



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

Documentation of Legal Authority to Execute Financial Warranty Documents

The Colorado Mined Land Reclamation Board ("Board") has adopted the attached Affidavit of Authority to Execute Financial Warranty Documents pursuant to the Mined Land Reclamation Act (C.R.S. § 34-32-101 et. seq.) and the Land Reclamation Act for the Extraction of Construction Materials (C.R.S. § 34-32.5-101 et. seq.). The Board and the Division of Reclamation Mining and Safety ("Division") have determined that, in order to carry out the financial warranty requirements set forth in C.R.S. §§ 34-32-117 and 34-32.5-117 with reasonable diligence, it is prudent to verify the legal authority of the individual signing all necessary documents.

Accordingly, you must provide confirmation of the legal authority of the individual signing all Financial Warranty Documents to the Division. You may do so either by submitting a resolution of the decision-making body of your company that authorizes an individual to sign the Financial Warranty Documents on the company's behalf, or by completing and notarizing the attached affidavit. The Division reserves the right to require the attached affidavit in all circumstances. Please note that if you are a sole proprietor who is executing documents on your own behalf, documentation of legal authority is unnecessary.



Affidavit of Authority to Execute Financial Warranty Documents

Before me this day, the undersigned Ron Peterson [name of authorized person], in his/her capacity as member [title of authorized person] ("Affiant"), personally appeared and, being first duly sworn upon oath said:

1. This affidavit is being executed and submitted on behalf of Premium Pellets LLC [name of business organization], a(n) limited liability company [legal form of business organization, e.g., corporation, partnership, limited liability company, etc.], in good standing in the State of Colorado (the "Company").
2. It is in the interest of the Company to execute certain financial warranty documents associated with file number M-2024-038 (DRMS file number), which are required by the Colorado Mined Land Reclamation Board and Division of Reclamation Mining and Safety pursuant to Colorado law ("Financial Warranty Documents").
3. Affiant is duly authorized to sign such Financial Warranty Documents on behalf of the Company and to bind the Company to the same.
4. Affiant is not prohibited or limited by the Company's governing documents or by any applicable law from executing the Financial Warranty Documents.
5. Affiant will inform the Division of Reclamation Mining and Safety within thirty (30) days in the event that his/her authorization to execute Financial Warranty Documents on the Company's behalf is terminated.

Further, Affiant sayeth not.

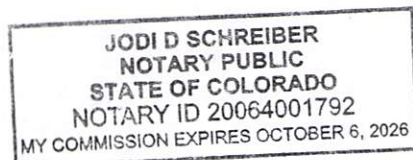
Ron Peterson
Affiant's Name

Ron Peterson
Signature

STATE OF Colorado)
) ss.:
COUNTY OF Prowers)

The foregoing instrument was acknowledged before me this 17th day of July, 2024,
by Ron Peterson as Member of Premium Pellets LLC.

Notary Public Jodi D. Schreiber
My Commission Expires 10/6/2026



Premium Pellets, LLC

PO BOX 732 32625 CR 3.75
LAMAR, COLORADO 81052
719.688.3668 Ron@RockTran.com

To Whom It May Concern,

I am writing to authorize Jodi Schreiber of PFM Consulting LLC to act as our representative in matters concerning permitting for Premium Pellets LLC. Ms. Schreiber is hereby granted authority to submit permitting documents and serve as the permitting contact on behalf of our organization.

Please direct all correspondence and communications regarding permitting matters to Ms. Schreiber at PFM Consulting LLC. Should you require any further verification or information, please do not hesitate to contact me directly at 719-688-3668.

Thank you for your attention to this matter.

Sincerely,



Ronald Peterson
Owner
Premium Pellets LLC

6. **Name of owner of subsurface rights of affected land:** McClave Ranch Inc.
If 2 or more owners, "refer to Exhibit O".

7. **Name of owner of surface of affected land:** McClave Ranch Inc.

8. **Type of mining operation:** ☒ Surface ☐ Underground

9. **Location Information:** The center of the area where the majority of mining will occur:

COUNTY: Bent

PRINCIPAL MERIDIAN (check one): ☒ 6th (Colorado) ☐ 10th (New Mexico) ☐ Ute

SECTION (write number): S 35

TOWNSHIP (write number and check direction): T 22 ☐ North ☒ South

RANGE (write number and check direction): R 49 ☐ East ☒ West

QUARTER SECTION (check one): ☐ NE ☐ NW ☒ SE ☐ SW

QUARTER/QUARTER SECTION (check one): ☐ NE ☐ NW ☐ SE ☒ SW

GENERAL DESCRIPTION: (the number of miles and direction from the nearest town and the approximate elevation): _____

The mine is approximately 3.74 miles east of Hasty Colorado on County Road JJ. It is approximately 3898 feet in elevation.

10. **Primary Mine Entrance Location** (report in either Latitude/Longitude **OR** UTM):

Latitude/Longitude:

Example: (N) 39° 44' 12.98"
(W) 104° 59' 3.87"

Latitude (N): deg _____ min _____ sec _____ (2 decimal places)

Longitude (W): deg _____ min _____ sec _____ (2 decimal places)

OR

Example: (N) 39.73691°
(W) -104.98449°

Latitude (N) 38 0994771 (5 decimal places)

Longitude (W) -102 887744 (5 decimal places)

OR

Universal Transverse Mercator (UTM)

Example: 201336.3 E NAD27 Zone 13
4398351.2 N

UTM Datum (specify NAD27, NAD83 or WGS 84) Nad 83 Zone 13

Easting _____

Northing _____

11. Correspondence Information:

APPLICANT/OPERATOR (name, address, and phone of name to be used on permit)

Contact's Name: Ron Peterson Title: _____
Company Name: Premium Pellets, LLC
Street/P.O. Box: 82625 County Road 3.75 P.O. Box: _____
City: Lamar
State: Colorado Zip Code: 81052
Telephone Number: (719) - 688-3668
Fax Number: () -

PERMITTING CONTACT (if different from applicant/operator above)

Contact's Name: Jodi Schreiber Title: Owner
Company Name: PFM Consulting LLC
Street/P.O. Box: 1774 N. Cougar Drive P.O. Box: _____
City: Pueblo West
State: CO Zip Code: 81007
Telephone Number: (719) - 529-0916
Fax Number: (719) - 766-8339

INSPECTION CONTACT

Contact's Name: Ron Peterson Title: _____
Company Name: Premium Pellets, LLC
Street/P.O. Box: 82625 County Road 3.75 P.O. Box: _____
City: Lamar
State: Colorado Zip Code: 81052
Telephone Number: (719) - 688-3668
Fax Number: () -

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: () -

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: () -

12. **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 Resources(WR) | | <input type="checkbox"/> Solid Waste Disposal(WD) |

13. **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 Resources(WR) | | |

14. **Method of Mining:** Briefly explain mining method (e.g. truck/shovel): _____
Material will be extracted using front end loaders.

15. **On Site Processing:** ☒ Crushing/Screening

13.1 Briefly explain mining method (e.g. truck/shovel): _____
Excavation will be performed by front end loaders which will remove and haul the raw resource to a processing plant and will deposit the material in a surge pile. A front end loader will deposit the material from the surge pile into the crushing and screening plant.

List any designated chemicals or acid-producing materials to be used or stored within permit area: _____
No designated chemicals or acid-producing materials will be used or stored within the permit area.

16. **Description of Amendment or Conversion:**

If you are amending or converting an existing operation, provide a brief narrative describing the proposed change(s).

This is a new permit application for a location east of Hasty, Colorado.

Maps and Exhibits:

Two (2) complete, unbound application packages must be submitted. One complete application package consists of a signed application form and the set of maps and exhibits referenced below as Exhibits A-S, Addendum 1, and the Geotechnical Stability Exhibit. Each exhibit within the application must be presented as a separate section. Begin each exhibit on a new page. Pages should be numbered consecutively for ease of reference. If separate documents are used as appendices, please reference these by name in the exhibit.

With each of the two (2) signed application forms, you must submit a corresponding set of the maps and exhibits as described in the following references to Rule 6.4, 6.5, and 1.6.2(1)(b):

EXHIBIT A	Legal Description
EXHIBIT B	Index Map
EXHIBIT C	Pre-Mining and Mining Plan Map(s) of Affected Lands
EXHIBIT D	Mining Plan
EXHIBIT E	Reclamation Plan
EXHIBIT F	Reclamation Plan Map
EXHIBIT G	Water Information
EXHIBIT H	Wildlife Information
EXHIBIT I	Soils Information
EXHIBIT J	Vegetation Information
EXHIBIT K	Climate Information
EXHIBIT L	Reclamation Costs
EXHIBIT M	Other Permits and Licenses
EXHIBIT N	Source of Legal Right-To-Enter
EXHIBIT O	Owners of Record of Affected Land (Surface Area) and Owners of Substance to be Mined
EXHIBIT P	Municipalities Within Two Miles
EXHIBIT Q	Proof of Mailing of Notices to County Commissioners and Conservation District
EXHIBIT R	Proof of Filing with County Clerk or Recorder
EXHIBIT S	Permanent Man-Made Structures
Rule 1.6.2(1)(b)	ADDENDUM 1 - Notice Requirements (sample enclosed)
Rule 6.5	Geotechnical Stability Exhibit (any required sections)

The instructions for preparing Exhibits A-S, Addendum 1, and Geotechnical Stability Exhibit are specified under Rule 6.4 and 6.5 and Rule 1.6.2(1)(b) of the Rules and Regulations. If you have any questions on preparing the Exhibits or content of the information required, or would like to schedule a pre-application meeting you may contact the Office at 303-866-3567.

Responsibilities as a Permittee:

Upon application approval and permit issuance, this application becomes a legally binding document. Therefore, there are a number of important requirements which you, as a permittee, should fully understand. These requirements are listed below. Please read and initial each requirement, in the space provided, to acknowledge that you understand your obligations. If you do not understand these obligations then please contact this Office for a full explanation.

RP

1. Your obligation to reclaim the site is not limited to the amount of the financial warranty. You assume legal liability for all reasonable expenses which the Board or the Office may incur to reclaim the affected lands associated with your mining operation in the event your permit is revoked and financial warranty is forfeited;

RP 2. The Board may suspend or revoke this permit, or assess a civil penalty, upon a finding that the permittee violated the terms or conditions of this permit, the Act, the Mineral Rules and Regulations, or that information contained in the application or your permit misrepresent important material facts;

RP 3. If your mining and reclamation operations affect areas beyond the boundaries of an approved permit boundary, substantial civil penalties, to you as permittee can result;

RP 4. Any modification to the approved mining and reclamation plan from those described in your approved application requires you to submit a permit modification and obtain approval from the Board or Office;

RP 5. It is your responsibility to notify the Office of any changes in your address or phone number;

RP 6. Upon permit issuance and prior to beginning on-site mining activity, you must post a sign at the entrance of the mine site, which shall be clearly visible from the access road, with the following information (Rule 3.1.12):

- a. the name of the operator;
- b. a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and,
- c. the permit number.

RP 7. The boundaries of the permit boundary area must be marked by monuments or other markers that are clearly visible and adequate to delineate such boundaries prior to site disturbance.

RP 8. It is a provision of this permit that the operations will be conducted in accordance with the terms and conditions listed in your application, as well as with the provisions of the Act and the Construction Material Rules and Regulations in effect at the time the permit is issued.

RP 9. Annually, on the anniversary date of permit issuance, you must submit an annual fee as specified by Statute, and an annual report which includes a map describing the acreage affected and the acreage reclaimed to date (if there are changes from the previous year), any monitoring required by the Reclamation Plan to be submitted annually on the anniversary date of the permit approval. Annual fees are for the previous year a permit is held. For example, a permit with the anniversary date of July 1, 1995, the annual fee is for the period of July 1, 1994 through June 30, 1995. Failure to submit your annual fee and report by the permit anniversary date may result in a civil penalty, revocation of your permit, and forfeiture of your financial warranty. It is your responsibility, as the permittee, to continue to pay your annual fee to the Office until the Board releases you from your total reclamation responsibility.

NA 10. For joint venture/partnership operators: the signing representative is authorized to sign this document and a power of attorney (provided by the partner(s)) authorizing the signature of the representative is attached to this application.

Certification:

As an authorized representative of the applicant, I hereby certify that the operation described has met the minimum requirements of the following terms and conditions:

1. To the best of my knowledge, all significant, valuable and permanent man-made structure(s) in existence at the time this application is filed, and located within 200 feet of the proposed affected area have been identified in this application (Section 34-32.5-115(4)(e), C.R.S.).
2. No mining operation will be located on lands where such operations are prohibited by law (Section 34-32.5-115(4)(f), C.R.S.);
3. As the applicant/operator, I do not have any extraction/exploration operations in the State of Colorado currently in violation of the provisions of the Colorado Land Reclamation Act for the Extraction of Construction Materials (Section 34-32.5-120, C.R.S.) as determined through a Board finding.
4. I understand that statements in the application are being made under penalty of perjury and that false statements made herein are punishable as a Class 1 misdemeanor pursuant to Section 18-8-503, C.R.S.

This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32.5-112, C.R.S., of the Colorado Land Reclamation Act for the Extraction of Construction Materials. Any alteration or modification of this form shall result in voiding any permit issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a permit pursuant to section 34-32.5-123, C.R.S.

Signed and dated this 17th day of July, 2024.

Premium Pellets LLC
Applicant/Operator or Company Name

If Corporation Attest (Seal)

Signed: [Signature]

Signed: None

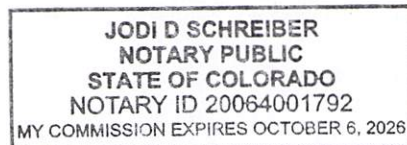
Title: member

Corporate Secretary or Equivalent

Town/City/County Clerk

State of Colorado)
County of Prowers) ss.

The foregoing instrument was acknowledged before me this 17th day of July, 2024 by Ron Peterson as member of Premium Pellets LLC



[Signature]
Notary Public

My Commission expires: 10/6/2026

SIGNATURES MUST BE IN BLUE INK

You must post sufficient Notices at the location of the proposed mine site to clearly identify the site as the location of a

Book 325, Page 556
Filed for record the 26 day of October 71 at 8:30 A. M.
Reception No. 224294 C. Emma Earl
RECORDED

Know all Men by these Presents, That I, George S. McClave

of the County of Bent and State of Colorado, for the consideration
of other good and valuable consideration and Ten Dollars.

in hand paid, hereby sell and quit-claim to McCCLAVE RANCH, INC.

of the County of Bent and the State of Colorado, the following
real property, situate in the County of Bent and State of Colorado, to-wit:

North Half (N $\frac{1}{2}$) and North Half of Southeast Quarter (N $\frac{1}{2}$ SE $\frac{1}{4}$), and
Lots 2, 3 and 4, of Section 35, Township 22 South, Range 49 West
of the Sixth Principal Meridian,

State Documentary Fee
Date 001 23 1971
\$500.00

with all its appurtenances.

Signed and delivered this 15th day of May, A. D. 1969.

In the Presence of

George S. McClave

STATE OF COLORADO,
County of PROWERS

The foregoing instrument was acknowledged before me this 15th day of May, 1969, by George S. McClave.

Witness my hand and official seal.
My commission expires February 21, 1972.

*If acting in representative or official capacity, insert name and capacity.

Notary Public

6.4.19 Exhibit S

Permanent Man-made Structures

Bent County Road JJ and a Southeast Colorado Power Association power line are within 200 feet of the site. Structure agreements for both are enclosed for review.

CERTIFICATION

The Applicant, Premium Pellets, LLC (print applicant/company name),
by Ron Peterson (print representative's name), as Member (print
representative's title), does hereby certify that Bent 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 McClave Ranch Pit (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 Premium Pellets LLC Representative Name [Signature]
Date 7-17-2024 Title member

STATE OF Colorado)
COUNTY OF Prowers) ss.

The foregoing was acknowledged before me this 17th day of July, 2024, by
Ron Peterson as Member of Premium Pellets LLC.

[Signature] My Commission Expires: 10/6/2026
Notary Public

JODI D SCHREIBER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064001792
MY COMMISSION EXPIRES OCTOBER 6, 2026

CERTIFICATION

The Applicant, Premium Pellets, LLC (print applicant/company name),
by Ron Peterson (print representative's name), as Member (print
representative's title), does hereby certify that Southeast Colorado Power Association (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 McClave Ranch Pit (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

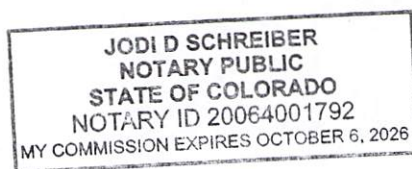
ACKNOWLEDGED BY:

Applicant Premium Pellets LLC Representative Name Ron Peterson
Date 7-17-2024 Title member

STATE OF Colorado)
COUNTY OF Prowers) ss.

The foregoing was acknowledged before me this 17th day of July, 2024, by Ron Peterson as Member of Premium Pellets LLC

My Commission Expires: 10/4/2024



From: Rock Tran, LLC rocktranllc@gmail.com
Subject: Signature page
Date: Jul 16, 2024 at 11:42:02 AM
To: jmcclave64@yahoo.com

The state is requiring that we have the signature page notarized. I have attached a page, if you will please take care of it on your end and I will get it done on my end.

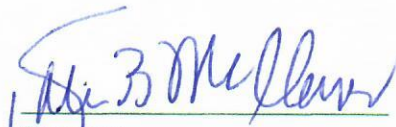
Thank you

dispute shall be entitled to reimbursement of reasonable attorney fees and costs, in addition to any damages found to be due.

IN WITNESS WHEREOF. The parties have executed this agreement to be effective July 18th, 2024.


McClave Ranch, INC

Premium Pellets, LLC


Signature

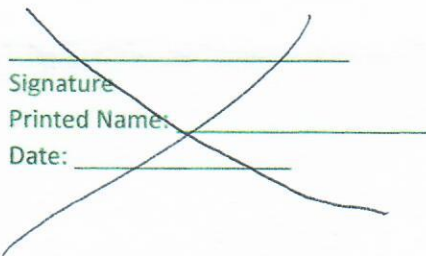
Printed Name: JOHN B. MCCLAVE

Date: July 18, 2024


Signature

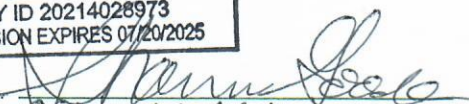
Printed Name: Ron Peterson

Date: 7-23-2024


Signature
Printed Name
Date

On this 18th day of July, 2024,
Before me, the undersigned
notary public, personally
appeared John B. McClave




Colorado Notary

On this 23rd day of July, 2024,
Before me, the undersigned
notary public, personally
appeared Ron Peterson



