

5. The declared amount for Well 8B-1-W11 is 87.10 acre-feet per annum for “dust abatement, road base, lab testing, commercial and domestic purposes for mining purposes, concrete batch plant.”

6. C&E Concrete has put to beneficial use the full declared amount of 10.16 acre-feet of water from Well 8B-1-W10.

7. C&E Concrete has put to beneficial use approximately 54.64 acre-feet of water from Well 8B-1-W11.

8. C&E Concrete intends to continue placing water to beneficial use from both wells for mining and processing of material from the Tinaja pit mine that is also owned by C&E Concrete until the mineral deposit is exhausted.

9. I anticipate that water use will continue to expand at the Tinaja pit as the size of the pit expands and greater amounts of water are required for dust control and other mining and processing requirements.

10. C&E Concrete holds a mining permit No. C1005RE from the Mining and Minerals Division of the Energy, Minerals and Natural Resources Department. C&E Concrete is authorized under the Permit “to conduct operations at the Tinaja Pit Cibola, County, New Mexico, upon the condition that the Permittee complies with the requirements of the Order, the Act, the Rules, and the Permit Conditions and requirements imposed by this Permit.” This permit is currently in effect and in good standing.

11. C&E Concrete also holds Air Quality Permit No. 0879-M3 issued by the Air Quality Bureau of the New Mexico Environment Department that regulates pollutants and emissions that can be discharged during mining and processing operations at the Tinaja pit mine. The Air Quality Permit “authorizes C & E Concrete, Inc. to operate a 600 ton per hour (TPH)

portable rock crushing facility which crushes, screens, and stockpiles aggregate material of varying sizes.” This permit is currently in effect and in good standing.

12. C&E Concrete has all permits that are required from any governmental agency to operate the Tinaja pit mine.

13. C&E Concrete has recently established an additional asphalt production facility that will require increased product production from the Tinaja pit, which, in turn, will require additional water for dust control and processing.

14. C&E Concrete has invested considerable capital in improving water production at the Tinaja pit, including an investment of over \$130,000 in repairing and re-establishing water production from its main well.

15. C&E Concrete intends to invest in the repairing and re-establishing of water production in its secondary well in the future.

16. C&E Concrete has recently formulated a mining plan that plans how much material can be physically removed within a defined period and location. The mining plan is attached hereto as Exhibit A. Pursuant to the plan, C&E Concrete, Inc. anticipates that it will reach the full beneficial use of its declared water rights in the next five to ten years.

17. C&E Concrete owns all of surface area and mineral rights for the Tinaja pit in fee simple and does not rely upon any mineral leases to mine and produce limestone.

18. The mining and removal of limestone from the Tinaja pit must be pursued in an orderly fashion. Overburden must be removed, followed by the systematic removal of the limestone mineral over time.

19. The major use of water at the Tinaja pit is for dust control. Water needs for dust control vary daily due to precipitation, humidity, distances traveled, and how much material removal is occurring.

20. Use of water in excess of the amount needed at any point in time is wasteful. In other words, C&E Concrete is conservative in its water usage and only uses that amount that is required to complete the job at hand.

21. Since my parents purchased and operated C&E Concrete, and since I have been an owner and president of the company, C&E Concrete has consistently operated, and the business has expanded. Expansion of the business has occurred consistent with overall business demand.

22. There has never been a time since my parents purchased and operated C&E Concrete or since I have been an owner and president of the company when business operations ceased or paused.

23. C&E Concrete is currently exploring other ways to expand its business, and thereby expand its water production and use.

FURTHER AFFIANT SAYETH NAUGHT.

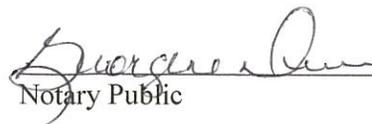
DATED: 10/18/21



Walter L. Meech, President
C&E Concrete, Inc.

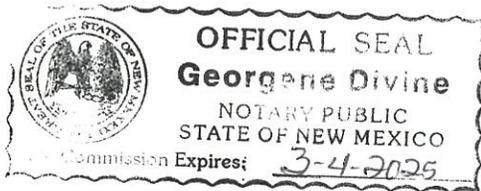
STATE OF NEW MEXICO)
) ss
COUNTY OF)

Subscribed and sworn before me by Walter L. Meech, President, C&E Concrete, Inc. on this 18th day of October, 2021.



Notary Public

My Commission Expires:





Tinaja Crusher - 50 Year Mining Plan

2/3/2021

	Description	Area (acres)	Material (tons) ¹	Years ²	Water (acre feet) ³
	1985-2020 Operating Area	130.50		36	
1	2016-2020 Expanded Area	24.15	2,560,433	4.46	259.94
2	East Ridge (Year 5-10)	5.03	985,880	1.72	105.09
3	Middle Ridge (Year 5-10)	5.04	987,840	1.72	110.57
4	North Ridge (Year 5-10)	5.11	1,001,560	1.75	117.71
5	East Ridge (Year 10-15)	5.02	983,920	1.72	121.42
6	Middle Ridge (Year 10-15)	5.00	980,000	1.71	126.98
7	North Ridge (Year 10-15)	5.03	985,880	1.72	134.13
8	East Ridge (Year 15-20)	15.02	2,943,920	5.13	420.54
9	East Ridge (Year 20-25)	5.00	980,000	1.71	146.99
10	Middle Ridge (Year 20-25)	5.05	989,800	1.73	155.89
11	North Ridge (Year 20-25)	5.09	997,640	1.74	164.98
12	East Ridge (Year 25-40)	14.99	2,938,040	5.12	510.15
13	North/Middle Ridge (Year 25-40)	14.99	2,938,040	5.12	535.66
14	West Ridge (Year 25-40)	15.04	2,947,840	5.14	564.32
15	West Ridge (Year 40-50)	30.01	5,881,960	10.25	1,182.31
	50 Year Mining Area	159.57	29,102,753	50.74	4,656.66
	2070 Operating Area	265.92	Acre Feet/Year =		91.78

¹Calculated using 1.5 cubic yards per ton. Between 2016-2020 2,172,967 tons of material was mined.

²Calculated using 573,617 tons per year average of material produced from 2003-2019.

³Calculated using 220.603 acre feet of water from meter readings and purchases from 2016-2020 with 5% increases between each expansion block for continued dust control, longer haul routes, and environmental pressures (NOTE: does not include increased water demand for washed sand and speciality aggregates).

