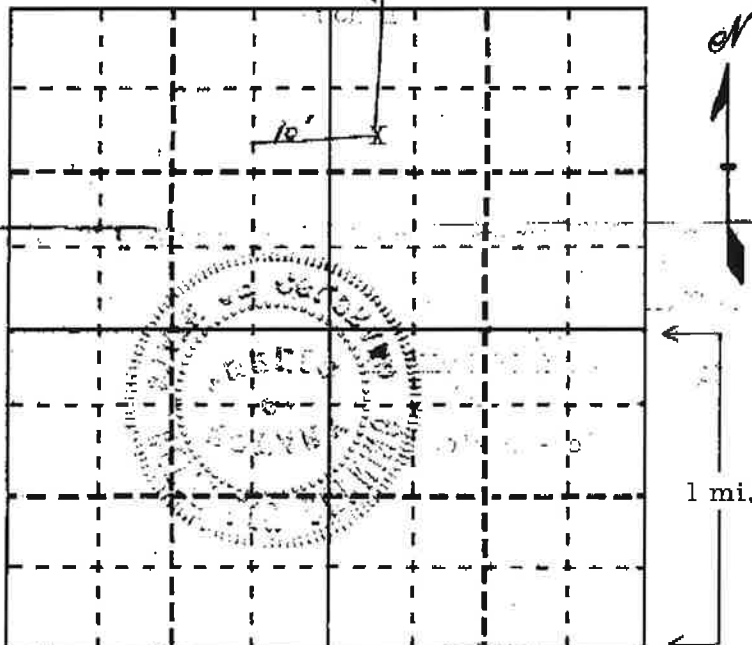
MAP

THE WELL SHALL BE LOCATED WITH REFERENCE TO GOVERNMENT SURVEY CORNERS OR MONUMENTS, OR SECTION LINES BY DISTANCE AND BEARING.

1382 feet from South (North or South) section line
10 feet from West (East or West) section line

IF WELL IS FOR IRRIGATION, THE AREA TO BE IRRIGATED MUST BE SHADED OR CROSS-HATCHED.

The square below will be used to indicate the location of the well and the irrigated land.



WELL LOCATION

Logan 38 County

SW 1/4 NW 1/4, sec. 10

T. 9N, R. 50W, 6th P. M.

Ground Water Basin _____

Water Management _____

District _____

Domestic wells may be located by the following: LOT _____, BLOCK _____

_____ SUBDIVISION

ACCEPTED FOR FILING IN THE OFFICE OF THE STATE ENGINEER OF COLORADO ON THIS _____ DAY OF _____, 19____.

State Engineer

LOG AND HISTORY

WELL LOG

Ground Elevation _____

Type Drilling Rotary Standard

From	To	Type of Material	Water Loc.	Perf.
0	3	Top		
3	77	Fine sand		
77	90	Sand & gravel		
90	106	Fine sand & quicksand		
106	110	Clay & fine sand		
110	132	Shale		

WELL DATA

Date Started May 22, 1968

Date Completed May 22, 1968

Hole Diameter:

7 in. from 0 ft. to 132 ft.
 in. from ft. to ft.
 in. from ft. to ft.

CASING RECORD

Cemented from _____
Plain Casing

Size 5, kind plas from 0 ft. to 88 ft.

Size , kind from ft. to ft.

Size , kind from ft. to ft.

Perforated Casing

Size 5, kind plas from 88 ft. to 100 ft.

Size , kind from ft. to ft.

Size , kind from ft. to ft.

TEST DATA

Date Tested May 22, 1968

Type of Pump bailed

Length of Test 3 hrs.

Constant Yield 50 gpm

Drawdown 7'

PUMP DATA (To be filled in)

Type of Pump Unknown

Outlet Size

Driven by

Horsepower

Use additional paper if necessary to complete log and attach.

WELL DRILLERS STATEMENT

State of Colorado)
County of) ss

Harold E. Canfield being duly sworn, deposes and

says: he is the driller of the above described well; he has read the above map and statement, knows the content thereof, and the same is true of his own knowledge. Canfield Drilling Co.

Harold E. Canfield
Vice-President

License No. 7

Subscribed and sworn to before me this 7th day of June, 1968.

My Commission expires Aug. 24, 1971.

Bette Lee Dunning
Notary Public

DEPTH TO WATER 63'

TOTAL DEPTH 132'

FORM TO BE MADE OUT IN QUADRUPLICATE:

Original WHITE (both sides) & Triplicate GREEN Copy must be filed with the State Engineer within 30-days after well is completed. Duplicate PINK copy is for the Owner & YELLOW copy for the Driller. WHITE FORM MUST BE AN ORIGINAL COPY ON BOTH SIDES AND SIGNED.

STATE OF COLORADO

APPLICATION FOR: ☒ A PERMIT TO USE GROUND WATER
☒ A PERMIT TO CONSTRUCT A WELL
☐ OTHER

Application must be completed satisfactorily before acceptance

RECEIVED
MAR 6 1967
GROUND WATER SECT.
COLORADO
STATE ENGINEER

PRINT OR TYPE

APPLICANT William E. Condon

Street Address 531 Elwood

City & State Sterling, Colorado

Use of ground water Stock-Commercial-Domestic

Owner of land on which well
is located

Number of
acres to be irrigated

Legal description of
irrigated land

Other water rights on
this land

Owner of irrigated
land

Aquifer(s) ground water is to be obtained from Alluvial

ESTIMATED WELL DATA

Est. quantity of ground water to be claimed:

Est. Max. Yield ~~400~~ 50 GPM or CFS

Est. average annual amount to be

used in acre-feet 50
Storage capacity _____ AF

Anticipated start of drilling 19 67

Hole Diameter:

9 in. from 0 ft. to 150 ft.
in. from _____ ft. to _____ ft.

Casing:

Plain 6 in. from 0 ft. to 130 ft.
 in. from ft. to ft.
 Perf. 6 in. from 130 ft. to 150 ft.
 in. from ft. to ft.

PUMP DATA:

Type _____ Subm. _____ HP 5 _____ size 2"

Outlet

Size 2nd

This application approved

PERMIT NUMBER 12046 - F

DATE ISSUED JUN 12 1967

State Engineer

by

This application approved

CONDITIONAL PERMIT NO.

(Permit good for one (1) year after date of issuance)

DATE ISSUED

Chairman Ground Water Commission

by

(OVER)

EXHIBIT D - Reclamation Plan
Rule 6.3.4

The purpose of the Reclamation Plan is to describe the timing, procedures, criteria and materials that will be used to reclaim the affected land to the proposed future land use. This plan must be correlated to Exhibit E - Map.

1) Primary future (Post-mining) land use (check one):

- | | | |
|--|---|---|
| <input type="checkbox"/> Cropland (CR) | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA) |
| <input checked="" type="checkbox"/> Rangeland (RL) | <input type="checkbox"/> Forestry (FR) | <input type="checkbox"/> Wildlife Habitat (WL) ** |
| <input type="checkbox"/> Residential (RS) | <input type="checkbox"/> Recreation (RC) | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input type="checkbox"/> Developed Water Resource (WR) | | |

**Note: The Colorado Parks & Wildlife (CPW) must be consulted where wildlife use is the proposed future land use.

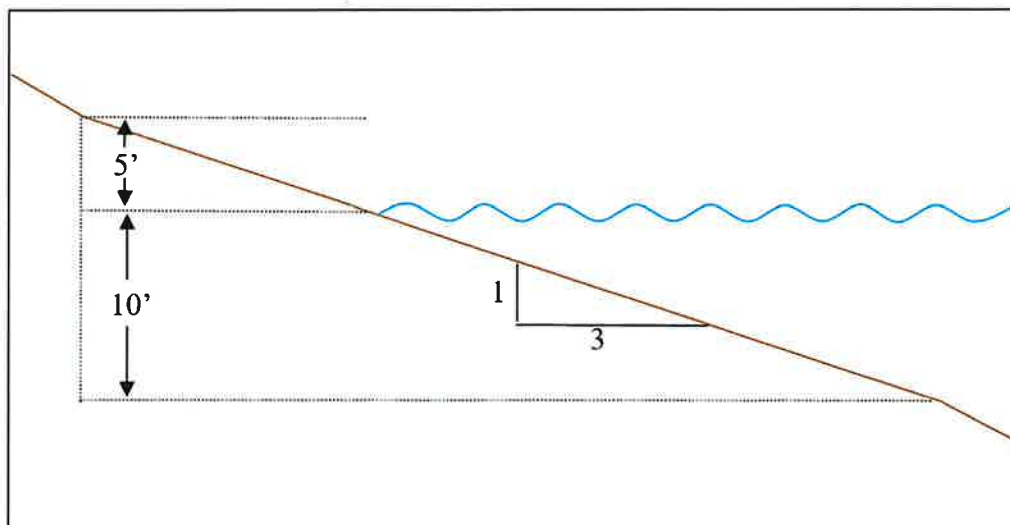
2) Please provide a general description of how the mined area will be reclaimed:

Following mining operations all slopes will be graded to conform to 4:1 or shallower, and made to drain, then topsoil will be re-spread to cover any areas of disturbance. Following topsoil spreading the disturbed areas will be ripped and seeded, including any previous stockpile areas. No overburden material is anticipated but if encountered overburden will be spread evenly across the site prior to topsoil placement. 6.03 Acres will be re-topsoiled and re-seeded.

3) Specify which ponds, streams, roads and buildings, if any, will remain after reclamation. These features must be shown on the Exhibit E- Map:

All existing roads, and structures will remain following reclamation. The temporary fence around the limits of the pit will be removed following full revegetation.

Note: if ponds are a part of the Reclamation Plan, slopes from 5 vertical feet above to 10 vertical feet below the expected average water level cannot be steeper than 3H:1V; remaining slope lengths may not be steeper than 2H:1V (see example sketch below).



- 4) What will the final grade of the reclaimed slopes be (horizontal:vertical): 4 : 1
(Note: If the Applicant proposes slopes steeper than 3H:1V (example 1H:1V, 2H:1V, etc.), please include a justification and a description on how the slope will be stabilized:

- a. Please provide a general description of the backfilling and grading:

When mining is completed we will grade the slopes to a consistent 4:1 condition, making sure that the area drains prior to replacement of the topsoil and seeding.

- 5) Depth of topsoil to be replaced (check one):

☒ 4-6 inches ☐ 6-8 inches
☐ 8-10 inches ☐ 10-12 inches
☐ Other: _____
☐ N/A, explain: _____

- 6) Explain how the seedbed will be prepared to eliminate compacted conditions:

After final grading we will cultivate the seed bed 6 inches deep and then immediately drill seed the entire area.

- 7) Please provide a seed mix recommendation from the local office of the Natural Resources Conservation Service (specify the quantity of each grass and forb species as pounds of pure live seed [PLS] per acre) or pick a seed mix from the following list that best represents the climate zone at the mine; (check one):

- a. ☒ Dryland Quick Establishment

This general seed mixture is a combination of drought tolerant and adaptable grasses, which can establish quickly to control erosion. This mix is ideal for sites with an elevation less than 8,000 feet and is adapted to arid conditions.

Seed Mix	Species	Scientific Name	PLS Application Rate
Grasses	Intermediate Wheatgrass	<i>Thinopyrum intermedium</i>	2.50
	Slender Wheatgrass	<i>Elymus trachycaulus</i> ,	2.00
	Pubescent Wheatgrass	<i>Thinopyrum intermedium</i>	3.00
	Russian Wildrye	<i>Psathyrostachys juncea</i>	3.00
	Western Wheatgrass	<i>Pascoprum smithii</i>	2.00
	Sand Dropseed	<i>Sporobolus cryptandrus</i>	0.25

b. ☐ **Zone 1, Eastern Plains**

Site Description: The elevation of the plains is 6,000 feet or below. The general region is the Front Range, surrounding Denver Metro area and the Eastern Plains. Annual precipitation generally 12-18 inches per year. The average annual high temperature is 69°F with average annual low temperature of 37°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Sideoats Grama	<i>Bouteloua curtipendula</i>	1.80
	Buffalograss	<i>Buchloe dactyloides</i>	6.25
	Western Wheatgrass	<i>Pascoprum smithii</i>	2.76
	Blue Grama	<i>Bouteloua gracilis</i>	0.49
	Green Needlegrass	<i>Stipa viridula</i>	1.44
	Little Bluestem	<i>Schizachyrium scoparium</i>	1.16
Forbs	Upright prairie coneflower	<i>Ratibida columnifera</i>	0.25

c. ☐ **Zone 2, Foothills (Lower Montane)**

Site Description: The elevation of the foothills ranges from 6,000 to 7,500 feet. The general region is the transition zone between the plains and the montane. Annual precipitation ranges from 12 to 18 inches per year. The average annual high temperature is 60°F with average annual low temperature of 29°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Blue Grama	<i>Bouteloua gracilis</i>	0.49
	Needle and thread	<i>Hesperostipa comata</i>	2.30
	Western Wheatgrass	<i>Pascorum smithii</i>	2.76
	Little Bluestem	<i>Schizachyrium scoparium</i>	1.54
	Indian Ricegrass	<i>Oryzopsis hymenoides</i>	1.38
Forbs	Palmer's penstemon	<i>Penstemon palmeri</i>	0.20

d. ☐ **Zone 3, Pinyon-juniper (Sagebrush Steppe, Western Plateau)**

Site Description: The elevation of the foothills ranges from 6,000 to 7,500 feet. The general region is the transition zone between the plains and the montane. Annual precipitation average is around 9 inches per year. The average annual high temperature is 65°F with average annual low temperature of 40°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Indian Ricegrass	<i>Acnatherum hymenoides</i>	1.85
	Western Wheatgrass	<i>Pascopyrum smithii</i>	2.76
	Needle and thread	<i>Hilaria jamesii</i>	3.03
	Galleta	<i>Elymus elymoides</i>	2.19
	Basin wild rye	<i>Leymus cinereus</i>	3.03
Forbs	Scarlett globemallow	<i>Sphaeralcea coccinea</i>	0.25

e. ☐ **Zone 4, Montane**

Site Description: The elevation of the Montane zone ranges from 7,500 to 9,300 feet. The general areas include the mountain resort towns and surrounding areas such as Georgetown, Steamboat Springs, Pagosa Springs, Crested Butte, Etc. Annual precipitation ranges from 18 to 60 inches per year. The average annual high temperature is 54°F with an average annual low temperature of 25°F.

Seed Mix	Common Name	Scientific Name	PLS Application Rate
Grasses	Mountain brome	<i>Bromus carinatus</i>	1.93
	Bluebunch wheatgrass	<i>Psuedoroegneria spicata</i>	3.71
	Idaho fescue	<i>Festuca idahoensis</i>	0.79
	Prairie junegrass	<i>Koeleria macrantha</i>	0.15
	Sandberg bluegrass	<i>Poa secunda</i>	0.37
Forbs	Common yarrow	<i>Achillea millefolium</i>	0.25

f. ☐ Zone 5, Sub-Alpine

Site Description: The elevation of the Sub-Alpine zone ranges from 9,300 to 11,400 feet. The general areas include but are not limited to Lake County, Summit County and areas adjacent to the Continental Divide. Annual precipitation is 40 inches per year and above. Average annual high temperature is 49° with average annual low temperature of 21°F.

Seed	Species	Scientific Name	PLS Application
Grasses	Mountain muhly	<i>Muhlenbergia montana</i>	0.23
	Fringed Bromegrass	<i>Bromus ciliatus</i>	2.00
	Prairie junegrass	<i>Koeleria macrantha</i>	0.15
	Elk sedge	<i>Carex geyeri</i>	2.90
	Idaho fescue	<i>Festuca idahonesis</i>	0.80
Forbs	Silvery Lupine	<i>Lupinus argenteus</i>	0.25

g. ☐ Zone 6, Alpine

Site Description: The elevation of the Alpine zone range is 11,400 feet and above. The general area includes all areas above timberline. Annual precipitation ranges from 20 to 25 inches per year. Average annual high temperature is 52°F and an average annual low temperature of 18°F.

Seed	Species	Scientific Name	PLS Application
Grasses	Tufted hairgrass	<i>Deschampsia cespitosa</i>	0.40
	Alpine bluegrass	<i>Poa alpine</i>	0.40
	Spike trisetum	<i>Trisetum spicatum</i>	0.17
	Alpine timothy	<i>Phleum alpinum</i>	0.35

8) How will the selected seed mixture be seeded (check one):

☒ Drilled ☐ Broadcast**
☐ Other: _____

** - The PLS seeding rates on the seed mixtures provided in Question 7 above and standard drill seeding rates should be doubled if the seed is to be broadcast.

9) State the type, application rate, and soil incorporation methods of fertilizer, if any:

N/A

10) State the species, establishment method (type/size), and number of each shrub and/or tree to be established per acre, if any:

N/A

11) State the type, application rate, and crimping method of mulch, if any:

Apply 2 tons of certified weed free straw per acre, and mechanically crimp into soil.

12) (Optional) Please provide additional information about the Reclamation Plan:

Sediment Control and Hydraulic Protection: The compacted earthen berm will remain in place until topsoil placement is complete then will be spread across the site since it will be constructed of existing topsoil. This will provide erosion and sediment control for the site until it is surface roughened (cultivated) and ready for seeding / mulch.

Reclamation Misc Features: This site will not require any waste rock dumps or ditches.

Estimated Cost of Reclamation: \$20,000

Seeding / Mulching 6.03 acres	\$1,500/ac	\$9,000 Total
Topsoil Spreading/Grading 6.03 acres		\$11,000 Total

Reclamation and top soil re-spread will be performed using a Caterpillar 623 scraper and Caterpillar 140 Motor Grader.

Topsoil: Based off preliminary Soil sampling it is anticipated that there will be adequate topsoil on site to replace 4-6 inches across any disturbed areas.

EXHIBIT E - Maps

Rule 6.3.5

The Operator/Applicant must provide at least two maps which clearly describes the features associated with the Mining Plan and the components of the Reclamation Plan. The Mining Plan Map and the Reclamation Plan Map must satisfy the general map requirements of Rule 6.2.1(2), and illustrate the information specified under Rules 6.3.2(b), 6.3.3, 6.3.4, and 6.3.5. The maps must show the name of the Applicant, signed and dated, an appropriate scale not larger than 1 inch = 50 feet nor smaller than 1 inch = 660 feet, legend, title, and a north arrow. Multiple maps may be used to depict the required information below. It may be helpful to include an aerial photo and label the required information on the aerial photo. The Applicant may choose to use the following two optional templates for the Mining Plan Map and Reclamation Plan Map or attach separate maps.

1) Mining Plan Map Checklist:

- a. ☒ Outline and label the permit boundaries;
- b. ☒ Label the surface and subsurface owner(s) of the permit area;
- c. ☒ Label all surface owners within 200 feet of the permit boundary;
- d. ☒ Show all permanent man-made structures within the permit boundary and within two hundred (200) feet of the permit boundary and label the owners of the structures;
- e. ☒ Outline and label all major surface features to be used in the project (existing and proposed roads, pit boundary, and topsoil, overburden, and product stockpiles);
- f. ☒ Indicate the direction that the construction material extraction will proceed; and
- g. ☒ Show the existing topography (contour lines of sufficient detail are required to portray the direction and rate of slope of the affected land).

2) Reclamation Plan Map Checklist:

- a. ☒ Show the proposed gradient of all reclaimed slopes (horizontal:vertical) sufficient to describe the post mine topography;
- b. ☐ If ponds are a part of the Reclamation Plan, outline the final shore configuration of the ponds and shallow areas if the future land use is for wildlife;
- c. ☐ State the average thickness of replaced overburden;
- d. ☒ State the average thickness of replaced topsoil;
- e. ☒ Depict any features which will remain after mining is completed, if applicable; and
- f. ☒ Outline areas where seeding will occur or different seed mixtures will be used.

**EXHIBIT G - Source of Legal Right to Enter
Rule 6.3.7**

1) Name of owner(s) to the surface of affected land:

Colorado State Board of Land Commissioners - Lease Application Attached.

Approval of lease pending Colorado State Board of Land Commissioners Board meeting on June 13th. For questions or inquiries regarding our Lease application / status please contact

Ben Teschner the Solid Minerals Manager for the Colorado State Board of Land Commissioners at 720-233-2014, benjamin.teschner@state.co.us.

2) Name of owner(s) to the subsurface rights of affected land:

Colorado State Board of Land Commissioners

- 3) Provide a description of the basis for legal right of entry to the site and to conduct mining and reclamation for Owners of Record described in Rule 1.6.2(1)(e)(i). This may be a copy of access lease, deed, abstract of title, or a current tax receipt. A signed statement by the Landowner(s) and acknowledged by a Notary Public stating that the Operator/Applicant has legal right to enter and is also acceptable.**



STATE OF COLORADO STATE BOARD OF LAND COMMISSIONERS

SAND AND GRAVEL LEASE NO. SM-116692

THIS LEASE dated **6/13/2024** (“Effective Date”), is made and entered into by and between the State of Colorado, acting by and through the State Board of Land Commissioners (the “Board”), whose address is 1127 Sherman Street, Suite 300, Denver, CO 80203 and (the “Lessee”), whose address is:

CASTLE ROCK CONSTRUCTION CO, LLC
6374 S. RACINE CIRCLE
CENTENNIAL CO 80111

(each a “Party” and collectively, the “Parties”).

This Lease does hereby grant Lessee the right and privilege of exploring and prospecting for, developing, and mining and taking of Sand and Gravel, as defined in Section 2, from the state-owned mineral lands shown in **Exhibit A** (the “Leased Premises”), subject to the following terms, conditions and agreements:

1. CONSIDERATION AND RENT

For and in consideration of this Lease, Lessee shall pay the Board the following amounts on or before the Effective Date:

- (a) Application Fee. An application fee in the amount of [REDACTED]
- (b) Bonus Payment. A one-time bonus payment of [REDACTED]
- (c) First Year’s Rent. First year’s rent in the amount of [REDACTED]
- (d) Annual Rent. Thereafter, Lessee shall pay to the Board [REDACTED] per acre, or [REDACTED] whichever is greater, annually as rent on or before the Anniversary Date of this Lease for the balance of the Lease Term. The “Anniversary Date” shall mean the date one-year after the Effective Date, and each subsequent year thereafter during the Lease Term, as defined in Section 6.

The Parties acknowledge that the mutual promises and covenants contained in this Lease and other good and valuable consideration are sufficient and adequate to support this Lease.

2. LEASED MINERALS

This Lease grants the Lessee the right to explore for, develop, mine, and/or remove from the Leased Premises only the following minerals (“Sand and Gravel”):

- Sand
- Gravel and crushed stone
- Clay

The Lessee may also remove the following minerals ("Precious Metals") from the Leased Premises to the extent they are produced as byproducts of Sand and Gravel production:

- None

3. ADVANCE MINIMUM ROYALTY (AMR)

As minimum and advance royalty, without relation to the amount of minerals mined from the Leased Premises, Lessee shall pay annually in advance to the Board for the duration of the Primary Lease Term the following amounts:

<u>LEASE YEAR</u>	<u>AMR</u>
ALL	


If Lessee does not extract minerals from the Leased Premises sufficient to return to the Board the minimum amounts above specified, it is nevertheless understood that the above sums of money are due and payable to the Board whether or not minerals are mined, but that such advance minimum royalty shall be credited upon the first royalties due as herein provided for minerals actually produced from the Leased Premises. Provided, however, that on the Anniversary Date five years after the Effective Date and every five years thereafter, for so long as this Lease remains in effect, any balance of advance minimum royalties for which Lessee would be owed a credit based on the preceding sentence shall be forfeited to the Board and Lessee shall not be entitled to any credit for such forfeited balance.

Acreage changes resulting from surrender or partial assignment do not reduce the advance minimum royalty. Further, on the Anniversary Date five years after the Effective Date and every five years thereafter, so long as this Lease remains in effect, the Board may reasonably change the rate or amount of advance minimum royalty to be paid by Lessee. The Board may terminate this Lease if, after thirty days' written notice, Lessee fails to comply with any new advance minimum royalty rate set by the Board.

In case of assignment of this Lease consistent with Section 41, all advance minimum royalty credit to which the Lessee is entitled under this Section 3 shall be carried forward and credited to the new assignee.

4. PRODUCTION ROYALTY

The Board reserves as royalty, and Lessee agrees to pay to the Board for the duration of the Primary Lease Term, as defined in Section 6, on or before the last day of each calendar month for mining during the preceding calendar month the following amounts:

-  per ton (2000 pounds) of Sand and Gravel produced and sold from the Leased Premises, or a sum equal to eight percent (8%) of the Gross Sale Price (as herein defined) at the first point of sale, whichever is greater.

For the purpose of this Lease, the "Gross Sale Price" shall be the average gross sale price per ton of Sand and Gravel and price per ounce of Precious Metals actually mined, removed, sold and shipped from the Leased Premises during any calendar month which shall be an amount equal to the total gross proceeds from all such sales of Sand & Gravel and Precious Metals during such month divided by the total number of tons of such Sand & Gravel or the total number of ounces of such Precious Metals, as appropriate.

The only deduction allowed from the Gross Sale Price shall be for transportation and delivery costs incurred by the Lessee in transporting sold Sand and Gravel from the boundary of the Leased Premises to the point of sale.

When using the price per ton to determine the production royalty for Sand and Gravel no deductions are permitted. The transportation deduction is only permitted for Sand and Gravel. No deductions are permitted for any other minerals.

Further, on the Anniversary Date five years after the Effective Date and every five years thereafter, for so long as this Lease remains in effect, the Board may increase the rate or amount of production royalty to be paid by Lessee by a rate not to exceed the rate of increase of the Economic Royalty Rates for Sand and Gravel in County, as published by the Colorado Department of Local Affairs. At the time of this Lease, this rate was reported annually in the Assessors Reference Library, Volume 3: Real Property Valuation Manual, Addendum 6-A. The Board may terminate this Lease if, after thirty days' written notice, Lessee fails to comply with any new royalty rate set by the Board.

Reporting of production royalty that is credited against advanced minimum royalty as set forth in Section 3 is also due on or before the last day of each calendar month for mining during the preceding calendar month.

5. WEIGHTS

It is agreed that all ores, minerals and other materials mined and taken from the Leased Premises shall be weighed and assayed and the weight and assay thereof shall be entered in due form in weight and assay records kept for such purposes by Lessee.

The term ton shall mean 2000 pounds. Weight in tons shall be determined by Colorado state certified scales or other methods approved by the Board. The term ounce shall mean 31.1035 grams. Weight in ounces shall be determined using Legal for Trade gold scales or other methods approved by the Board.

6. TERM

The initial term of the Lease shall be for 10 years from the Effective Date, expiring on 6/13/2034 (the "Initial Term"). The Initial Term shall be extended for an additional ten (10) years from its expiration (the "Extended Term") as long as Sand and Gravel are being produced in paying quantities from the Leased Premises and the Lessee is not in default of its obligations under this Lease. Paying quantities is defined as production and sales of a quantity sufficient to return to the Board production royalty payments of a minimum of [REDACTED] per year for each of the final three (3) years of the Initial Term. Collectively, the Initial Term and the Extended Term are referred to herein as the Primary Lease Term. Lessee shall not be entitled to any extensions of the Primary Lease Term except as set forth in Section 7.

If necessary, the term of the Lease may be extended in the Board's sole discretion to allow Lessee access to the Leased Premises for the sole purpose of satisfying the reclamation and restoration obligations set forth in Section 26. Such extended term shall be referred to as the "Reclamation Term."

The Primary Lease Term and the Reclamation Term are referred to collectively as the Lease Term.

7. EXTENSION

The Lessee may at any time prior to the expiration of the Primary Lease Term exercise an exclusive right to request an extension of the Primary Lease Term or to enter into a new lease for the Leased Premises, whichever is deemed in the best interest of the Board, by giving the Board at least ninety (90) days' written notice of its intent to enter into such extension or new lease for the Leased Premises. Lessee's right to request an extension of the Primary Lease Term or to enter into a new lease does not guarantee the Lessee a new lease, subject to the terms and conditions contained herein. The terms and conditions of any extension of the Primary Lease Term are subject to the Board's approval. Any such extension of the Primary Lease Term or new lease will be conditioned, at minimum, on Lessee's furnishing to the Board of (1) satisfactory evidence of plans for mining during the term of the extended or new lease, and (2) adequate geological evidence that the acreage subject to the extended or new lease is in fact an integral part of and contains reserves in a logical mining unit. Whether the acreage is or is not a part of a logical mining unit will be determined by the Board.

8. OVERRIDING ROYALTY LIMITATIONS

It is agreed that this Lease or any subsequent assignment hereof shall not be burdened with overriding royalties the aggregate of which exceeds two percent (2%) of the gross value of the minerals or ore at the first point of sale. The Board must be notified of all overriding royalties accruing to this Lease prior to their going into effect.

9. HOLDOVER.

If Lessee remains in possession of the Leased Premises after termination, relinquishment, surrender, or abandonment of this Lease, Lessee shall be liable for rent during such holdover possession. The reasonable rent during holdover possession shall be two (2) times the current rent as set forth in Section 1.d. At the Board's option, Lessee shall be construed to be in possession of the Leased Premises and to be occupying the same so long as the Leased Premises are used in any way to any extent by Lessee or so long as any of Lessee's personal property remains on the Leased Premises. Continued occupancy shall not establish a new or extended Lease term or other right, no matter how long maintained and regardless of the Board's knowledge thereof.

10. LAND ACCESS AND PERMITTED USE

The Lessee has a right to use as much of the surface of the Leased Premises as may be reasonably required for the exploration of and prospecting for, development, and mining of Sand and Gravel, including the right to reasonable ingress and egress and the right to make excavations, stockpiles, and improvements as may be reasonably necessary in the mining and removal of said Sand and Gravel ("Permitted Uses"); subject, however, to all existing easements and rights of way of third parties, including but not necessarily limited to those detailed on **Exhibit B** to this Lease, and the rights of surface lessees and surface owners, and further subject to the terms, conditions and agreements set out in this Lease. The above-mentioned rights may be exercised in connection with mining on other or adjacent lands only when mining on such lands is carried on in conjunction with the actual mining on the Leased Premises.

Lessee may only use the Leased Premises for the Permitted Uses. This Lease does not grant Lessee any right to access adjoining property whether or not the adjacent property is owned by the Board. Lessee may not store any items, materials or equipment on the Leased Premises that are not directly related to Lessee's exploration operations on the Leased Premises.

11. ANCILLARY USE

Lessee may remove approved minerals, and place on the Leased Premises stockpiles of material mined from the Leased Premises and other such equipment as is approved by the Board for this removal and processing. All temporary ancillary uses such as concrete plants, asphalt plants, accessory equipment, offsite aggregate materials and any other uses not specifically mentioned herein will be subject to the approval of the Board and require additional yearly rental payment to be negotiated with the Board, which shall be no less than [REDACTED] annually. Lessee's construction and/or use of haul roads and/or access roads which do not directly benefit the Leased Premises will be subject to the Board's approval, which may be conditioned on such terms and conditions as the Board deems necessary in its sole discretion, including but not limited to requiring Lessee to secure a right of way from the Board and payment of additional consideration.

12. REPORTS AND RECORDS

It is agreed that on or before the last day of each month during the Primary Lease Term, and any extension thereof pursuant to Section 7, Lessee shall submit a sworn, verified, written report to the Board, in which report shall be entered and set down itemized, exact amounts in weight and gross sales values of all minerals mined and removed from said Leased Premises during the preceding calendar month. Lessee shall report these values monthly to the Board, even if the values are zero.

Lessee agrees to keep and to have in its possession complete and accurate books and records showing the production and disposition of any and all substances produced on the Leased Premises and to permit the Board at all reasonable hours to examine the same or to furnish copies of same to the Board within 60 days following receipt of a written request from the Board along with purchaser's supporting documentation. All said books and records shall be retained by Lessee and made available in Colorado to the Board for a period of not less than 10 years after the expiration of the Lease Term. If any such examination shall reveal, or if either Party shall discover any error or inaccuracy in its own or the other Party's statement, payment, calculation, or determination, then proper adjustment or correction thereof shall be made as promptly as practicable thereafter, except that no adjustment or correction shall be made if more than 10 years have elapsed between the time the error or inaccuracy occurred and the discovery by either Party of said error or inaccuracy. The foregoing 10-year limitation shall not apply if such error or inaccuracy is a result of fraudulent behavior by any Party.

Further, Lessee shall furnish annually a complete operations report to the Board disclosing the weight and product quality of any Sand and Gravel, Precious Metals and other materials mined from the Leased Premises during the preceding year. Lessee shall also furnish in said report geologic interpretations and recoverable resource and reserve calculations, and maps and cross sections showing location of any mineral bearing outcrops, drill holes, trenches, ore bodies and other prospecting and exploration activities, along with estimations of resource and reserve value. The records required to be maintained by Lessee and provided to the Board upon request

include logs of all strata penetrated and all geologic and hydrologic conditions encountered, and copies of in-hole surveys; this information to be collected and prepared under the supervision of a qualified geologist, geological engineer or mining engineer. Other qualified persons may collect and prepare this data, if agreed to in writing between Lessee and the Board. Lessee shall submit, if requested by the Board, such additional reports, records or documents regarding Lessee's operation on the Leased Premises as necessary for Lessee's compliance with this Lease.

13. RESERVATIONS

The Board reserves all rights, privileges, and uses of every kind or nature not specifically granted to Lessee by this Lease, including but not limited to, the right to access, lease, sell, exchange or otherwise dispose of all or any portion of the Leased Premises at any time. The Board also reserves the right at any time to grant a right-of-way upon, over or across all or any part of the Leased Premises for any ditch, reservoir, railroad, communication system, electric powerline, or pipeline, schoolhouse or other lawful purpose; but that such grants shall be subject to the rights of Lessee. The Board also reserves the right at any time to place the Leased Premises into the Stewardship Trust as set forth in Section 10(1)(b)(I) of Article IX, of the State Constitution. Said placement into the Stewardship Trust shall be for reasons not inconsistent with the rights and privileges of Lessee.

14. THIRD PARTIES

This Lease is subject to all existing easements and rights-of-way of third parties and the rights of existing surface owners, lessees, and permittees, including but not necessarily limited to those shown in **Exhibit B** (each a "Third Party" and collectively, "Third Parties") attached and incorporated herein by reference. Lessee shall notify Third Parties of Lessee's intention to enter upon the Leased Premises and will, in every way, respect the rights of such Third Parties to the end that the least inconvenience, interference and damage may be caused them by Lessee under this Lease. Prior to surface disturbance, Lessee shall notify Third Parties when they will be on the Leased Premises. Notice must be provided 10 days prior to access.

15. DAMAGES

Lessee shall immediately notify the Board, and any applicable Third Party, in writing, of any damages or claims arising from activities under this Lease. Lessee shall be solely responsible for any damages to real and personal property located on the Leased Premises, including but not limited to livestock, crops, fences, gates, culverts, irrigation systems/structures, wells, stock watering facilities, roads, power lines, buried pipe lines, water lines, etc. Lessee shall settle bona fide damage claims within sixty (60) days after the damage occurs, in an amount approved by the Board, unless otherwise authorized by the Board.

Unless specifically permitted under this Lease, any damage done by Lessee to the Leased Premises, native grass or timber, or state-owned improvements, shall be paid for by Lessee to Board.

16. SURRENDER

Lessee may at any time surrender this Lease by paying to the Board all amounts then due and submitting a written request to surrender; provided, however, that any such surrender will not be effective until Lessee has completed the reclamation of the Leased Premises as set forth in

Section 26. Surrender of this Lease shall not relieve the Lessee from its obligation to submit reports, documents and information required by the Board under this Lease, or by other governmental agencies. The Board's acceptance of a surrender shall not release the Lessee from any liability for known or unknown waste or damage to the Leased Premises, including environmental damage which arose from, or in connection with Lessee's use or occupancy of the Leased Premises and from any other requirements of this Lease that survive termination, relinquishment, surrender, or abandonment of this Lease.

This surrender clause and the option herein reserved to Lessee shall cease and become inoperative immediately and concurrently with the institution of any suit in any court of law by Lessee, the Board or any assignee of either to enforce this Lease, or any of its terms express or implied.

17. ENVIRONMENTAL ANALYSIS

Prior to any surface occupancy on the Leased Premises, Lessee must perform environmental analyses that are required by any local, state or federal agency or regulation, including, but not limited to, the study of the impacts of the mining operation on wildlife, air, water, soil, or other biological resources. The Board may require that Lessee submit any such environmental analysis, including proposed mitigation plans, for review by the Board before any exploration or mining begins.

18. PERMITS

All permits and approvals required in connection with the activities authorized by this Lease must be held by the Lessee and recorded with the appropriate permitting agencies in the same name as that which appears on this Lease.

19. PERFORMANCE BOND

Lessee shall execute a bond (or other sureties as may be approved by the Board) at the time this Lease is executed by the Parties in the amount of [REDACTED]. The bond shall guarantee performance of this Lease by Lessee, which includes, but is not limited to, security for payment for damages caused by Lessee's or Lessee's agent's operations on said lands. The bond shall consist of cash, letter of credit, or other sureties as may be approved by the Board. However, if the bond is other than cash, the bond must be in a form that will guarantee payment in cash to the Board upon receipt by any bank or insurance company of written demand by the Board, without further condition. The Board shall return the bond to the Lessee if and when Lessee has fully complied with the terms of this Lease. The Lessee is aware and understands that certain covenants and agreements relating to surface reclamation may require additional time beyond the Term, and agrees to keep this bond in place until all agreements related to surface reclamation have been satisfied by inspection and approved by State Land Board staff or their designee. Before releasing the Bond, the Board may require Lessee to show proof that its operations have been conducted satisfactorily, including without limitation the completion of all restoration and reclamation as set forth in Section 26, and that any damages or claims have been settled. In the Board's discretion, the Board may draw upon the bond after Lessee has failed to perform its obligations under the Lease beyond the stated cure periods provided in the Lease. This requirement may be waived in favor of the requirements of Division of Reclamation, Mining and Safety.

20. NOTIFICATION OF MINING OPERATIONS

It is understood that the Board may not own or control the surface estate of the Leased Premises, or the Board may have issued a surface use lease to another lessee. The identity of other parties with interests in the Leased Premises as set forth in **Exhibit B** is not necessarily conclusive, and Lessee shall be responsible for identifying such ownership or determining the surface lessee or lessees, and shall notify all such parties in advance of any on-site activity. Notification will be given at least thirty (30) days before any on site activity for untilled or grazing acreage and at least sixty (60) days before any on site activity for tilled farm ground. Lessee shall closely coordinate any on-site activity with the surface owner or lessee and make a reasonable effort to protect the integrity of surface owner's or surface lessee's fences, gates, cattleguards, and other property.

21. RIGHT OF REMOVAL

In the event this Lease is terminated by surrender or the expiration of the Lease Term, and all obligations of Lessee under this Lease are satisfied, all Lessee's improvements, equipment, man-made objects of any type, including stockpiles and dumps, except as these stock piles and dumps may be disposed of pursuant to the reclamation plan, shall be removed from the Leased Premises at Lessee's expense within six (6) months from the date of such termination. Such removal is to be accomplished without unnecessary waste or damage to the Leased Premises and after such removal Lessee shall restore the surface of the Leased Premises to the same condition as immediately prior to the execution of this Lease. All improvements and equipment remaining on the Leased Premises six (6) months after the termination hereof shall be forfeited automatically to the Board without compensation and without necessity of execution of additional documents.

22. CONDEMNATION

If the Leased Premises shall be taken in any condemnation proceeding, this Lease shall automatically terminate as of the date of taking. The award for such condemnation shall be paid to the Board, except for any specific award(s) paid to Lessee for severed minerals reserves, in which event a percent of such specific award(s) equal to the Production Royalty set forth in Section 4 shall be paid to the Board in lieu of the Production Royalty lost by virtue of the condemnation. Improvements shall be removed by Lessee as required by Section 21. If only a portion of the Leased Premises is taken by condemnation, the Board may, at its option, terminate this Lease or terminate only that portion of the Lease so taken.

23. WATER

The Board reserves title to all water, ditch, reservoir, well, spring, seepage or other right, permit, or use of any kind (collectively, "Water Rights") associated or appurtenant to the Leased Premises. In addition, no Water Rights may be initiated, established, appropriated or adjudicated (for use on or off the Leased Premises) by Lessee without the prior written approval of the Board. All applications and documents pertaining to any such Water Rights must be made in the name of the Board, and the Board reserves the right to make or convert any related applications or documents in or to its own name. Any such Water Rights, approved or unapproved, are the sole and absolute property of the Board without cost to the Board.

24. DEVELOPMENT AND OPERATIONS

In addition to all other requirements set forth in this Lease, Lessee shall comply with the following requirements in its development of and operations on the Leased Premises:

- (a) All plans for exploration and mining shall be submitted to the Board for approval by the Board before such operations begin. These plans will include, but not be limited to, location of additional roads, location of access points to the Leased Premises, and location of any cattle guards or gates. Lessee shall provide evidence of consultation with the Colorado Division of Parks and Wildlife regarding, and incorporate provisions for, protection of wildlife on the Leased Premises.
- (b) Lessee will diligently explore and develop the Leased Premises by utilizing methods of exploration commonly used in the industry, such as mapping, sampling, drilling, trenching, geophysical exploration, and laboratory analysis. Indirectly related exploration and development work, such as work done on adjacent properties or design or construction of a mill, will not be considered as diligent development of the Leased Premises unless approved by the Board. Only mining methods that will ensure the extraction of the greatest possible amount of minerals consistent with the laws and prevailing good mining practice shall be used. All work shall be done in a workmanlike and reasonable manner that will protect the public health, safety, and property and prevent unnecessary impacts on the surface and subsurface resources.
- (c) No more of the surface shall be disturbed than is reasonably necessary for the Permitted Uses.
- (d) Lessee shall be responsible for the control and eradication of noxious weed species, as defined by the Board's Noxious Weeds and Invasive Species Policy ("Noxious Weeds") insofar as the presence of such Noxious Weeds is the result of Lessee's actions. Lessee shall cooperate with Third Parties and other future lessees or permittees to control and eradicate Noxious Weeds; including cost sharing in weed control and eradication for up to one (1) year after this Lease is terminated. Said cost sharing will be at the sole discretion of Board. Lessee may survey and document the presence of Noxious Weeds in the exploration area prior to commencing operations and provide such documentation to the Board. The plans required by Section 24(a) shall include provisions for control of Noxious Weeds on all lands disturbed by the Lessee and along all transportation corridors used by the Lessee within the Leased Premises.
- (e) Lessee is to provide drainage and erosion control structures, fences, gates, cattle guards, or any other facilities necessary to protect lands and property impacted by the Permitted Uses.
- (f) Excavations, facilities, and temporary improvements shall be maintained in a safe condition to prevent injury to persons, livestock, and wildlife. Any public hazard caused by operations of Lessee shall be marked or barricaded until restoration and reclamation of the hazard is completed.
- (g) No wood collection or tree cutting is allowed except as expressly permitted by the Board to make way for the Permitted Uses.
- (h) No employee, agent or contractor of the Lessee will be permitted to carry firearms, nor will they be permitted to hunt or fish on the Leased Premises.

(i) There shall be no explosives detonated within one-quarter (1/4) mile of any water well, spring, reservoir, dam, or dwelling, except by special written permission of the Board and any necessary Third Parties.

(j) Protection of freshwater aquifers is vital. Lessee must take the necessary precautions to protect freshwater formations and also agrees to comply with all state and federal laws as well as the rules and regulations of the State Engineer's Office and other state and federal agencies charged with the protection of same.

25. PENALTIES, DEFAULT, AND REMEDIES

(a) Penalties and Interest. The Board may charge penalties as provided in the Board's published fee schedules, as they may be amended from time to time, for, but not limited to, late payments, improper payments, errors on production reports, violation of any covenant of this Lease, or false statements made to the Board. In addition, interest shall accrue on any delinquent annual rental payment, royalty, and other fees, including penalties, due under this Lease from the date the payment becomes due. Interest shall be calculated at the rate of one and one-half percent (1.5%) per month, or any fraction thereof, compounded monthly, until full payment is received by the Board.

(b) Defaults. The occurrences of any one or more of the following events shall constitute a default hereunder by the Lessee:

- i. Failure by the Lessee to timely make any payment as required by this Lease.
- ii. Use or attempted use of the Leased Premises by the Lessee for any purpose other than the Permitted Uses without the written consent of the Board.
- iii. Failure by the Lessee to perform any of the covenants, conditions, or requirements contained herein in a timely manner.
- iv. Lessee's insolvency; Lessee's fraudulent transfer against the Board's interest; appointment of a receiver or trustee for Lessee; or Lessee's abandonment of the Leased Premises.

If the Lessee has not cured the default within thirty (30) days of receipt of written notice, or, if a cure cannot be completed within thirty (30) days, if the Lessee has not begun the cure within thirty (30) days and pursued the cure with diligence, the Board may exercise any of the remedies set forth in Section 25(c) as appropriate or any other remedy available at law. But the Board may intervene immediately, without notice or cure period, if reasonably necessary to preserve public safety or to prevent immediate public crisis or prevent irreparable harm to the Leased Premises. Alternatively, the Board may require the Lessee to act immediately to remedy any default, which the Board deems a threat to safety, life, or property.

(c) Remedies. In any event of default, and in addition to any and all other rights of the Board hereunder or provided by law, the Board may exercise the following remedies at its sole option:

- i. The Board may terminate this Lease and the Lessee's right to possession of the Leased Premises by any lawful means. The Board shall be entitled to recover from Lessee any unpaid amounts due to the Board and any other amount necessary to compensate the Board for the Lessee's failure to perform its obligations under this Lease.

- ii. The Board may seek specific performance of any obligation assumed under this Lease by the Lessee.
- iii. The rights and remedies reserved to the Board, including those not specifically described herein that may be available in law or equity, shall be cumulative and the Board may pursue any or all of such rights or remedies at the same time or separately. Nothing in this Section 25 relieves Lessee of any responsibility to restore the Leased Premises to its original condition as required by this Lease.

26. RECLAMATION

(a) Reclamation Plan. Lessee shall submit all plans for restoration and reclamation of the Leased Premises (the "Reclamation Plan") to the Board for the Board's approval before submitting the appropriate permit or permits pursuant to the Colorado Mined Land Reclamation Act, §§ 34-32-101 et seq., C.R.S. as amended. At minimum, the Reclamation Plan shall require the following:

- i. All drill/auger holes shall be substantially, safely and completely plugged, from bottom to top. All holes shall be capped at all times when not in use. Any other method of plugging exploration holes shall be submitted for Board approval prior to use.
- ii. Reseeding any disturbed soil surface with suitable flora and restoring the terrain and soil surface to as close as reasonably practicable to their original condition as determined by the Board, and restoring the Leased Premises to a condition and forage density reasonably similar to its original condition and forage density, as determined by the Board;
- iii. Completing, as reasonably required, all leveling, terracing, seeding, mulching, and other reasonably necessary steps to prevent soil erosion, to ensure the establishment of suitable grasses and forbs, and to control Noxious Weeds and pests, as approved by Board.
- iv. Removing any personal property in a manner that minimizes injury to the Leased Premises. At the sole discretion of the Board, Lessee shall forfeit ownership of any personal property remaining on the surface of the Leased Premises after sixty (60) days of the expiration or termination of this Lease and shall not be entitled to any portion of the proceeds the Board may realize from the sale of such personal property.
- v. Removing all materials brought into any area, such as paper, cans, wire, explosives boxes and other refuse.

The rules and regulations as set forth by the Division of Reclamation, Mining, and Safety for recovery and restoration of mined land will apply where applicable to the Leased Premises.

(b) Performance of Reclamation. Lessee must restore any disturbed surface, including grading and seeding as necessary in accordance with the approved Reclamation Plan. Any variation from the approved Reclamation Plan is subject to Board review and approval. Lessee's obligation to complete the work specified in the Reclamation Plan survives termination, relinquishment, surrender, or abandonment of this Lease. If the Lessee requires access to the Leased Premises for reclamation work after the termination, relinquishment, surrender, or

abandonment of this Lease, the Lessee must seek specific permission from the Board as set forth in Section 6.

If Lessee fails to satisfy the requirements of this Section 26(b), the Board may do so, in which case Lessee shall reimburse the Board for all reasonable costs of removal and restoration incurred by the Board.

27. DATA

The Board shall be entitled to data obtained from exploration activities on the Leased Premises, including logs of drill/auger holes, geologic maps of surface and excavations, and information about the quantity and quality of minerals encountered. Lessee may request that these data be kept confidential as permitted under state law.

28. HISTORICAL, PREHISTORICAL, AND ARCHAEOLOGICAL RESOURCES

Under no circumstances may any person injure, destroy, disturb, mar, appropriate, collect, remove, alter, or excavate any historical, prehistorical or archaeological site or resource on state lands. Discovery or indication of such a site or resource shall be immediately brought to the attention of the Board and the State Archaeologist. Lessee shall comply with the requirements of §§ 24-80-401 through 411, C.R.S., as same may be amended from time to time.

29. SPECIAL STIPULATIONS

Lessee shall comply with the following Special Stipulations:

(a) Cultural Resources: The Lessee shall commission a qualified person conduct at Class III Cultural Resources Survey for all areas planned for disturbance. The Lessee shall submit the results of the survey to the Board and to History Colorado prior to disturbance. The Lessee must receive written approval from the Board to proceed with disturbance. The Board reserves the right to require additional stipulations to protect cultural resources if any are found.

30. RIGHT OF INSPECTION

The Board reserves the right at all times during the Lease Term to go upon the Leased Premises and every part thereof for the purpose of inspecting said Leased Premises to determine whether or not said Lessee and those holding thereunder by and from it, are carrying out the terms, covenants and agreements of this Lease. It is agreed that during all proper hours and at all times during the Lease Term, the Board or the Board's duly authorized agent, is authorized to check assays and scales as to their accuracy, to go through or on any part or all of the Leased Premises to examine, inspect, survey and take measurements of the same and to take samples of any kind and to examine and make extracts from or copies of all books and weight sheets and records which show in any way the quantities of Sand and Gravel and/or Precious Metals mined or sold, Sand and Gravel and/or Precious Metals values, payments and royalties from and of the Leased Premises. All conveniences necessary for such inspection, survey, or examination shall be furnished to the Board. The Board may require Lessee to provide all instruments and documents of any kind and nature whatever which affect the Board's interests. The Board further reserves the right to monitor the Leased Premises at all reasonable times, utilizing all reasonable means and methods, including but not limited to gate counters, game cameras and Unmanned Aerial

Systems (UAS). The use of UAS will be in accordance with applicable Federal Aviation Administration (FAA) rules and regulations. The Lessee will cooperate and not interfere with all reasonable means and methods of access, inspection, and monitoring including taking actions necessary to comply with FAA rules and regulations.

31. GOVERNMENTAL IMMUNITY

Liability for claims or injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act, § 24-10-101 et seq., C.R.S., and the risk management statutes, § 24-30-1501 et seq., C.R.S., as amended. No term or condition of this Lease will be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Governmental Immunity Act as applicable now or hereafter amended.

32. INDEMNIFICATION

Lessee assumes all liability arising from the use, occupation or control of the Leased Premises by Lessee and Lessee's employees', agents', guests', invitees', contractors' and assigns' under this Lease. This assumption includes, but is not limited to, liability for all personal injuries (including death) and environmental and property damage and destruction. Lessee agrees to indemnify, defend, reimburse and hold harmless the Board from, for, and against any and all liabilities, losses, damages, liens, expenses, claims, demands, debts, obligations, fines, penalties, suits or actions, judgments, and costs of any kind whatsoever arising from this Lease or Lessee's or Lessee's employees', agents', guests', invitees', contractors' or assigns' use, occupation or control of the Leased Premises. Lessee further agrees to indemnify the Board for any costs, including costs of suit and fees for consultants, experts, and attorneys, incurred by the Board in terminating or canceling this Lease or enforcing obligations or defending itself against any matter arising under this Lease caused or permitted by Lessee or Lessee's employees, agents, guests, invitees, contractors or assigns. This provision shall survive termination, surrender, relinquishment, or abandonment of this Lease and any cause of action by the Board to enforce it shall not be deemed to accrue until the Board's actual discovery of said liability, claim, loss, damage, or exposure. This indemnity is in addition to any other indemnity provided for in this Lease. Notwithstanding the foregoing, Lessee will not be responsible for any liability caused by persons granted other uses of the Leased Premises by the Board.

33. INSURANCE

Lessee, at its sole cost and expense, shall during the Lease Term procure, pay for and keep in full force and effect an occurrence based general liability insurance policy from an insurance carrier licensed to do business in Colorado, in an amount not less than [REDACTED]

[REDACTED] Lessee, at its sole cost and expense, shall during the Lease Term procure, pay for and keep in full force and effect a property insurance policy from an insurance carrier licensed to do business in Colorado covering all insurable improvements owned by the Board located on the Leased Premises in an amount not less than necessary to cover the replacement cost of such improvements. All policies shall name the Board as an additional insured; shall provide that the coverage is primary and noncontributory over any other insurance coverage available to the Board, its agents and employees; and shall include a clause waiving all rights of recovery, under subrogation or otherwise, against the Board, its agents and employees. Failure to procure and maintain the required insurance is a default of this Lease. Before starting work under this Lease, Lessee shall,

at the Board's request, furnish a certificate of liability insurance, referencing the lease number and reflecting the above requirements. The Board may alter any requirements of this Section 33 to meet the requirements of the Colorado Governmental Immunity Act or any requirements determined by the Colorado Office of Risk Management.

34. LIENS AND CLAIMS

Lessee shall not suffer or permit to be enforced against the Leased Premises, or any part thereof, or any improvements thereon, any liens or claims for damage arising out of any construction, repair, restoration, replacement or improvement on the Leased Premises, or any other claims or demands howsoever the same may arise. Lessee shall pay or cause to be paid all of said liens, claims, or demands before any action is brought to enforce the same against the Leased Premises or improvements.

Lessee agrees to indemnify, defend, reimburse and hold the Board and the Leased Premises free and harmless from, for, and against all liability for any and all such liens, claims, demands, and actions together with reasonable attorney fees and all costs and expenses in connection therewith, as they arise from or relate to any liens or claims described in this Section 34.

Notwithstanding the foregoing, if Lessee contests the validity of any such lien, then the Lessee shall at its sole expense defend itself and the Board against the same and shall pay and satisfy any adverse expense or cost or adverse judgment that may be rendered thereon before the enforcement thereof against the Board or the Leased Premises, upon the condition that if the Board shall require, Lessee shall furnish a surety bond satisfactory in form and amount to the Board. Said bond shall not be less than one hundred twenty percent (120%) of such contested lien, indemnifying the Board against liability for the same, and holding the Leased Premises free from the effect of such lien.

Lessee shall, upon execution of this Lease and before the commencement of any work on the Leased Premises, at its cost, prepare a notice, pursuant to § 38-22-105, C.R.S., and cause the same to be posted for the purpose of protecting the Board against any liens or encumbrances upon the Leased Premises by reason of work, labor, services or materials contracted for or supplied to Lessee.

35. NO WAIVER

No failure by the Board to exercise, and no delay by the Board in exercising, any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise by the Board of any right or privilege hereunder preclude further exercise of the same right or the exercise of any right hereunder. A waiver by the Board on one or more occasions of any of the provisions hereof shall not be deemed a continuing one. Acceptance of payments by the Board shall not be deemed to effect (a) a ratification, renewal, extension, or amendment of this Lease, or (b) a waiver of any rights granted to the Board, the obligations imposed upon Lessee, express or implied, or the remedies for Lessee's breach, or (c) an estoppel against the Board preventing the Board from enforcing the Board's rights or Lessee's obligations hereunder, express or implied, or from seeking damages for Lessee's breach thereof. No instrument executed by the Board shall be effective to constitute ratification, renewal, extension or amendment of this Lease unless the instrument is clearly titled to indicate its purpose and intent.

36. COMPLIANCE WITH LAWS

Lessee agrees to obtain all necessary permits and approvals relevant to the exploration activities and methods conducted on the Leased Premises and that it shall comply with all applicable federal, state, and local laws, codes, ordinances, and regulations, including but not limited to criminal, land use, fencing, noxious weed, environmental, wetlands protection, hazardous waste, health and safety, and drilling and subsurface exploration. Furthermore, the Lessee shall not use or permit the Leased Premises to be used in violation of any such rule, regulation, or law or for any purpose tending to damage or harm the Leased Premises, facilities, or improvements thereon or adjacent thereto, or the image or attractiveness thereof, or for any improper, offensive, or immoral use or purpose, or in any manner which shall constitute waste, nuisance, or public annoyance. For the avoidance of any doubt, Lessee must procure in its own name all bonds required by regulatory agencies with jurisdiction over the Permitted Uses of the Leased Premises.

37. BOARD POLICIES, DIRECTIVES, AND SCHEDULES

Lessee shall comply with all of the Board's applicable policies, directives and schedules. Such policies, directives and schedules are available online through the Board's official website and also available at any of the Board's offices. Lessee shall stay fully informed of all applicable policies, directives and schedules and the lack of actual notice or knowledge of applicable policies, directives and schedules will not provide a defense for any failure to comply with this Lease. Lessee acknowledges that the Board meets publicly on a monthly basis and at such public meetings may amend or change existing policies, directives and schedules and/or adopt new policies, directives and schedules. Any amendments to existing policies, directives and schedules and any new policies, directives and schedules, will be effective immediately upon adoption by the Board.

38. HAZARDOUS MATERIALS

If the use of any Hazardous Material on or at the Leased Premises for Lessee's operations and activities by Lessee or Lessee's agents, employees, subcontractors, assignees, or successors, results in damage, destruction or contamination of the Leased Premises, Lessee shall indemnify, defend, reimburse and hold the Board harmless from, for, and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the Leased Premises, damages for the loss or restriction on use of the Leased Premises, damages arising from any adverse impact on future leasing of the Leased Premises, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the Lease Term as a result of such contamination. This indemnification of the Board by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises. If the presence of any Hazardous Material on the Leased Premises caused or permitted by Lessee results in any contamination of the Leased Premises, Lessee shall promptly take all actions at Lessee's sole expense as are necessary to return the Leased Premises to the condition existing prior to the introduction of any Hazardous Material to the Leased Premises; provided that the Board's approval of such actions shall first be obtained. The term "Hazardous Material" includes any "hazardous substance", as defined in 42 U.S.C. §9601(14), "hazardous waste" as defined 42 U.S.C. §6903(5), or "petroleum" as defined in 42 U.S.C. §6991(8) and any substance, material or waste, which is now regulated or which may become regulated under any of the aforementioned statutes during the Lease Term by any local governmental authority, the State of Colorado, or the

United States Government. This provision shall survive termination, surrender, relinquishment, or abandonment of this Lease and any cause of action by the Board to enforce it shall not be deemed to accrue until the Board's actual discovery of said liability, claim, loss, damage, or exposure.

39. WAIVER OF COVENANTS REGARDING CONDITION OF LAND

Lessee accepts the Leased Premises in its "as is" condition with all faults, including the environmental condition of the land. The Board makes no representations or warranties, and Lessee affirms that the Board has made no representations or warranties of any kind whatsoever with regard to the condition of the Leased Premises or its fitness or suitability for any particular use. Lessee acknowledges that it is solely responsible for performing its own due diligence and for becoming fully familiar with the condition of the Leased Premises and any applicable restrictions, uses, or other conditions that might affect its development or use for a particular purpose.

40. TAXES

Lessee shall pay all taxes, or payments in lieu of taxes, lawfully assessed for the Leased Premises or improvements thereon.

41. ASSIGNMENT AND SUBLEASING

(a) Board's Review and Approval of Assignment or Sublease. Lessee may not assign or sublease this Lease, in whole or in part, without first securing the Board's written approval, which approval shall be in the Board's sole discretion. No assignment, sublease, or transfer of this Lease pursuant to this Section 41 will be held valid by the Board unless made with its consent in writing, on the assignment or sublease forms prescribed by the Board, and duly entered in the books or records of the Board.

(b) Effect of Approved Assignment or Sublease. If an assignment of a part of this Lease is approved, a new lease designated as an assignment lease will be issued to the assignee covering the lands assigned for the balance of the Primary Lease Term of the Lease on the mining lease form in use at the time of assignment and limited as to term as said Lease is limited. The assignor will be released and discharged from all further obligations for such lands assigned, as if the same had never been a part of this Lease. If a sublease of all or part of this Lease is approved, the effect, if any, of any such sublease will be strictly and only as between the parties thereto and outside the terms of this Lease. No dispute between parties to any sublease shall operate to relieve Lessee from performance of any terms or conditions hereof or to postpone the time therefor. The Board will at all times be entitled to look solely to Lessee as being sole lessee hereof, for the sending of all notices required by this Lease, and for the performance of all terms and conditions hereof.

(c) Consideration for Assignment. The consideration for approval of assignment by the Board shall be 10% of the value of any consideration tendered to assignor by assignee for the assignment. Divulgence of the value of these considerations shall be mandatory, in affidavit form, which form shall be presented to the Board along with the other assignment instruments in order to obtain the Board's approval for the assignment. An assignment does not constitute a new lease but is a continuation of the Lease. Any attempt to withhold this information shall be construed as an attempt to defraud the State of Colorado and shall render this Lease null, void and nonexistent, and all moneys paid to the Board shall be forfeited to the Board. In addition, the current statutory fees will be paid at the time the assignment record form is submitted.

(d) Assignee's Compliance with Lease. Before the approval of any assignment, the proposed assignee must be in compliance with all requirements imposed by this Lease, including, but not limited to, the bonding requirements imposed by Section 36.

42. HEIRS AND SUCCESSORS IN INTEREST

The benefits, terms, and obligations of this Lease shall extend to and be binding upon the heirs, executors, administrators, successors, or assigns of the respective Parties hereto.

43. MISCELLANEOUS

(a) Notice. Any notice, demand, request, designation, consent, approval or other document or instrument required under the provisions of this Lease, either to a Party or to a third-party, shall be in writing, shall be deemed to have been duly served on the day of receipt or rejection and shall be sent by registered or certified United States mail, postage prepaid, return receipt requested, or by a nationally recognized overnight courier service that provides written evidence of delivery, as addressed to the Parties hereto. The Parties may change the place for serving such papers on it or provide for the delivery of not more than 2 additional copies, by giving the other Party at least 30 days' prior written notice to such effect. Notices to Parties shall be sent to:

Lessee:
CASTLE ROCK CONSTRUCTION CO, LLC
6374 S. RACINE CIRCLE
CENTENNIAL CO 80111

State Land Board:
Colorado State Board of Land Commissioners
Solid Minerals Manager
1127 Sherman Street Suite 300
Denver Colorado 80203

(b) Survival of Terms, Conditions, Restrictions, Reservations, and Covenants. Any term, condition, restriction, reservation or covenant that gives rise to any rights or claims of the Board against Lessee shall be deemed to survive the termination, relinquishment, surrender or abandonment of this Lease until all claims and issues have been settled or resolved. Upon termination, relinquishment, surrender, or abandonment of this Lease for any reason, provided the Board does not expressly take-over or assume any of Lessee's obligations hereunder, the Board shall not be liable or responsible for compliance with any laws, rules, regulations, orders, local ordinances or resolutions applicable to this Lease.

(c) Counterparts. This Lease may be executed in any number of multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

(d) Signatures. Signatures required in this Lease shall be either original "wet" handwritten signatures or digital signatures in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules. If any signatory signs this Lease using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Lease by reference.

(e) Severability. If for any reason any provision of this Lease or the application thereof to any person or circumstances, shall to any extent, be deemed invalid or unenforceable, the remainder of this Lease shall not necessarily be affected thereby and each provision of the Lease shall be valid and enforceable to the fullest extent permitted by law, provided that the Parties can continue to perform their obligations under this Lease in accordance with its intent.

(f) Captions and Headings. The captions and headings in this Lease are for convenience of reference only, and must not be used to interpret, define, or limit its provisions.

(g) Construction Against the Drafter. The Parties have both participated in the drafting of this Lease. Accordingly, in the event of an ambiguity in this Lease the rule of construction that ambiguities will be construed against the drafter does not apply and the Parties will be treated as equals and no Party will be treated with favor or disfavor.

(h) Entire Agreement. This Lease and all documents incorporated herein by reference represent the entire agreement between the Parties hereto. Prior or contemporaneous additions, deletions, or other changes to this Lease will not have any force or effect whatsoever, unless written in this Lease. No oral agreement or implied covenant shall be held to vary the provisions hereof. This Lease shall not be amended or ratified except by written document executed by the Parties, except as set forth in Section 37.

(i) Lessee's Authority. If the Lessee is an entity other than an individual, each individual executing this Lease on behalf of said entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity and that this Lease is binding upon said entity in accordance with its terms. Each person or entity signing the Lease on behalf of the Board has the full and unrestricted authority to execute and deliver this Lease and to grant the easements and rights granted herein.

(j) Governing Law, Jurisdiction, and Venue. This Lease shall be governed by and construed in accordance with the laws of the State of Colorado. The exclusive jurisdiction for all suits, actions, or proceedings related to this Lease will be in the state courts of the State of Colorado and the exclusive venue shall be in the City and County of Denver.

(k) No Third-Party Beneficiary. Nothing in this Lease is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Lease, including other tenants, lessees or permittees of the Board or surface owners if any portion of the surface estate is not owned by the Board.

(l) No Partnership. Nothing in this Lease shall cause the Board in any way to be construed as a partner, a joint venturer or associated in any way with the Lessee in the operation of the Leased Premises, or subject the Board to any obligation, loss, charge, or expense connected with or arising from the operation or use of the Leased Premises or any part thereof.

(m) Colorado Open Records Act ("CORA"). To the extent not prohibited by federal law, this Lease and the performance measures if any, are subject to release through CORA, § 24-72-200.1 et seq., C.R.S..


(n) Board Approval. Unless expressly provided otherwise, whenever approval by the Board is required or contemplated by Lessee, approval must be in writing and shall be optional and shall be within the sole and absolute discretion of the Board.

(o) Other State Agencies. The Board may determine that instruments and documents required by other state agencies satisfy certain requirements of this Lease. In the event that Lessee is required to file instruments and documents with other state agencies, including the Division of Reclamation, Mining, and Safety, Lessee shall notify the Board of said filing and the Board reserves the right to request and obtain copies of such instruments and documents from the agency or from Lessee.

(p) Order of Precedence. The provisions of this Lease shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Lease and its exhibits and attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. The special stipulations set forth in Section 29,
- ii. The provisions of the main body of this Lease,
- iii. The exhibits to this Lease.

The terms and covenants of this Lease are accepted by the undersigned Lessee.

By:	<div>DocuSigned by:  B783D2EF1C124CB...</div>	6/19/2024
	_____ Signature	_____ Date
	Amy Brooks	COO
	_____ Printed Name	_____ Title

STATE OF COLORADO BY THE
STATE BOARD OF LAND COMMISSIONERS


By:	<div>DocuSigned by:  09BC6A51D79D48B...</div>
	_____ Benjamin Teschner, Solid Minerals Manager
Date:	6/19/2024 _____

EXHIBIT A

SUBDIVISION	SEC.	TWP.	RGE.	COUNTY
ALL	16	9N	50W	Logan

Containing **640** acres, more or less
(referred in the Lease as “Leased Premises”).

Map of Leased Premises (Orange):



EXHIBIT B
EXISTING 3RD PARTY LEASES, PERMITS, EASEMENTS & RIGHTS OF WAY
 (Section 16 of 9N 50W as of 6/13/24)

Lease Number	Lessee	Description	Acres	Expires
AG-111470	RODNEY BLOUGH	Agricultural Grazing	640	3/15/28
ROW-104310	HIGHLINE ELECTRIC ASSN	Power Right of Way	14.49	--

EXHIBIT H - Municipalities Within a Two Mile Radius
Rule 6.3.8

- 1) Please list all municipalities (mailing address and telephone of the governing body) located within a two mile radius of the mine:**

Municipality: _____
Address: _____
Telephone: _____

Municipality: _____
Address: _____
Telephone: _____

NOTICE OF FILING APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT
FOR SPECIAL 111 OPERATION


NOTICE TO THE BOARD OF SUPERVISORS
OF THE LOCAL CONSERVATION DISTRICT
Centennial Conservation DISTRICT

Castle Rock Construction Company, LLC (the "Applicant/Operator") has applied for a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct the extraction of construction materials in Logan Co County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk or recorder.

The Applicant/Operator proposes to reclaim the affected land to Range land use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Conservation Districts before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a copy of the application form to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the changes.


7/3/24

NOTICE OF FILING CHANGE TO A
SPECIAL 111 OPERATION APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS
Logan Co COUNTY

Castle Rock Construction Company, LLC (the "Applicant/Operator") has applied for a change to a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct the extraction of construction materials in Logan Co County. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk or recorder.

The attached information is being provided to notify you there has been a change proposed in the application filed previously. Notice of the original application should have been sent to you earlier by the applicant/operator on a "Notice of Filing Application" form.

If you have any questions regarding this application, please feel free to contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a complete and accurate copy of the change to a previously filed application with the copy placed with the county clerk or recorder.



NOTICE OF FILING APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT
FOR SPECIAL 111 OPERATION

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS
Logan Co COUNTY

Castle Rock Construction Company, LLC (the "Applicant/Operator") has applied for a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct the extraction of construction materials in Logan Co County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk or recorder.

The Applicant/Operator proposes to reclaim the affected land to Range land use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Board of County Commissioners before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a copy of the application form to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the changes.

2-3-24
James Brown

2699 E4TE 1000 05ET 4002

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:

1. Logan County Road 67
2. _____
3. _____
4. _____
5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Castle Rock Construction Company of Colorado, LLC (print applicant/company name),
by Amy Brooks (print representative's name), as COO (print
representative's title), does hereby certify that Logan County (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 Proctor Pit, File No. M-2024-027 (operation name),
File Number M-____-____.

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 Castle Rock Construction Company of Colorado, LLC Representative Name Amy Brooks

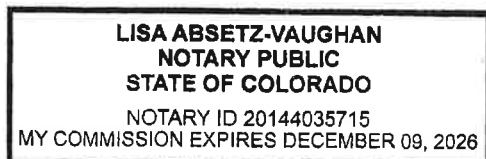
Date July 1st, 2024 Title COO

STATE OF Colorado)

COUNTY OF Avapahoe) SS.

The foregoing was acknowledged before me this 1st day of July, 2024, by
Amy Brooks as COO of Castle Rock Construction Company of Colorado, LLC

Lisa Alsty-Vaughan My Commission Expires: December 9, 2026
Notary Public



NOTARY FOR STRUCTURE OWNER

ACKNOWLEDGED BY:

Structure Owner Logan County Name Jeff Reeves

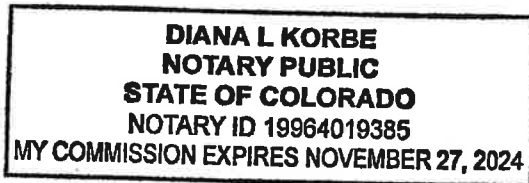
Date 6/25/24 Title LCRB May

STATE OF Colorado)
) ss.

COUNTY OF Logan)

The foregoing was acknowledged before me this 25th day of June, 2024, by
Jeff Reeves as _____ of Logan County.

Diana L Korbe My Commission Expires: 11/27/24
Notary Public



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:

- 1. Barbed Wire Fence Along County Road 67
- 2.
- 3.
- 4.
- 5.

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Castle Rock Construction Company of Colorado, LLC (print applicant/company name),
by Amy Brooks (print representative's name), as COO (print
representative's title), does hereby certify that Rodney H Blough (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 Proctor Pit, File No. M-2024-027 (operation name),
File Number M- - .

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 Castle Rock Construction Company of Colorado, LLC Representative Name Amy Brooks

Date 7/9/2024 Title COO

STATE OF Colorado)

COUNTY OF Arapahoe) ss.

The foregoing was acknowledged before me this 9th day of July, 2024, by
Amy Brooks as COO of Castle Rock Construction Company of Colorado, LLC.

Lisa Alstz-Vaughn My Commission Expires: December 9, 2026
Notary Public

LISA ABSETZ-VAUGHAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144035715
MY COMMISSION EXPIRES DECEMBER 09, 2026

NOTARY FOR STRUCTURE OWNER

ACKNOWLEDGED BY:

Structure Owner Rodney Blough Name RODNEY BLOUGH

Date 7-3-2024 Title OWNER

STATE OF Colorado)
) ss.

COUNTY OF Logan)

The foregoing was acknowledged before me this 3rd day of July, 2024, by
Rodney Blough as owner of Structure.

Kelly Marie Crawford My Commission Expires: 2/13/28
Notary Public

