Tribbett, Katherine (Kate) 11:25 AM

From: connie@chkinglaw.com
Sent: Tuesday, March 8, 2022 11:25 AM
To: R8 Hearing Clerk; Tribbett, Katherine (Kate)
Cc: Rae, Sarah; Baum, Christina (she/her/hers); 'Dan Brown'; 'Brandice Eslinger'
Subject: Brown - Response to 02-24-22 proceeding and 02-28-22 EPA post-proceeding submission - Colorado Smelter Superfund Site, Pueblo, Colorado, Superfund Lien - Email 1 of 3
Attachments: Attachment 14 - 09-01-20 EPA - CO Smelter Superfund Site Fact Sheet - How Residents Can Minimize Contact With EAF Slag Landscaping Material.pdf; Attachment 15 - 10-19-21 CBA Env Law Section CLE - CO Environmental Covenants Statute at 20.pdf

Dear Ms. Stephanie Talbert,

On behalf of Cecil H. Brown, I am submitting three emails with Attachments #14 - #20 in response to claims made by the EPA during the February 24, 2022 proceeding regarding Colorado Smelter Superfund Site – Object to perfection of liens and request (February 24th proceeding) and in the February 28, 2022 post-proceeding submission from EPA regarding the Colorado Smelter Superfund Site, Pueblo, Colorado, Superfund Lien – EPA's Response to Companies' Response – In the matter of 1045-1049, 1103 South Santa Fe Avenue, City of Pueblo, Colorado; Docket No.: CERCLA-08-2022-0003 (February 28th EPA post-proceeding submission).

This is the first of the three emails.

We continue to believe the EPA does not have a statutory basis to perfect the liens pursuant to Section 107(l) of CERCLA. This response presents additional information that contradicts the EPA's right to assert or perfect the liens.

<u>February 24, 2022 Proceeding</u>

During the February 24th proceeding, Brandice Eslinger, President, All-Phase Environmental Consultants, Inc., referred to an EPA document regarding manganese in electric arc furnace (EAF) steel slag. The EPA document to which Ms. Eslinger referred is the September 2020 EPA Region 8 Colorado Smelter Superfund Site Fact Sheet entitled "How Residents Can Minimize Contact With EAF Slag Landscaping Material" in which the EPA states the EAF slag produced during the steel-making process, which is used locally for landscaping, contains elevated levels of manganese and other metals.
Attachment #14 – 09-01-20 EPA - CO Smelter Superfund Site Fact Sheet - How Residents Can Minimize Contact With EAF Slag Landscaping Material.pdf

During the February 24th proceeding, Ms. Eslinger described the March 27, 2019 memo which I submitted to you on February 25th as Attachment #13 - 03-27-19 All-Phase Env Consultants Memo re Mtg - EPA Superfund OU2 Remedial Investigation Plan.pdf. Based upon July 2019 email exchanges, **Ms. Eslinger has determined the EPA Region 8 Representative who attended the March 27, 2019 meeting on Cecil Brown's property was Jesse Aviles, Remedial Project Manager, EPA, Denver, Colorado.**

During the February 24th proceeding, EPA attorney Andrea Madigan referred to a recent Continuing Legal Education (CLE) course that she helped present to the Colorado Bar Association (CBA), and she claimed that this CLE presentation was to the CBA's Environmental Law Section and Real Estate Law Section. I had virtually attended the October 19, 2021 CBA – Environmental Law Section CLE course entitled "Colorado Environmental Covenants Statute at 20" for which Ms. Madigan was listed as one of the four speakers. The documentation that I received regarding the October 19th CLE course referred to the CBA – Environmental Law Section and did not refer to the CBA - Real Estate Section.
Attachment #15 - 10-19-21 CBA Env Law Section CLE - CO Environmental Covenants Statute at 20.pdf

I also received a recording of the CLE course from the CBA. The panel discussion that Ms. Madigan participated in had nothing to do with the transfer of property to Limited Liability Companies (LLCs) and no mention was made of LLCs by Ms. Madigan or the other speakers. Lawyers that practice Estate Law would be members of the CBA - Trust & Estate Section. There is no indication that members of the CBA – Trust & Estate Section would have received a notice for this October 19th CLE course. **For lawyers who practice Estate Law to be aware of EPA's claims that the transfer of property to LLCs would trigger an environmental site assessment, EPA could make an effort to provide guidance to members of the CBA – Trust & Estate Section** (e.g., write an article for the Estate and Trust column of The Colorado Lawyer magazine, or make a presentation during a CBA – Trust & Estate Section CLE course). I could not find any such articles or presentations by EPA to members of the CBA – Trust & Estate Section.

<u>February 28, 2022 Post-Proceeding Submission from EPA</u>

In the February 28th post-proceeding submission from EPA, in:

- Section I, first paragraph, EPA stated "The parties disagree whether the property is subject to remedial action under CERCLA. … The Companies also claim that December 2021 soil sampling on the property does not exceed EPA's residential soil screening levels." EPA's statements are incorrect.
In our February 17, 2022 email to you, we stated:
"EPA has not proven that soil contamination is present at a level that would require remediation on the entire 12 acres of the property. For Cecil Brown, All-Phase Environmental Consultants, Inc. (APEC) performed a soil confirmation investigation. APEC sample analytical results indicate there are elevated levels of lead and arsenic in some limited areas along the northern boundary of the property. On December 22, 2021, APEC personnel collected soil samples at the four sampling sites on the property (labeled by EPA in March 2020 as DU-0031, DU-0032, DU-0033, and DU-0035) for which EPA's sample analytical results were the highest for arsenic and lead. **APEC had the soil samples they collected analyzed for arsenic and lead using the Metals - Inductively Coupled Plasma (ICP) test and the Toxicity Characteristic Leaching Procedure (TCLP) test. APEC's findings include:**
-APEC sample results indicate there are elevated levels of lead and arsenic in soils, specifically along the northern property boundary (DU-0032, DU-0033, DU-0035) when compared to current EPA RSLs for Lead and TCLP Lead, and the OU1 Site Specific Residential Soil Value for Arsenic, that has been established for the Colorado Smelter Superfund Site. It should be noted that the Property is not zoned, nor is it utilized, as residential. It is an industrial zoned property, specifically, I-2. Therefore, until a site-specific value is determined for the property and the specific zoning/use type, it is speculative to indicate whether or not arsenic, specifically, is above RSLs.
-All arsenic samples were below the TCLP threshold of 5 mg/kg.
-The lead is elevated in all samples with the exception of DU-0031 (APEC Sample) and DU-0033 (APEC Sample).
-The only TCLP Lead exceedance was in sample DU-0032, at 25.2 mg/kg.
-Further investigation may be warranted in this area and/or remedial efforts may be necessary dependent upon site specific arsenic RSLs that have yet to be established. Delineation of the TCLP results will better define what area specifically needs to be "capped" by an impervious surface, however with the vast amount of EPA data, coupled with the APEC results, initial opinions are that DU-0032 (area 32) may be the highest/only priority. Furthermore, the remaining parcels, as a remedial solution, could operate under a Materials Management Plan and potentially "use restrictions" to ensure that human health is protected during any potential work on site, specifically underground digging (utility work, etc.) and from future development, other than industrial.
Attachment #11: 02-14-22 APEC Soil Confirmation Investigation, Brown Property, Pueblo, CO 81006" (bolded emphasis added)
EPA does not have enough information to determine whether remedial action is needed. This property is zoned as industrial, not residential. The Metals ICP analytical results for Arsenic should not be compared to the OU1 Site Specific Residential Soil Value for Arsenic and the EPA has not yet determined the OU2 Site Specific Industrial Soil Value for Arsenic. No TCLP data has yet been collected by EPA. We conducted our own sampling and TCLP analysis of the samples, and we compared the TCLP analytical results to the Regional Screening Levels (RSLs). **All TCLP Arsenic results were below the TCLP threshold of 5 mg/kg. The only**

TCLP Lead exceedance (above the TCLP threshold of 5 mg/kg) was in sample DU-0032, at 25.2 mg/kg. Delineation of TCLP results can determine what area might need to be "capped" by an impervious surface.

-Section II, paragraph a, EPA claimed "These statements are misleading and insufficient to establish that the Innocent Landowner Defense applies under the circumstances presented."
EPA has not presented any evidence to support its claim that our statements are misleading.

-Section II, paragraph c.i, EPA claimed "The presence of contamination was obvious in 1982 and 1986."
EPA has not presented any evidence to support its claim that the presence of contamination was obvious in 1982 and 1986. In 1982 and 1986, no one was aware that in the distant future EPA would characterize slag as contamination.
EPA's claim has been refuted by our evidence, including statements by other Pueblo developers (i.e., Attachment #2: 12-16-21 RSams to CBrown Ltr re South Santa Fe Ave Pueblo CO Property.pdf, December 22, 2021 email to Sarah Rae, EPA).
As stated in my February 17th email to you, **"from 1982 to 1986, when Cecil Brown purchased the property, it does not appear that there were any published characterization studies on slag from silver and lead smelters**. The 1997 and 2009 publications … occurred after Cecil Brown purchased the property in 1982 and 1986, and before the EPA listed the Colorado Smelter site on the National Priorities List in December 2014. This information is supportive of the statement previously made in the December 22nd email to Ms. Rae: "At the time Cecil H. Brown bought the property no one was concerned about the potential for contamination at the Colorado Smelter Superfund Site.""
EPA's characterization of slag as contamination seems to be evolving over time (e.g., the September 2020 EPA Region 8 Colorado Smelter Superfund Site Fact Sheet entitled "How Residents Can Minimize Contact With EAF Slag Landscaping Material" which is described above.)

-Section II, paragraph c.ii, EPA claimed "Newspaper articles dating back to 1900 disclose information about the Colorado Smelter's operations and the slag pile and were reasonably ascertainable in 1982 and 1986."
In 1982 and 1986, it was not common practice for a regular person, or even an environmental consultant, to go to the library to review records from newspapers from 100 years ago; in fact, no one would do this today.
In the February 3rd letter from EPA, on page 13 of 16, Appendix C – Newspaper Articles, the March 23, 1907 The Indicator newspaper article entitled "Busy at Eilers Smelter" refers to the continuously growing slag pile as "evidence in itself of the work going on at the plant. From 400 to 500 men working on the three-shift turn are able to produce something worth while. The Eilers, or Colorado smelter, as it is sometimes called is located the nearest to the steel works and adjoining Bessemer, and has within the past three years been greatly improved and modernized. The Pueblo smelter and the U.S. Zinc smelter are also running at full capacity, and the smelting industry in the city was never in a more flourishing condition." The focus of the historic newspaper articles is positive, uplifting and inspiring news, and it describes what we know. Pueblo was, and is, a blue-collar town that thrived on the presence of the steel mill and the smelters associated with the steel mill. It created jobs and a way of life for many that is still present today. There is nothing in the historic newspaper articles that alleges the Colorado smelter would cause environmental contamination.
EPA does not hold itself to the same standard in reviewing newspaper articles that it claims everyone else should do. For example, if EPA reviewed articles published under their watch, such as the December 30, 2013 Pueblo Chieftain article entitled "Residents want EPA to work quickly" (previously referred to in our February 17, 2022 email to you), EPA would have an opportunity to correct news that EPA viewed as misinformation.

-Section II, paragraph c.iv, EPA claimed that the dangers of lead were known, so Cecil Brown should have known that the property was dangerous.
Knowing lead is dangerous does not mean Mr. Brown was aware of the presence of lead on his property, just as no one in the neighborhood was aware of it in their own lawns.
In the same paragraph, EPA stated: "The OU2 slag pile is dark brown/black, and molten like, whereas the crushed slag from the steel mill is much lighter in color (light grey) and has a more porous texture."
However, during the February 24th proceeding, EPA attorney Sarah Rae admitted she could not tell us what the difference between the two slags was. So, an EPA attorney in 2022 doesn't know the difference, but an ordinary citizen in 1982 should have?

-Section II, paragraph c.v, there is a discussion about the purchase price and the current value of Cecil Brown's property.
Property/parcel # 1406332002, located within sight of, and across Santa Fe Street from, the slag piles, but not designated as OU2 by EPA, was sold for only $400k in 2000, but sold in 2021 for $2.2M. This shows the level of appreciation for industrial/commercial properties in Pueblo in the past 20 years. The owners of this property that sold it in 2021 were not held to CERCLA standards by the EPA.
Additionally, we have supported the fact that the current appraisal was based on **income only**. New leases are being signed at market rate dollars per square foot ($/sq.ft.) compared to the rest of the city. To support that, attached is the lease brochure for a current similar Pueblo property that is being leased at $5.99/sq.ft. annually.
Attachment #16 - Lease Brochure for Similar Property - 905-1019 N Erie Ave, Pueblo, CO.pdf
Also attached is the September 23, 2021 Ecologic Materials, LLC lease, currently leased at $5.95/sq.ft. annually, for 1107A South Santa Fe Avenue, Pueblo, CO.
Attachment #17 – Ecologic Materials Lease – 1107A South Santa Fe Ave, Pueblo, CO.pdf
1109 South Santa Fe Avenue is currently leased at $6.25/sq.ft. annually and 1045 South Santa Fe Avenue is currently leased at $6.18/sq.ft. annually. **There is no evidence that Cecil Brown's property value is discounted now or that it will go up after remediation**.

-Appendix F: Map of Slag Piles, Figure 4. Approximate extent of slag piles on OU2.
We appreciate the EPA providing the Appendix F, Figure 4, which illustrates the locations of the slag piles. We have revised the EPA's Appendix F, Figure 4, to provide the approximate location of the Brown property boundaries, to further illustrate that the slag piles are located on property adjacent to the Brown property, and are not located on the Brown property.
Attachment #18 – Slag piles located on property adjacent to the Brown property.pdf
On March 4, 2022, Dan Brown took photos from the 2nd floor of the building at 1103 South Santa Fe Avenue, Pueblo, CO to illustrate the view of the adjacent property from Cecil Brown's property.
Attachment #19 – Photos taken from 2nd floor of building at 1103 South Santa Fe Avenue, Pueblo, CO.pdf
On March 3, 2022, Ms. Eslinger took photos of the property that is adjacent to the northern boundary of the Brown property. Remnants of old blast furnaces are located on this adjacent property. On the northern boundary of the Brown property, the retaining wall is broken, exposing native soil. Smelter slag piles on this adjacent property are located further from the northern boundary of the Brown property than where these photos were taken.
Attachment #20 - Photos of property adjacent to the Brown property.pdf

Please don't hesitate to contact me if you have any questions or comments. Thanks very much for your consideration.

Connie

Connie H. King
Law Firm of Connie H. King, LLC
4711 Constitution Avenue
Colorado Springs, CO 80915
(719) 650-2783
connie@chkinglaw.com

EPA
COLORADO Department of Public Health & Environment
US Army Corps of Engineers.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY • REGION 8 • SEPTEMBER 2020

Colorado Smelter Superfund Site

How Residents Can Minimize Contact With EAF Slag Landscaping Material

As part of our mission to protect human health and the environment, the U.S. Environmental Protection Agency (EPA) has been working in your community to cleanup up lead and arsenic at the Colorado Smelter Superfund site. As part of that work, EPA has determined that a commonly used landscaping material known as EAF slag contains elevated levels of manganese and other metals. As a result, EPA is continuing to evaluate this material.

This fact sheet provides recommended steps to minimize contact with a rock-like landscaping material known as electric arc furnace slag, also referred to as EAF slag.

What is EAF Slag?

The rock-like material is known as electric arc furnace (EAF) slag and is produced during the steel-making process. EAF slag is used locally as an alternative to other materials that are commonly used for landscaping.

Are There Health Concerns?

High levels of manganese in the body may affect the nervous system. Children are more likely to ingest dust or slag particles if they play in the material and allow it to get into their mouths.

EPA recommends you take steps to minimize your family's contact with EAF slag dust and small particles of the slag.

What is EPA Doing to Protect Your Health?

- As part of EPA's mission to protect human health and the environment, we are continuing to investigate EAF slag as a landscaping material .
- We are currently working with the Colorado Department of Public Health & Environment and other public health agencies to determine if additional steps are needed.
- EPA will continue to be available to answer questions from the community about EAF slag, and as more information becomes available we will provide it to the community.

Is it Ok to Remove EAF Slag From My Yard?

At this time, EPA does not recommend removing EAF slag from your property. We recommend that you follow the precautionary steps on the back of this page. We are available to answer specific questions you might have and we will be reaching out to you to follow up.

What YOU Can Do To Minimize Contact with EAF Slag

Limit contact with EAF slag and wash hands after contact

Prevent children from accidentally consuming the material by hand-to-mouth activity

Keep dust mats next to exterior doors and leave shoes outside the home

Minimize tracking EAF slag into your home and clean using a damp mop or cloth

Clean and brush pets and wash children's toys before bringing them inside

Minimize contact with EAF slag when gardening, and wash hands and produce before consuming

For general questions, please contact:

EPA

Jennifer Harrison
303-312-6813 or harrison.jennifer@epa.gov

Colorado Department of Public Health & Environment

Jeannine Natterman
303-692–3303 or jeannine.natterman@state.co.us

For questions about EAF slag and your health, please contact:

Agency for Toxic Substances and Disease Registry

Scott Sudweeks
303-312-6580 or ssudweeks@cdc.gov

connie@chkinglaw.com

From: CBA Environmental Law Section <jham@cobar.org>
Sent: Tuesday, October 5, 2021 1:15 PM
To: connie@chkinglaw.com
Subject: October Environmental CLE:

Colorado's Environmental Covenants Statute at 20

An Environmental Law Section CLE Presentation

Date:
Tuesday, Oct. 19th
12:00 - 1:30 PM

Location:
Virtual Presentation
Zoom access information TBDistributed on the morning of the event

Program Summary:
In 2001, Colorado enacted one of the country's most comprehensive "institutional control" statutes (it was the model for NCCUSL's Uniform Environmental Covenants Act). Institutional controls are restrictions on land use and water use that are often used to facilitate cleanup of contaminated sites and ensure the remedies protect human health and the environment. This panel will explore Colorado's institutional control statute, highlight issues that have arisen in implementing the law, and present a variety of

perspectives on how well the statute has achieved its goals of facilitating cleanups, protecting health, and promoting safe re-development and re-use of contaminated sites ("brownfields").

Speaker Bios:

Daniel S. Miller: Mr. Miller is a Senior Assistant Attorney General at the Colorado Department of Law, where he has represented the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and Environment since 1987 (!). He is a nationally-recognized expert on institutional controls, and was the primary drafter of Colorado's environmental covenant statute. He is a Fellow of the American College of Environmental Lawyers.

Andrea Madigan: Ms. Madigan is the Chief of the CERCLA Enforcement Section for the United States Environmental Protection Agency Region 8's Office of Regional Counsel. Ms. Madigan joined EPA in 1990 and works primarily on Superfund enforcement and environmental bankruptcy cases. Prior to joining EPA, Ms. Madigan was in private practice specializing in bankruptcy and commercial litigation. Ms. Madigan received her J.D. from the University of Colorado in Boulder, Colorado in 1983. Ms. Madigan served as an adjunct instructor for the Missouri University of Science and Technology from 2009 to 2014 and for the University of Denver, Sturm College of Law in 2005 and 2006.

Elizabeth H. Temkin: Betsy Temkin is a partner at Davis Graham & Stubbs LLP and currently serves as the at-large member of the firm's Executive Committee. She has over 30 years of experience in litigating and resolving complex environmental cleanup claims in state and federal courts throughout the Rocky Mountain West. Her transactional practice is focused on cleanup and redevelopment of environmentally impaired properties In 2019, Ms. Temkin was elected as a Fellow of the American College of Environmental Lawyers.

Polly Jessen: Polly Jessen is a partner at Kaplan Kirsch & Rockwell. Her practice focuses on the range of contaminated property redevelopment issues, including environmental due diligence, negotiating purchase and sale agreements, cleanup plans, development agreements and environmental insurance policies, obtaining Brownfield grants and state tax credits, severed mineral interests, mine reclamation, and professional service and construction contracting.

Credit:

Applied for 2 General CLE Credits

Register

The Colorado Bar Association
1290 Broadway, Ste. 1700
Denver, CO 80203
303-860-1115
lunches@cobar.org | cobar.org

Former Colorado Department of Transportation Facility
905 - 1019 N. Erie Ave., Pueblo, CO 81001

Address:	905-1019 N Erie Ave., Pueblo, CO 81001
Lease Rates:	Starting at $5.99 to $9.85, NNN
Building Sizes:	+/- 5,000 SF
Lot Size:	5.2 Acres
Includes:	+/- 16' Drive-In Doors, Dock Doors, Sand Traps, Overhead Cranes, Exhaust Fans, Outside Storage, Wash Bay & +/- 3,000 amps

John Rodgers
SIOR • CCIM • President

john.rodgers@peakcp.net
719.227.9987

PEAK
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Former Colorado Department of Transportation Facility
905 - 1019 N. Erie Ave., Pueblo, CO 81001

SOUTHEAST VIEW

		Address	Premise Use	Building Size	Loading
	1	905 N. Erie Ave.	Office Vehicle Maintenance	+/- 23,600 SF	16' Drive In Doors
	2	907-909 N. Erie Ave.	Flex	+/- 10,500 SF	Drive-In and Dock Doors
LEASED	3	1003-1013 N. Erie Ave.	Industrial Paint Bays	+/- 3,960 SF	14' Drive In Doors
LEASED	4	1015 N. Erie Ave.	Wash Bay	+/- 1,600 SF	16' Drive In Doors
LEASED	5	1019 N. Erie Ave.	Office, Lab & Maintenance	+/- 9,410 SF	Drive In Doors
LEASED	6	1017 N. Erie Ave.	Industrial Warehouse	+/- 3,968 SF	Five Dock Doors and Drive Ins
LEASED	7	522 E. 11th St.	Storage	+/- 2,640 SF	Drive In Doors
LEASED	8	522 E. 11th St.	Storage	+/- 3,472 SF	Drive In Doors
			TOTAL	**+/- 60,782 SF**	

PEAK COMMERCIAL PROPERTIES

Peak Commercial Properties

Peak Commercial Properties • 2727 N. Cascade Avenue, Suite 127, Colorado Springs, CO 80907 • 719.227.9987 • 877.533.9987 fax • www.peakcp.net

Former Colorado Department of Transportation Facility
905 - 1019 N. Erie Ave., Pueblo, CO 81001

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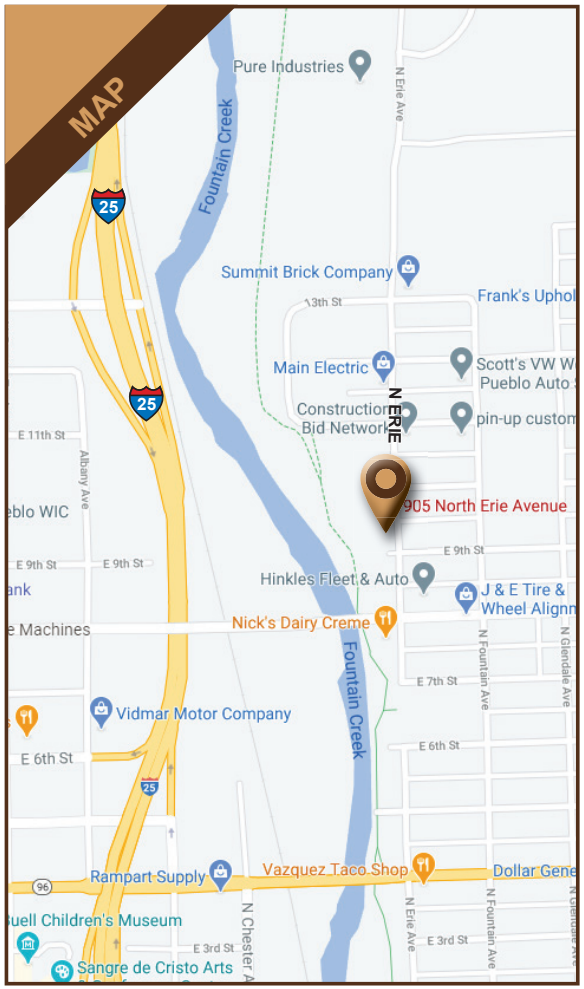
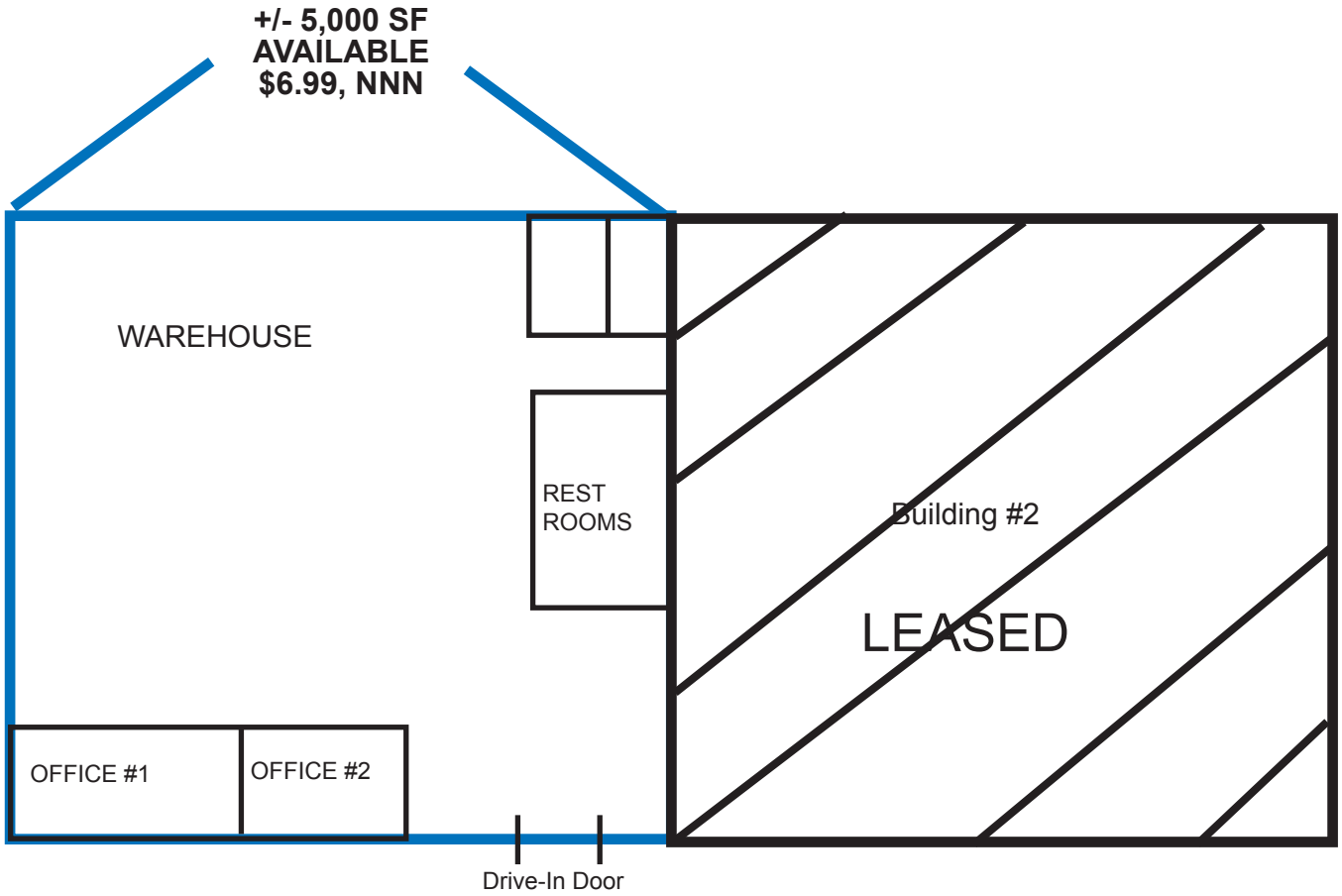
COMMERCIAL PROPERTIES



Building # 2
+/- 5,000 SF
Available



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Former Colorado Department of Transportation Facility
905 - 1019 N. Erie Ave., Pueblo, CO 81001

PEAK
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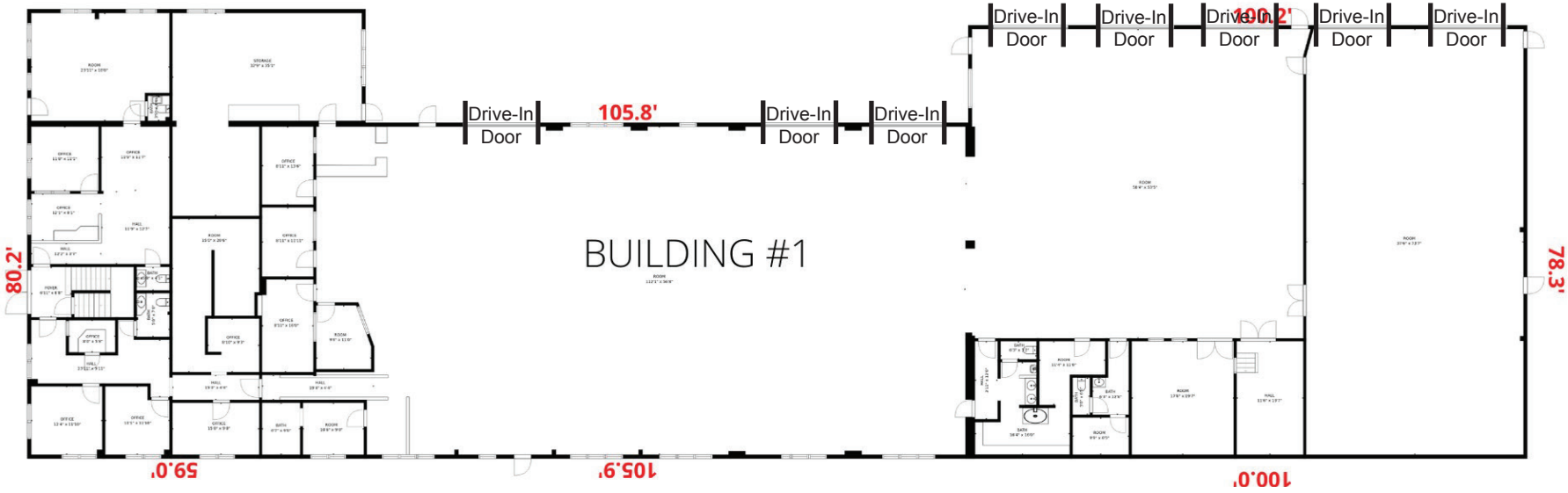
BUILDING 1

Building #1
AS-IS +/- 23,600 SF

Unit includes Sand Trap and wash bay



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COMMERCIAL LEASE DECLARATION SHEET

LANDLORD: **1100 SOUTH SANTA FE LLC; CECIL H. BROWN OWNER**
TENANT: **ECOLOGIC MATERIALS LLC**

LANDLORD and TENANT have entered into that certain Commercial Lease as of the ___ day of September, 2021 (the "Lease"). This Declaration Sheet serves to summarize some of the items contained within the body of the Lease.

	PARAGRAPH	ITEM
(a)	TENANT's Name: Ecologic Materials Corporation	(1)
(b)	TENANT's Current Address: 601 16th Street, Suite C135, Golden, CO 80401	(1)
(c)	Approximate Square Footage of Leased Premises: 10,200	(1)
(d)	Location of Leased Premises: 1107A S. Santa Fe Ave. Pueblo, CO 81006	(1)
(e)	Commencement Date of Lease: September 15, 2021	(2)
(f)	Termination Date of Lease: November 30, 2026	(2)
(g)	Total Base Rental/Lease Amount: $328,950.00	(3a)
(h)	Monthly Base Rental Installment: **Month 1-3: $0** **Months 4-15: $5.95 per square foot** **Months 16-27: $6.20 per square foot** **Months 28-39: $6.45 per square foot** **Months 40-51: $6.70 per square foot** **Months 52-63: $6.95 per square foot**	(3a)
(i)	Estimated Additional Rent: **$1.05 per square foot, $892.50 per month**	(3d)
(j)	Security Deposit: **$6,800.00**	(13)
(k)	Permitted Use: As set forth in Section 4(a) of the Lease	(4)
(l)	TENANT Finish Allowance: **None**	(10)
(m)	Exhibits: "A" Building Plan and Legal Description "B" TENANT Layout Addendum to that certain Commercial Lease	

COMMERCIAL LEASE

THIS COMMERCIAL LEASE (this "Lease") is made this ___ day of September, 2021 (the "Effective Date"), by and between 1100 South Santa Fe, LLC, a Colorado limited liability company ("LANDLORD"), and Ecologic Materials LLC, a Wyoming limited liability company ("TENANT").

1. LEASED PREMISES: LANDLORD hereby leases to TENANT, and TENANT hereby leases from LANDLORD, the leased premises (the "Premises"), shown on the Tenant Layout attached hereto as "Exhibit B" and made a part hereof, containing approximately 10,200 rentable square feet. The Premises are located at 1107A S. Santa Fe Avenue, Pueblo, Colorado 81006. The Premises are located on land legally described in "Exhibit A" attached hereto and made a part hereof (the "Property") and within that certain building located on the Property (the "Building").

2. TERM: To Have and To Hold the Premises unto TENANT for a term of 63 months commencing on the 15th day of September, 2021 (the "Commencement Date"), and ending on the 15th day of December, 2026, unless sooner terminated in accordance with the terms of this Lease or extended or renewed upon mutual written agreement of LANDLORD and TENANT (the "Term"). LANDLORD shall not have any liability for loss or damage to TENANT'S work or to fixtures, equipment or other property of TENANT installed or placed by TENANT in the Premises. LANDLORD covenants and agrees that so long as Tenant timely observes and performs all of its obligations under this Lease, TENANT shall have quiet possession of the Premises and such possession shall not be disturbed or interfered with by LANDLORD. LANDLORD shall grant access or occupancy of the Premises prior to the Commencement Date, including for the purpose of TENANT storing materials and equipment on the Property, and TENANT's access, occupancy and entry shall be subject to all terms and conditions of this Lease, except that Tenant shall not be obligated to pay Base Rent until the Commencement Date. On or before (if TENANT requests early access) the Commencement Date, LANDLORD shall deliver the Premises to Tenant, in broom clean condition, with all personal property removed. TENANT agrees that all materials and equipment that TENANT stores on the Property shall be solely at TENANT's risk and TENANT assumes and shall bear all risk of loss and damage, whether caused by the elements, casualty, vandalism, theft or any other cause whatsoever other than LANDLORD's gross negligence or willful misconduct. All LANDLORD's Work (as defined herein) shall be completed prior to the Commencement Date, except that landscaping shall be completed no later than October 31, 2021 and HVAC work shall be completed no later than November 30, 2021. If LANDLORD is unable to deliver possession of the Premises to TENANT with LANDLORD'S Work (other than landscaping and HVAC work) on or before the Commencement Date of the Term, or if LANDLORD fails to deliver the comfort letter required pursuant to Section 9(b) prior to the Commencement Date, then the Term and all other applicable deadlines shall be delayed in their entirety until LANDLORD has delivered possession of the Premises to TENANT with LANDLORD'S Work (other than landscaping and HVAC work) completed and LANDLORD has delivered the comfort letter to TENANT. If LANDLORD fails to deliver possession of the Premises with LANDLORD's Work completed and the comfort letter by December 1, 2021, TENANT shall have the right to terminate this Lease by written notice to LANDLORD on or before

December 10, 2021, without any further obligations owed hereunder and all amounts paid by TENANT shall be returned to TENANT.

3. RENT:

(a) TENANT AGREES TO PAY THE TOTAL SUM OF THREE HUNDRED TWENTY-EIGHT THOUSAND NINE HUNDRED FIFTY AND 00/100 DOLLARS (US $328,950.00) as the total base rent for the Term of this Lease to be remitted in monthly payments as follows (the "Base Rent"):

Months 1-3:	**$0**
Months 4-15:	**$5,057.50**
Months 16-27:	**$5,270.00**
Months 28-39:	**$5,482.50**
Months 40-51:	**$5,695.00**
Months 52-63:	**$5,907.50**

This Lease is made on an absolute net basis, and Base Rent is not intended to cover taxes, insurance and operating expenses allocable to the Premises. Base Rent shall be paid in monthly installments, in advance, on the first day of each month, to LANDLORD at the address set forth in Section 30 hereof. Within three business days following the mutual execution of this Lease, TENANT shall make one installment to LANDLORD in an amount equal to the Base Rent for month 4 of the Term and the Security Deposit (as defined in Section 13 hereof), totaling ELEVEN THOUSAND EIGHT HUNDRED FIFTY SEVEN AND 50/100 DOLLARS ($11,807.50). Monthly installments of rent shall be due and payable on or before the first business day of each calendar month succeeding the Commencement Date during the Term; provided that if the Commencement Date should be a date other than the first day of a calendar month succeeding the Commencement Date during the Term, the Base Rent set forth above shall be prorated to the end of that calendar month, and all succeeding installments of Base Rent shall be payable on or before the first business day of each succeeding month during the Term. TENANT shall pay when due all other sums due under this Lease.

(b) By executing this Lease, LANDLORD represents that it has received, reviewed and approved financial statements from TENANT, including, but not be limited to current P&L, balance sheet and leasing references.

(c) All taxes, insurance, utility costs, maintenance fees, and other charges, costs, and expenses that TENANT assumes, and all other damages, costs, expenses, and sums that LANDLORD may suffer or incur, or that may come due by reason of any default of TENANT, shall be deemed to be additional rent ("Additional Rent" and together with Base Rent, the "Rent"), and in the event of nonpayment, LANDLORD shall have all the rights and remedies as herein provided for failure to pay rent.

(d) TENANT agrees to pay as Additional Rent, TENANT'S pro rata share of Operating Expenses (as defined in Section 3(f)) based on the ratio of the rentable square footage of the Premises to the total square footage of the Building ("Pro Rata Share"). Additional Rent pursuant to this Section 3(d) shall

be payable monthly, on the first business day of each month to LANDLORD at the address set forth in Section 30 hereof, commencing on the date that TENANT takes possession of the Premises, including if TENANT takes possession prior to the completion by LANDLORD of LANDLORD's Work. Prior to January 1 of each year, or as soon thereafter as practical, LANDLORD shall provide TENANT a written estimate of the amount of Operating Expenses for the ensuing calendar year. Upon TENANT's receipt of such estimate, TENANT shall pay monthly, together with Base Rent, 1/12th of TENANT's Pro Rata Share of Operating Expenses for such year. From time to time, LANDLORD shall have the right to adjust the amount of such estimated Additional Rent twice per calendar year if LANDLORD determines that actual Operating Expenses will vary from LANDLORD's initial estimate, but in no event shall Controllable Operating Expenses increase by more than three percent (3%) over the prior calendar year. TENANT shall receive written notice of the adjusted amount of Additional Rent no less than thirty (30) days prior to the date when such Additional Rent is due and payable.

(e) Within 120 days after the end of each calendar year, or as soon thereafter as practical, LANDLORD shall provide TENANT a written reconciliation of Tenant's Pro Rata Share of the actual Operating Expenses for such calendar year and the amount of estimated Operating Expenses paid by TENANT. If TENANT has underpaid TENANT's Pro Rata Share, TENANT shall pay to LANDLORD the amount of shortfall within thirty (30) days after TENANT's receipt of the written reconciliation. If TENANT has overpaid TENANT's Pro Rata Share, LANDLORD shall credit the amount of such overpayment to the next installments of TENANT's Pro Rata Share due under this Lease, or if the Term of the Lease has expired and TENANT is not in default beyond any applicable notice and cure period, LANDLORD shall pay TENANT the amount of the overpayment within thirty (30) days after TENANT's receipt of the written reconciliation. If Controllable Operating Expenses (as defined below) for any calendar year exceed Controllable Operating Expenses for the prior calendar year by more than three percent (3%), TENANT shall be charged only for an increase of three percent (3%) calculated on a non-cumulative basis. As used in this Section 3(e), the term "Controllable Operating Expenses" shall mean Operating Expenses excluding taxes, insurance and utility costs. After receiving LANDLORD's reconciliation, TENANT shall have the right, by written notice to LANDLORD given within ninety (90) days after TENANT's receipt of LANDLORD's reconciliation, to examine the books and records of LANDLORD regarding the increase in Operating Expenses and the amount of the shortfall or overpayment; provided that, as a condition to the exercise of such right, and if TENANT reasonably disputes such reconciliation within such ninety day period, TENANT shall not be required to pay the amount of the increase until the dispute is resolved. As of the Commencement Date, TENANT's Additional Rent is $1.05 per square foot per year, or $892.50 to be remitted monthly along with the Base Rent installment.

(e) The term "Operating Expenses" as used in this Lease shall include but not be limited to all expenses incurred with respect to the interior and exterior maintenance and operations of the Building, Common Areas, all real property

taxes, rent taxes and installments of special assessments, including special assessments due to deed restrictions and/or owners' associations, which accrue against the common areas and Building of which the Premises are a part during the Term of this Lease, as well as all insurance premiums LANDLORD is required to pay or deems desirable to pay. Notwithstanding the foregoing, Operating Expenses shall not include: (1) depreciation; (2) costs of improvements made for tenants; (3) finder's fees and real estate brokers' commissions; (4) mortgage principal or interest; (5) interest, amortization payments (except as expressly provided in Section 7(a)), late charges, fees and other charges on any mortgage or other evidence of indebtedness, whether or not secured by all or any portion of the Building; (6) legal or accounting expenses in negotiating or enforcing the terms of leases or other agreements with tenants related to the Building; (7) costs incurred by LANDLORD for repairs, restoration or other work occasioned by fire, windstorm or other casualty or condemnation; (8) the costs of contract services provided by LANDLORD or its subsidiaries or affiliates, together with overhead and profit increments paid to subsidiaries or affiliates of LANDLORD for services on or to the Property, to the extent the costs, overhead or profit related to such services to the Property exceeds the costs of such services rendered on a competitive basis for comparable space by unaffiliated parties of similar skill, competence and experience who are capable of providing such services; (9) any rental or other payments due under any ground or underlying lease or leases; (10) any syndication, financing or refinancing costs and expenses (including interest on debt or amortization payments on debt (except as expressly provided in Section 7(a)) incurred in connection with any of LANDLORD's mortgage or mortgages or any other of LANDLORD's debt instrument encumbering all or any portion of the Building or Property; (11) any bad debts loss, rent loss or reserves for bad debts or rent loss or operating reserves; (12) costs associated with the operation of the business of the legal entity which constitutes LANDLORD or of persons or entities which constitute or are affiliated with LANDLORD or its partners, as such costs are separate and apart from costs associated with the operation of the Building, including legal entity formation, internal entity accounting and internal legal matters; or (13) attorney's fees awarded to TENANT incurred as a result of LANDLORD's negligence, misconduct or failure to maintain any insurance required of LANDLORD under this Lease. In addition to the exclusions set forth above, Operating Expenses shall be reduced by the amount of any insurance reimbursement and other reimbursement, recoupment, payment, discount, credit, reduction, allowance or the like received by LANDLORD to the extent of any amount previously included in Operating Expenses for the item for which such insurance reimbursement and other reimbursement, recoupment, payment, discount, credit, reduction, allowance or the like was received.

4. USAGE:

(a) TENANT warrants and represents to LANDLORD that the Premises shall be used and occupied only for the purposes of recycling plastics as an additive in asphalt and other materials, including any and all manufacturing, engineering, warehousing, delivery, pickup, and general office in connection therewith. TENANT shall not create any nuisance or otherwise interfere with or disturb any

other tenant. TENANT shall not commit, or suffer to be committed, any waste on the Premises, nor shall TENANT permit the Premises to be used in any way which violates any applicable laws, rules or regulations, including but not limited to laws governing hazardous materials. TENANT accepts the Premises subject to all matters of record existing as of the Effective Date and to all applicable laws.

5. GENERAL JANITORIAL SERVICE. TENANT may, in TENANT's sole discretion, arrange for and pay all charges for janitorial services performed in or on the Premises during the Term of this Lease by an outside janitorial contractor or, alternatively, TENANT shall perform janitorial services in the Premises by TENANT's own employees. LANDLORD shall have no obligation to provide janitorial services to the Premises.

6. SERVICES:

(a) TENANT shall pay all charges for gas, water, sewer, electricity, and other utilities used by TENANT on the Premises during the Term of this Lease. If possible, all such utilities shall be separately metered and billed in TENANT'S name. In the event that a separate itemization is not available, TENANT shall pay its pro rata portion based on the rentable square footage of the Premises as a percentage of the total Building square footage. Any utilities expenses paid by LANDLORD, if any, shall be included as an Operating Expense charged to TENANT as provided in Subparagraph 3(d). TENANT shall be responsible for all telephone and telecommunications charges.

(b) Failure by LANDLORD to any extent to furnish these defined services, or any cessation thereof, shall neither render LANDLORD liable in any respect for damages to either person or property, be construed as an eviction or partial eviction of TENANT, work as an abatement of rent, nor relieve TENANT from fulfillment of any covenant in this Lease.

7. REPAIRS AND MAINTENANCE:

(a) LANDLORD shall maintain, repair and replace, at LANDLORD's sole cost and expense, subject to LANDLORD's right to include certain amounts, as provided below in this Section 7(a) in Operating Expenses, only the roof, roof membrane, exterior walls, foundation, common parking area, common landscaped areas, heating, ventilating, pipes, lines and other equipment and facilities for water, sewage, other utility services and all other building systems serving the Premises and located outside the Premises, and the structural elements of the Building in good order, repair and condition, except for reasonable wear and tear. TENANT shall pay for the repair of any damage caused by the negligence or default of TENANT or TENANT'S agents, invitees and employees. LANDLORD shall pay for the repair of any damage caused by the negligence or default of LANDLORD or LANDLORD'S agents, invitees and employees. LANDLORD shall not be liable to TENANT, except as expressly provided in this Section 7(a), for any damage or inconvenience, and TENANT shall not be entitled to an abatement or reduction of Rent by reason of any repairs, alterations or additions made by LANDLORD under this Lease.

Notwithstanding the foregoing, in the event (A) any Essential Service (as hereinafter defined) which LANDLORD is required to provide to TENANT under this Lease is interrupted due to a cause within LANDLORD's direct control, or (B) TENANT is denied use of or access to the Premises as required under this Lease due to a cause within LANDLORD'S direct control; and if, as a result of any of the foregoing, TENANT is unable to use the Premises, or any portion thereof, for the normal conduct of TENANT's business, and such condition continues for a period in excess of thirty (30) consecutive days, then TENANT shall be entitled to exercise its self-help right set forth in Section 20(d). The term "Essential Service" as used in this Section shall mean electricity, heat, ventilation, air conditioning, and toilet facilities. LANDLORD shall be entitled to include in Operating Expenses the following amounts incurred or paid by LANDLORD for performance of LANDLORD's obligations pursuant to this Section 7(a): (i) all costs for maintenance and repair that are not typically considered to be capital expenditures; and (ii) all costs of capital improvements (such as, without limitation, the cost of replacing the roof and/or roof membrane, amortized over the useful life of the capital improvement (with only the annual amortized amount being included in the Operating Expenses for any calendar year), together with interest actually paid by LANDLORD on financing, if any, of such capital improvements.

(b) Subject to LANDLORD's obligation to repair existing broken glass as part of LANDLORD's Work, Tenant shall forthwith at its expense replace any cracked or broken glass in the Premises.

(c) TENANT, at its own expense, shall maintain all fixtures, lighting fixtures, floor covering, interior painting and decorating and pipes, lines and other equipment and facilities for water, sewage, other utility services and all other building systems serving the Premises and located inside the Premises in a good repair and condition at all times during the Term of this Lease; replacement of broken pipes, lines and other equipment and facilities shall be the responsibility of LANDLORD, subject to TENANT's obligation set forth in Section 7(a) to pay the cost of such work if the need for such work is caused by the negligence or default of TENANT or TENANT'S agents, invitees and employees. During the Term, TENANT shall make any repairs necessary for the Premises to be in compliance with OSHA and regulatory compliance and worker comfort and safety regulations.

(d) At the expiration or earlier termination of this Lease, TENANT shall restore and deliver the Premises to LANDLORD broom clean, in good order and condition, ordinary wear and tear, casualty, condemnation, and LANDLORD'S repair obligations excepted. The cost and expense of any repairs necessary to restore damage cause by TENANT during the Term shall be borne by TENANT.

8. COMMON AREAS: As used in this Lease, the term "Common Areas" shall mean all that portion of building improvements, grounds, parking adjacent to the Building, and landscaping located on the Property, excepting only the Premises and areas leased or held for lease by other tenants. TENANT shall not at any time interfere with the rights of LANDLORD and other tenants, its and their

employees, customers and invitees, to use any part of the Common Areas. LANDLORD agrees to manage, operate and maintain all Common Areas. TENANT shall have the right to use all parking located on the Property that is adjacent to the Building, at any time. LANDLORD shall have the right from time to time to change the size, location, and nature of use of the common area, and to use portions of the common areas for the purpose of displays, promotions, programs or other uses which may be of interest to all or part of the general public, but only to the extent that the foregoing does not materially adversely interfere with TENANT's use of or access to the Premises.

9. HAZARDOUS MATERIALS:

a) TENANT covenants and agrees to conduct its business and operations on and from the Premises in compliance and accordance with all federal, state and local environmental laws, regulations, executive orders, ordinances and directives now in force or which may hereafter be in force, including, but not limited to, the following: Clean Air Act; Clean Water Act; Resource Conservation and Recovery Act; Toxic Substances Control Act; Hazardous Materials Transportation Act; Comprehensive Environmental Response, Compensation and Liability Act; and all state law counterparts; and any regulations arising thereunder (collectively referred to as "Environmental Laws"), and any amendments to any such Environmental Laws, and not to cause, suffer or permit any damage or impairment to the health, safety or comfort of any person or to the environment at or on the Premises, including, but not limited to, damage or threatened damage to the soil, air, surface or groundwater resources at the Premises, nor cause, suffer or permit any violation of or liability under any Environmental Laws.

b) TENANT acknowledges that the Property currently is a Superfund site. TENANT shall receive a comfort letter issued by the Environmental Protection Agency prior to the Commencement Date. LANDLORD represents to TENANT that the Environmental Protection Agency has not informed LANDLORD of existing conditions on the Property that would be harmful to the health of TENANT's employees; however, TENANT understands that LANDLORD has not conducted its own independent environmental investigation and TENANT is responsible for conducting its own environmental due diligence./

c) LANDLORD shall not manufacture, process, distribute, use, treat, store, dispose of or handle on the Premises, or transport to or from the Premises, any Hazardous Substances in any quantity or manner that violates or gives rise to liability under any Environmental Laws. "Hazardous Substance" means any substance, chemical or material declared to be, or regulated as, hazardous or toxic under any Environmental Law or the presence of which may give rise to liability under any Environmental Law.

d) LANDLORD shall promptly notify TENANT of any (i) enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Environmental Law with respect to the Premises; (ii)

claim made or threatened by any environmental or governmental agency or any person against LANDLORD and/or TENANT, or the Premises, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from all Hazardous Substances with respect to the Premises; (iii) reports made to any environmental agency arising out of or in connection with any Hazardous Substances in on or about the Premises; and (iv) any Hazardous Substances that LANDLORD knows has been, or will come to be, released or located within, under or about the Premises. TENANT shall promptly notify LANDLORD of any (i) enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Environmental Law with respect to the Premises; (ii) claim made or threatened by any environmental or governmental agency or any person against LANDLORD and/or TENANT, or the Premises, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from all Hazardous Substances with respect to the Premises; (iii) reports made to any environmental agency arising out of or in connection with any Hazardous Substances in on or about the Premises; and (iv) any Hazardous Substances that TENANT knows has been, or will come to be, released or located within, under or about the Premises.

10. ALTERATIONS AND IMPROVEMENTS:

(a) Intentionally omitted.

(b) TENANT shall not make or allow to be made any repairs, alterations or physical additions in or to the Premises, including the addition of fixtures, without first obtaining the written consent of LANDLORD, except that TENANT shall have the right, without LANDLORD'S consent, to make repairs and non-structural alterations or physical additions that do not exceed $25,000.00 in the aggregate. LANDLORD hereby consents to any structural alterations described in TENANT's Work upon the express condition that prior to commencing any such alterations, TENANT shall obtain LANDLORD's approval of plans and specifications for such alterations. Any alterations, physical additions, fixtures, or improvements to the Premises made by TENANT shall at once become the property of LANDLORD and shall be surrendered to LANDLORD upon the Termination of this Lease. LANDLORD, at its option, may require TENANT to remove any physical additions and/or repair any alterations in order to restore the Premises to the condition existing at the time TENANT took possession. All costs of removal and/or alterations are to be borne by TENANT.

(c) TENANT hereby covenants and agrees that all alterations and improvements constructed in the Premises must be performed in strict compliance with all applicable federal, state and local laws, regulations and rules, including but not limited to the Americans with Disabilities Act, and TENANT further covenants and agrees to indemnify, defend and hold harmless LANDLORD from any claims, suits, costs, charges, or violations arising out TENANT's covenants contained in this section.

11. LIENS ON PREMISES: TENANT shall not permit any lien to be placed and remain on the Premises, Building or common areas as a result of its conduct for any

reason for a period longer than thirty (30) days. TENANT shall also post notice pursuant to Colorado Revised Statutes, 2002, as amended, 38-22-101, et. seq. negating LANDLORD'S liability for any mechanic's liens resulting from any work, labor or materials performed for or delivered at TENANT'S request for incorporation into the premises. TENANT shall indemnify and hold LANDLORD harmless against all claims, liens, claims of lien, demands, charges, encumbrances or litigation arising out of or in any way connected with any activity or work performed on the Premises by TENANT, or its agent, employee, independent contractor or representative and shall, within thirty (30) days after the filing of any lien for record in connection with such activity or work, fully pay and satisfy the amount owing represented by such lien or furnish the LANDLORD with adequate security, and shall reimburse the LANDLORD for all loss, damage and expense, including attorneys' fees, incurred by the LANDLORD by reason of any claim of lien, demand, charge, encumbrance or litigation.

12. CONDEMNATION: If, during that Term of this Lease, more than 30% of the Premises are taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and the taking would prevent or substantially interfere with the use of the Premise for the purpose for which they are then being used, this Lease may be terminated by either the LANDLORD or the TENANT upon thirty (30) days notice to the other after such taking or conveyance, and all Rent shall be abated during the unexplored portion of this Lease effective on the date physical possession is taken by the condemning authority. If less than thirty percent (30%) of the Premises is so taken or conveyed, or if more than thirty percent (30%) of the Premises are so taken or conveyed, but neither LANDLORD nor TENANT terminates this Lease, this Lease shall only terminate as to that portion of the Premises so taken or conveyed, and the Rent for which TENANT is liable shall be equitably reduced in accordance with the portion of the Premises which remains available for TENANT's use. TENANT hereby waives and agrees not to make any claim against the LANDLORD or the condemning authority for any portion of such award or compensation, whether attributable to the value of the unexpired portion of the Term, the loss of profits, goodwill, or leasehold improvements or otherwise, the TENANT irrevocably assigning any and all claims to the LANDLORD. Notwithstanding Landlord's right to the entire Award, Tenant shall be entitled to a separate award, if any, for the loss of Tenant's personal property and Tenant's moving expenses.

13. SECURITY DEPOSIT: Concurrently with the mutual execution of this Lease, TENANT hereby deposits with LANDLORD and shall maintain at all times whole and unencumbered the sum of SIX THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS ($6,800.00) (the "Security Deposit"), as security for the faithful performance by TENANT of this Lease, it being expressly understood and agreed that TENANT may not direct LANDLORD to apply the Security Deposit in payment of Rent for any month during the Term. If TENANT shall fully and faithfully comply with all the provisions of this Lease then the Security Deposit or any balance thereof remaining shall be repaid to TENANT within thirty (30) days following the expiration or earlier termination of this Lease. In the event of any sale, transfer, or assignment of the LANDLORD'S interest under this Lease, TENANT agrees and consents that LANDLORD may transfer or assign the Security Deposit to the vendee, transferee or assignee, as the case may be and upon written acknowledgement by the vendee, transferee or assignee that the Security Deposit has been received by such party and is subject to the terms of this Lease,

LANDLORD shall be released automatically from all liability for the repayment of the Security Deposit, and TENANT, in each instance, shall look solely to such transferee for repayment of the Security Deposit

14. INSURANCE:

(a) LANDLORD shall at all times during the Term of this Lease, maintain a policy or policies of insurance as LANDLORD deems appropriate, but in no event less than the full replacement cost of the Building and Premises. LANDLORD shall not be obligated in any way or manner to insure any personal property. Premiums for such policy or policies shall be included considered an Operating Expense as set forth in Subparagraph 3(d).

(b) TENANT shall, at all times during the Term hereof, carry and maintain comprehensive commercial liability insurance with a broad form endorsement, as the case may be, against claims for personal injury and bodily injury, including death and property damage (employee and contractual liability exclusions deleted) in, on or about the Premises, such insurance to afford protection with a single limit of not less than One Million Dollars ($1,000,000).

(c) TENANT shall obtain and maintain throughout the Term of this Lease all risk or all peril insurance, including fire and extended coverage, on all of TENANT's personal property in the Premises, including, without limitation, all furniture, fixtures and personal property in an amount not less than one hundred percent (100%) of their actual replacement cost.

(d) During any period of time that TENANT is making alterations to the Premises, repairs or improvements to the Premises, TENANT covenants and agrees to obtain and keep in full force and effect insurance commonly referred to as builder's risk insurance, with a "Permission to Occupy" endorsement, and workers' compensation insurance covering all persons working on the project with appropriate endorsements as LANDLORD may require and approve. TENANT shall indemnify and hold LANDLORD harmless from workers' compensation and employers' liability insurance claims with respect to any employees of TENANT performing work on the Premises, and TENANT hereby covenants and agrees to require comprehensive general liability, workers' compensation and employers' liability insurance to be carried by any contractors or subcontractors performing any alterations to the Premises.

(e) All policies of insurance required of TENANT by this paragraph shall be issued by insurance companies with a rating of not less than A-10 as rated in the most currently available Best's Insurance Report (or a then-equivalent rating from such service or from a similar service, if such rating or reporting service is no longer available), and qualified to do business in the State of Colorado. The aforementioned minimum limits of insurance shall in no event limit the liability of TENANT hereunder. All policies of insurance required to be carried by TENANT hereunder shall be primary to any insurance maintained by LANDLORD and not excess or contributory insurance. Each such policy shall provide that the policy cannot be canceled or altered without thirty (30) days' prior written notice to

LANDLORD and LANDLORD's mortgagee or the holder of any deed of trust granted by LANDLORD; and at least ten (10) days prior to the expiration of such policies, TENANT shall furnish LANDLORD with renewals. TENANT agrees that if it does not take out such insurance, LANDLORD may (but shall not be required to) procure said insurance on TENANT's behalf and charge TENANT the premium, together with interest on all amounts expended in connection therewith, as hereinafter provided, all of which shall be payable with the next installment of Base Rent following notice from LANDLORD of the amount expended. TENANT agrees to name LANDLORD (and any mortgagee or holder of a deed of trust granted by LANDLORD) as additional insureds under the commercial general liability policy carried by TENANT pursuant to this Paragraph 14.

(f) TENANT shall pay for any increase in the insurance premiums for the building and common areas caused by TENANT'S acts, omissions, use or occupancy of the Premises in violation of the Permitted Use. TENANT shall not do nor permit to be done anything which shall invalidate the insurance policies referred herein.

15. LANDLORD REPRESENTATIONS. LANDLORD represents and warrants to TENANT that on the date this Lease is executed, the Premises: (a) LANDLORD has received no written notice from any governmental authorities having jurisdiction that the Premises are not in compliance with all applicable laws, ordinances, orders, rules and regulations, except such, if any, as have been corrected prior to the date this Lease is executed; (b) is free and clear from all tenancies, occupancies, claims or rights to possession of persons other than the rights of LANDLORD and TENANT under this Lease; (c) is not subject to any mechanic's lien or other similar lien recorded against the Premises, of which LANDLORD has received written notice.

16. INDEMNITY. TENANT shall indemnify, defend and hold harmless LANDLORD from and against any and all third-party claims arising during the Term from TENANT'S use of the Premises, or from the conduct of TENANT'S business or from any activity, work or things done, permitted or suffered by TENANT in or about the Premises, and from any damage, liability, fines, penalties, costs (including, without limitation, reasonable attorneys' fees and costs) to which LANDLORD may be subjected as a result of such claims. In case any action or proceeding be brought against LANDLORD by reason of such claim, TENANT shall defend the same at TENANT'S expense by counsel satisfactory to LANDLORD. TENANT hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises arising from any cause and TENANT hereby waives all claims in respect thereof against LANDLORD. Except for LANDLORD's gross negligence or willful misconduct, TENANT hereby agrees that LANDLORD shall not be liable for injury to TENANT'S business or any loss of income therefrom or for damage to the persons or personal property of TENANT, TENANT'S employees, invitees, customers, or any other person in or about the Premises. LANDLORD shall indemnify, defend and hold TENANT harmless from and against any and all third-party claims arising during the Term as a result of Landlord's breach of any of its representations or warranties contained in this Lease, and from any damage, liability, fines, penalties, costs (including, without limitation, reasonable attorneys' fees and costs) to which TENANT may be subjected as a result of such claims. LANDLORD shall not be liable to TENANT for any damages arising from any act or neglect of any

other tenant, if any, of the building in which the Premises is located. The provisions of this Section 16 shall survive the expiration or earlier termination of this Lease with respect to events and circumstances arising during the Term.

17. FIRE OR OTHER CASUALTY

(a) In the case the Building shall be partially or totally destroyed by fire or other casualty insurable under standard fire and extended coverage insurance so as to become partially or totally untenable, the same shall be repaired as speedily as possible at the expense of LANDLORD, unless LANDLORD shall elect not to rebuild, as hereinafter provided, and an equitable part of the Rent shall be abated until so repaired in proportion to the area of the Premises which is untenantable. Notwithstanding anything to the contrary contained herein, LANDLORD's obligation to repair or restore the Building or the Premises is expressly limited by the rights of mortgagee's and deed of trust holders as contained in their respective security instruments.

(b) In case the Building, including common areas, shall be destroyed or so damaged by fire or other casualty as to render more than twenty-five percent (25%) thereof untenantable, or in the event of any uninsured loss in excess of $10,000, or if the unexpired term of this Lease is one and one-half (1 1/2) years or less on the date of any substantial destruction or damage, then LANDLORD may, if it so elects, rebuild or restore the Building pursuant to Section 17(a), or may, at its election by notice in writing 75 days after such destruction or damage, terminate this Lease, with Rent prorated and payable by TENANT to the date of such substantial destruction or damage, without further rights or obligations hereunder. The above shall apply whether or not any part of the Premises is damaged or destroyed. In case the Premises shall be destroyed or so damaged by fire or other casualty as to render more than twenty-five percent (25%) thereof untenantable, or if the unexpired term of this Lease is one and one-half (1 1/2) years or less on the date of any substantial destruction or damage, TENANT shall have the right for a period of sixty (60) days following such destruction or damage to terminate this Lease by providing written notice to LANDLORD, with Rent prorated and payable by TENANT to the date of such substantial destruction or damage, without further rights or obligations hereunder. If neither LANDLORD nor TENANT elects to terminate this Lease, then LANDLORD'S obligation to repair or rebuild pursuant to this Article shall be limited to a basic building and the replacement of any interior work which may have originally been installed at LANDLORD'S cost. In no event in the case of any such destruction shall LANDLORD be required to repair or replace TENANT'S stock in trade, leasehold improvements, fixtures, furnishings or floor coverings and equipment. If LANDLORD repairs or rebuilds as provided in this Section 17(b), TENANT covenants to make repairs and replacements of TENANT's stock in trade, leasehold improvements, fixtures, furnishings and floor coverings and equipment. TENANT shall, on demand, furnish LANDLORD evidence of insurance assuring TENANT's ability to make such repairs and replacements.

18. LANDLORD'S RIGHT TO ENTRY: LANDLORD shall during the Term, have the right, at all reasonable hours, to enter and inspect the Premises, upon a minimum of 48

hours' prior written notice to TENANT, except in an emergency, in which LANDLORD shall not be required to provide such prior written notice.

19. ASSIGNMENT OR SUBLEASE: TENANT shall not assign or in any manner transfer this lease or any interest herein, nor sublet the Premises or any part or parts hereof, nor permit occupancy by anyone without the prior written consent of LANDLORD; provided, however, that TENANT shall have the right to assign or sublease this Lease without LANDLORD's prior consent, (a) to any entity that owns or controls, is owned or controlled by or is in common ownership or control with, TENANT, (b) to any entity which holds a majority interest in TENANT, or (c) in connection with the sale or transfer of all or substantially all of the assets of TENANT; upon the condition that, in the event of the sale or transfer of the assets of TENANT, the transferee's financial strength and liquidity is no less than the financial strength and liquidity of TENANT at the date of execution of this Lease. In the event of any assignment or subletting, with or without the consent of LANDLORD, TENANT shall nevertheless at all times remain fully responsible and liable for the payment of the rent and for compliance with all its other obligations under the terms, provisions and covenants of this Lease.

20. DEFAULTS: REMEDIES: PAYMENTS:

(a) Time is of the essence in all matters concerning this Lease. Any delay on the part of LANDLORD in exercising any right or insisting upon the performance of any obligation of TENANT, shall not constitute a waiver of LANDLORD'S right to exercise these rights or insist upon these performances in the future.

(b) Events of Default. The following events shall be events of default by TENANT under this Lease:

(1) TENANT shall have failed to fully pay within three (3) business days of when due any installment of Rent or any other charge provided herein more than two (2) times in any consecutive twelve (12) month period.

(2) Failure to comply with any other material provision or provisions of this Lease, and the continuance of such failure without cure within thirty (30) days after receipt of a written notice from the LANDLORD specifying the nature of such failure, or if such failure cannot be cured within thirty (30) days, such default shall not be deemed to continue so long as the TENANT is diligently proceeding to cure the default; provided that such cure period shall be ten (10) days rather than thirty (30) days with respect to any failure by TENANT to maintain in effect any insurance required by this Lease.

(3) If any of the following occurs with respect to TENANT:

(i) A voluntary or involuntary petition for relief pursuant to the bankruptcy of insolvency laws of the United States or of any state is filed by the TENANT;

(ii) The attachment, seizure, levy upon or taking of possession by any receiver custodian, or assignee for the benefit of creditors of any portion of the property of TENANT; or

(iii) The TENANT makes an assignment for the benefit of creditors.

(c) Notice of Default. In the event of a default beyond any applicable notice and cure period pursuant to Section (b) above, LANDLORD may, at any time thereafter without limiting LANDLORD in the exercise of any right or remedy at law or in equity which LANDLORD may have by reason of such default or breach:

(1) Without further notice except as required by law, reenter and repossess the Premises and expel TENANT and those claiming through or under TENANT and remove the effects of both without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or preceding breach of this Lease. Should LANDLORD reenter or take possession pursuant to legal proceedings or any notice provided for by law, LANDLORD may, from time to time, without terminating this Lease, relet the Premises or any part, in LANDLORD's or TENANT's name but for the account of TENANT, for such periods (which may be greater or less than the period which would otherwise have constituted the balance of the Term or the applicable extension) and on such conditions and upon such other terms (which may include concessions of free rent and alteration and repair of the Premises) as LANDLORD, in its sole discretion, determines and LANDLORD may collect the rents therefor. LANDLORD is not in any way responsible or liable for failure to relet the Premises, or any part thereof, or for any failure to collect any rent due upon such reletting. No such reentry or repossession or notice from LANDLORD shall be construed as an election by LANDLORD to terminate this Lease unless specific notice of such intention is given TENANT. LANDLORD reserves the right following any reentry and/or reletting to exercise its right to terminate this Lease by giving TENANT notice, in which event this Lease will terminate as specified in the notice. If LANDLORD takes possession of the Premises without terminating this Lease, TENANT shall pay LANDLORD (i) the Rent which would be payable if repossession had not occurred, less (ii) the net proceeds, if any, of any reletting of the Premises after deducting all of LANDLORD's expenses incurred in connection with such reletting, including all repossession costs, brokerage commissions, attorneys' fees, expenses of employees, alteration, and repair costs (collectively "Reletting Expenses"). If, in connection with any reletting, the new lease term extends beyond the Term or the applicable extension period, a fair apportionment of the rent received from such reletting and the Reletting Expenses, will be made in determining the net proceeds received from the reletting. In determining such net proceeds, rent concessions will also be apportioned over the term of the new lease. TENANT shall pay such amounts to LANDLORD monthly on the days on which the Rent would

have been payable if possession had not been retaken, and LANDLORD is entitled to receive the same from TENANT on each such day; or

(2) Give TENANT notice of termination of this Lease on the date specified and, on such date, TENANT's right to possession of the Premises shall cease and the Lease will terminate except as to TENANT's liability as hereafter provided as if the expiration of the term fixed in such notice were the end of the Term. If this Lease terminates pursuant to this Section, TENANT remains liable to LANDLORD for damages in an amount equal to the Rent which would have been owing by TENANT for the balance of the Term had this Lease not terminated, less the net proceeds, if any, of reletting of the Premises by LANDLORD subsequent to termination after deducting Reletting Expenses. LANDLORD may collect such damages from TENANT monthly on the days on which the Rent would have been payable if this Lease had not terminated and LANDLORD shall be entitled to receive the same from TENANT on each such day. Alternatively, if this Lease is terminated, LANDLORD at its option may recover forthwith against TENANT as damages for loss of the bargain and not as a penalty an amount equal to the worth at the time of termination of the excess, if any, of the Rent reserved in this Lease for the balance of the Term over the then Reasonable Rental Value of the Premises for the same period plus all Reletting Expenses. "Reasonable Rental Value" is the amount of rent LANDLORD can obtain for the remaining balance of the Term.

(d) LANDLORD'S Default. Should LANDLORD be in default under the Terms of this Lease, LANDLORD shall have reasonable and adequate time, but in no event more than 30 days, in which to cure the same after written notice to LANDLORD by TENANT, or if such failure cannot be cured within thirty (30) days, such default shall not be deemed to continue so long as LANDLORD is diligently proceeding to cure the default. If LANDLORD in in default under the terms of this Lease, after such cure period, TENANT shall have the right (but not the obligation) in addition to any and all other rights and remedies available to TENANT at law or in equity, to cure such nonconformance or default on behalf of LANDLORD, upon 10 days' prior written notice to LANDLORD, except in an emergency (in which event only reasonable prior notice shall be required taking into consideration the circumstances). Upon receipt from TENANT of notice of such cure and demand for payment, LANDLORD shall repay any reasonable out-of-pocket payment or expenditure made by TENANT on or before the date the next monthly installment of Rent is due. If LANDLORD fails to repay such sums when due, TENANT may offset the same against subsequent monthly installment(s) of Rent, provided, however, in no event shall TENANT have the right to offset against any Rent a sum in excess of ten thousand dollars ($10,000) per incident permitting TENANT to perform obligations of LANDLORD pursuant to this Section 20(d); TENANT may pursue litigation against LANDLORD to recover any out-of-pocket costs not recovered through such offset.

21. ACTS OF GOD: LANDLORD and TENANT shall not be required to perform any covenant or obligation in this Lease, other than its obligations to pay money, or be liable

in damages to the other, so long as the performance or non-performance of the covenant or obligation is delayed, caused by or prevented by an Act of God or Force Majeure. "Act of God and Force Majeure" shall mean strikes, lockouts, sit-downs, material or labor restrictions, epidemics, pandemic, governmental shutdown, delays by any municipal, governmental and/or quasi-governmental authority, unusual transportation delays, material or supply shortages or back orders, riots, floods, freezing, wash-outs, explosions, earthquakes, fire, storms, acts of the public enemy, acts of vandals, wars, insurrections, delays by utility suppliers, and any other cause not reasonably within the control of the party seeking to enforce its rights under this Section 21.

22. ATTORNEYS' FEES: In the event of any litigation or other proceeding between LANDLORD and TENANT arising out of or in connection with this Lease, the prevailing party in such litigation or proceeding shall be entitled to recover, as a part of the judgment or ruling, its costs and expenses, including reasonable attorneys' fees, incurred in connection with the litigation or proceeding.

23. HOLDING OVER: In the event of holding over by TENANT after the expiration or Termination of this Lease, the hold over shall be as a TENANT at will and all of the Terms and provisions of this Lease shall be applicable during that period, except that TENANT shall pay LANDLORD on demand as rental for the period of such hold over an amount equal to **one and one-half (1 1/2)** the rent which would have been payable by TENANT had the hold over period been a part of the original Term of this Lease.

24. RIGHTS OF FIRST MORTGAGEE OR SUBSEQUENT TRANSFEREES: TENANT accepts this Lease subject and subordinate to the lien, but not the terms of (except terms with respect to the application of any insurance proceeds and any condemnation awards or payments in lieu of condemnation), any recorded deed conveying title, first or other mortgage or deed of trust lien presently existing or hereafter created upon the Premises, Building and/or common areas. TENANT agrees upon demand to execute additional instruments subordinating this Lease as LANDLORD may require; it being understood that TENANT may request commercially reasonable changes to the form of such instruments, in which event LANDLORD shall request approval of such changes by the holder of the mortgage or deed of trust that requested such instruments; provided that LANDLORD shall not be in default or have any liability whatsoever if such holder rejects some or all of the changes requested by TENANT.

25. ESTOPPEL CERTIFICATES AND ATTORNMENT: TENANT agrees to furnish promptly, from time to time, upon request of LANDLORD or LANDLORD'S mortgagee, a statement certifying, if applicable, that TENANT is in possession of the Premises; the Premises are acceptable; the Lease is in full force and effect, the Lease is unmodified; TENANT claims no present charge, lien, or claim of offset against rent; the Rent is paid for the current month, but is not prepaid for more than one month and will not be prepaid for more than one month in advance; to TENANT's actual knowledge there is not existing default by reason of some act of omission by LANDLORD; and such other matters as may be reasonable required by LANDLORD or LANDLORD'S mortgagee. In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust, or transfer under a deed in lieu

agreement made by the LANDLORD covering the Premises, TENANT shall attorn to the purchaser upon any such foreclosure or sale, or transferee under a deed in lieu agreement, and recognize such purchaser or transferee as the LANDLORD under this Lease, provided however that, so long as TENANT is not in default under this Lease, the transferee or purchaser agrees not to disturb the right of possession of TENANT to the Premises. No mortgagee or purchaser, upon any such foreclosure sale or by deed in lieu of foreclosure, shall be (i) liable for any act or omission of LANDLORD, (ii) bound by any payment of rent, additional rent or any other charge made more than thirty (30) days in advance of the due date thereof, unless LANDLORD remits payment of same to such person or (iii) bound by any assignment, surrender, termination, cancellation, amendment or modification of the Lease without the express written consent of the mortgagee, provided that no consent shall be required for any of the foregoing to the extent contemplated by the terms of the Lease on the date hereof or which do not decrease the Rent due hereunder or increase LANDLORD's obligations.

26. GOVERNING LAW: This Lease is made and delivered in the State of Colorado and shall be interpreted, construed, and enforced in accordance with the laws thereof.

27. SUCCESSORS: This Lease shall be binding upon and inure to the benefit of LANDLORD and TENANT and their respective heirs, personal representatives, successors and assigns.

28. TIME OF ESSENCE: Time is of the essence in this Lease.

29. MISCELLANEOUS: The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such Paragraph. If any provision of this Lease shall ever be held to the invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of this Lease, and such other provisions shall continue in full force and effect.

30. NOTICE: All notices given hereunder shall be in writing and sent by certified mail or Federal Express or other overnight courier service addressed to the party intended to be notified at the post office address of such party last known to the party giving such notice and notice given as aforesaid shall be a sufficient service thereof, and shall be deemed given as of the date when received or refused. All Rent and other payments required to be made by TENANT shall be payable to LANDLORD at the address set forth below, or at such other address as LANDLORD may specify from time to time by written notice.

LANDLORD:

1100 South Santa Fe, LLC, Cecil H. Brown
P.O. Box 7385
Colorado Springs, CO 80933
Phone: 719-332-4264
Facsimile: 719-634-0796
Email: chbinv@earthlink.net

Name of Bank: Bank of the San Juans
ABA Routing No: 102106569

Name on Account: 1100 South Santa Fe LLC; Cecil H. Brown
Account No.: 5943980

TENANT:

Ecologic Materials Corporation
601 16th Street, Suite C135
Golden, CO 80401
Phone: (480) 226-1636
Email: brendan@ecologicmaterials.com

31. NON-WAIVER: The receipt by LANDLORD of rent with knowledge of the breach of any covenant of this lease shall not be deemed a waiver of such breach and no provision of this lease shall be deemed to have been waived by LANDLORD unless such waiver be in writing signed by the LANDLORD.

32. LATE CHARGES: In the event the Rent provided for herein is not received by LANDLORD within three business days of when due, a late charge equal to five percent (5.0%) of the monthly rental amount shall be due and payable to LANDLORD. If rent is mailed, TENANT is responsible for loss or mail delay. LANDLORD does not waive any of its legal rights which may be available for default of TENANT by inclusion of this provision in this Lease. In the event TENANT pays its rent by check and the same is not cashed and paid by bank when presented, for whatever reason, TENANT shall pay, in addition to any late charges and in addition to the Rent, a charge for each occurrence in the amount of ten dollars ($10.00).

33. ENTIRE AGREEMENT AND LIMITATION OF WARRANTIES: IT IS EXPRESSLY AGREED BY TENANT, AS A MATERIAL CONSIDERATION FOR THE EXECUTION OF THIS LEASE, THAT THIS LEASE, WITH THE SPECIFIC REFERENCES TO WRITTEN EXTRINSIC DOCUMENTS, IS THE ENTIRE AGREEMENT TO THE PARTIES; THAT THERE ARE, AND WERE, NO VERBAL REPRESENTATIONS, WARRANTIES, UNDERSTANDINGS, STIPULATIONS, AGREEMENTS OR PROMISES PERTAINING TO THIS LEASE OR THE EXPRESSLY MENTIONED WRITTEN EXTRINSIC DOCUMENTS NOT INCORPORATED IN WRITING IN THIS LEASE. LANDLORD AND TENANT EXPRESSLY AGREE THAT THERE ARE AND SHALL BE NO IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THOSE EXPRESSLY SET FORTH IN THIS LEASE. IT IS LIKEWISE AGREED THAT THIS LEASE MAY NOT BE ALTERED, WAIVED, AMENDED OR EXTENDED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY BOTH LANDLORD AND TENANT.

34. OPTION TO RENEW.

(a) Provided no uncured default has occurred and is continuing, Tenant shall have the option to extend this Lease for one (1) additional period of five (5) years (the "Extension Period") upon the same terms and conditions as provided herein, saving and excepting the modification in Base Rent provided for herein. The phrases "Term," "term of this Lease" or "Lease term" as used herein shall include the Extension Period, if

Tenant's option is properly and timely exercised. The option for the Extension Period shall be exercised by Tenant giving written notice to Landlord not less than one hundred eighty (180) days prior to the expiration of the initial Lease term. If a default occurs and remains uncured prior to the commencement of the Extension Period, Landlord should have the right to treat Tenant's extension as null and void. Tenant has no further right to extend the Lease beyond the Extension Period.

(b) The monthly Base Rent for the Extension Period shall be the fair market rent for the Premises. The parties shall have thirty (30) days after Landlord receives written notice from Tenant exercising the option for the Extension Period (the "Extension Notice") in which to agree on fair market rent for the Premises, which shall become the monthly Base Rent for the Extension Period. If the parties agree, they shall promptly execute an amendment to this Lease setting forth the agreed upon monthly Base Rent. If the parties are unable to agree, not later than thirty (30) days after Landlord receives the Extension Notice, Landlord and Tenant shall present to each other their final monthly Base Rent offers (the "Final Offers"). If Landlord and Tenant do not reach agreement on the monthly Base Rent within ten (10) days after exchanging the Final Offers, either party may, at its option, provide written notice to the other, within ten (10) days after the exchange of the Final Offers, of its intention to commence arbitration proceedings as set forth below.

(c) If either party chooses to commence arbitration proceedings, Landlord and Tenant shall mutually select one (1) arbitrator to determine the monthly Base Rent. Such arbitrator shall be a licensed real estate broker or appraiser with at least ten (10) years active experience in the commercial real estate market in which the Premises are located. If Landlord and Tenant cannot mutually agree on the choice of arbitrator, each party shall select its own arbitrator, and the two arbitrators shall jointly select a third arbitrator, who shall be a licensed real estate broker or appraiser with at least ten (10) years active experience in the commercial real estate market in which the Premises are located and who shall make the sole determination. The single arbitrator so selected shall make the final determination of the monthly Base Rent for the Extension Period. The fees of the arbitrator and arbitrator's costs of the arbitration shall be shared equally by Landlord and Tenant. Each party shall pay any fees and costs of any attorneys and other professionals and consultants engaged by such party in connection with such arbitration.

[Signature Page Follows]

IN WITNESS WHEREOF, LANDLORD and TENANT have executed this Lease as of the Effective Date.

LANDLORD:

1100 SOUTH SANTA FE, LLC.

By: Cecil H. Brown
Its: Owner

By: _____
Cecil H. Brown

TENANT:

ECOLOGIC MATERIALS CORP.

By: Brendan Lundy
Its: CEO

By: _____
Brendan Lundy

By: _____
Marie Logsden
Title: Chief Strategy Officer

ADDENDUM TO THAT CERTAIN COMMERCIAL LEASE

Between 1100 South Santa Fe, LLC as LANDLORD and Ecologic Materials LLC as TENANT dated September 22, 2021.

1) IMPROVEMENTS:

a. LANDLORD's Work. TENANT shall take occupancy of the Premises in its existing, "as-is" condition. Prior to the Commencement Date, LANDLORD, at LANDLORD's sole cost and expense, shall perform or cause to be completed each of the following items ("Landlord's Work"):

   i. Install gas-fired heater in warehouse.

   ii. Install a door from the office to warehouse where there is currently a sheet covering the doorway.

   iii. Relocate door from warehouse to hallway by restrooms.

   iv. Replace the broken glass windows in the warehouse and repair all windows to be in good working order.

   v. Inspect and repair any of the roll up doors and windows (so that they can open and close).

   vi. Install a door in the back of the warehouse where the existing door is not hung.

   vii. Clean up all the landscaping (weeds). Remove all the bushes and trees from the 2 front office beds with the exception of the 2 bushes adjacent to the extension warehouse and put rock in the 2 flower beds.

b. TENANT's Work. Tenant shall have the right, but not the obligation, to perform any of the following items, at TENANT's sole cost and expense, but prior to commencing any such work, TENANT shall obtain LANDLORD's written approval of plans and specifications for such work:

   i. Install swamp cooler; provided that if such cooler will be installed on the roof, TENANT shall not damage the roof or roof membrane and shall not cause any roof warranty to be voided.

   ii. Install a reception half wall at office entry and back receptionist wall with power to operate a front receptionist operator and also wall panel power for a monitor on the wall behind receptionist half wall.

   iii. Install an eye wash station in the warehouse area as part of OSHA and Safety Standards.

c. Fire Code Compliance: LANDLORD represents to TENANT that to LANDLORD's actual knowledge, without investigation, the Building does not violate the applicable fire code in any material respect.

2) BROKER REPRESENTATION: TENANT and LANDLORD acknowledge that Aaron Horn of Cushman Wakefield has an exclusive relationship with LANDLORD and is acting as a LANDLORD Agent per Colorado Real Estate Law, and will receive a commission from the LANDLORD as agreed upon in the Listing Agreement previously executed between Broker and LANDLORD. TENANT represents and warrants to LANDLORD that TENANT has dealt with no other real estate broker or agent in connection with this Lease. LANDLORD will indemnify and hold TENANT harmless from all damages paid or incurred by the TENANT resulting from any claims asserted against TENANT by brokers or agents in connection with this Lease, except only any broker or agent engaged by or claiming through TENANT. TENANT will indemnify and hold LANDLORD HARMLESS from all damages paid or incurred resulting from any claims asserted against LANDLORD by brokers or agents in connection with this Lease engaged by or claiming through TENANT. The foregoing indemnity provisions shall survive the expiration or earlier termination of this Lease.

LANDLORD:

1100 SOUTH SANTA FE, LLC.

By: Cecil H. Brown
Its: Owner

By: _____
Cecil H. Brown

TENANT:

ECOLOGIC MATERIALS CORP.

By: Brendan Lundy
Its: CEO

By: _____
Brendan Lundy

CSO

IN WITNESS WHEREOF, LANDLORD and TENANT have executed this Lease as of the Effective Date.

LANDLORD:

1100 SOUTH SANTA FE, LLC.

By: Cecil H. Brown
Its: Owner

By: Cecil H. Brown

Cecil H. Brown

TENANT:

ECOLOGIC MATERIALS CORP.

By: Brendan Lundy
Its: CEO

By: _____

Brendan Lundy

By: _____

Marie Logsden

Title: Chief Strategy Officer

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2) BROKER REPRESENTATION: TENANT and LANDLORD acknowledge that Aaron Horn of Cushman Wakefield has an exclusive relationship with LANDLORD and is acting as a LANDLORD Agent per Colorado Real Estate Law, and will receive a commission from the LANDLORD as agreed upon in the Listing Agreement previously executed between Broker and LANDLORD. TENANT represents and warrants to LANDLORD that TENANT has dealt with no other real estate broker or agent in connection with this Lease. LANDLORD will indemnify and hold TENANT harmless from all damages paid or incurred by the TENANT resulting from any claims asserted against TENANT by brokers or agents in connection with this Lease, except only any broker or agent engaged by or claiming through TENANT. TENANT will indemnify and hold LANDLORD HARMLESS from all damages paid or incurred resulting from any claims asserted against LANDLORD by brokers or agents in connection with this Lease engaged by or claiming through TENANT. The foregoing indemnity provisions shall survive the expiration or earlier termination of this Lease.

LANDLORD:

1100 SOUTH SANTA FE, LLC.

By: Cecil H. Brown
Its: Owner

By: Cecil H. Brown

Cecil H. Brown

TENANT:

ECOLOGIC MATERIALS CORP.

By: Brendan Lundy
Its: CEO

By: _____

Brendan Lundy

CSO

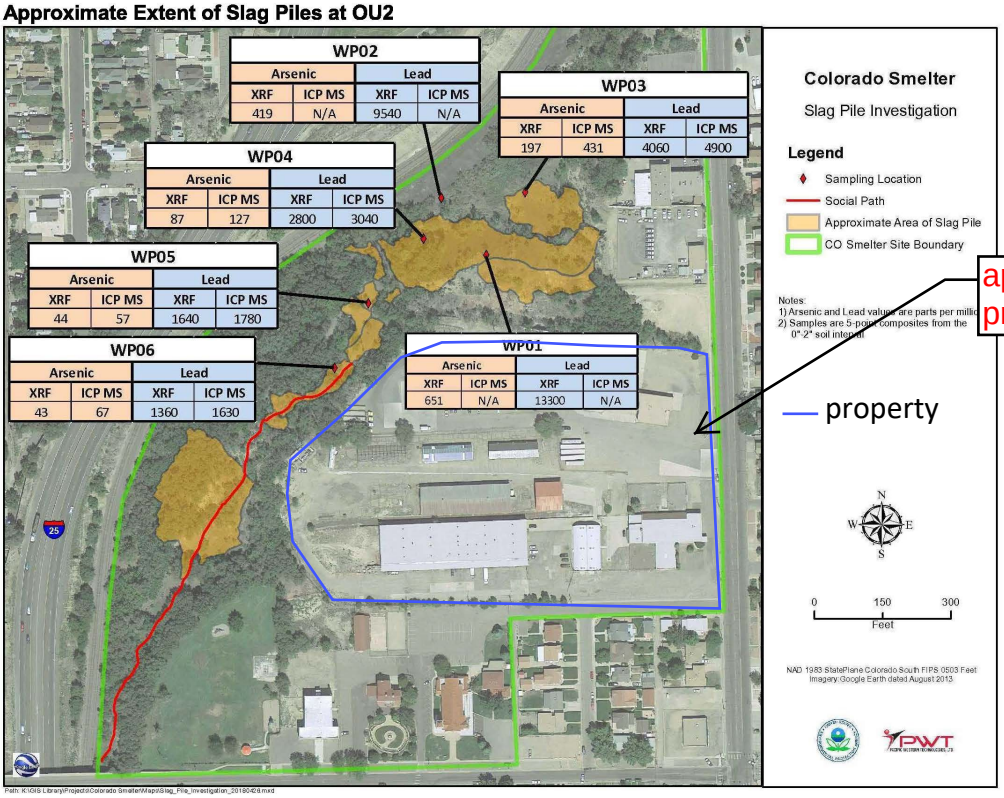
EXHIBIT "A"
Building Plan and Legal Description

BEG PT ON W LINE SANTA FE AVE PT BEING NE COR CYRIL ZUPAN SUB + PT BEG ALSO LYING 340 FT N OF N LINE MESA AVE TH S 89 DEG 22 MIN W + // N LINE MESA AVE 841.5 FT TH N 40 DEG 32 MIN W 184.85 FT TH N 77 DEG 21 MIN W 15.5 FT TH N 1 DEG 49 MIN W 147.6 FT TH N 46 DEG 47 MIN E 179.7 FT TH S 43 DEG 49 MIN E 55.9 FT TH N 87 DEG 55 MIN E 471.8 FT TH S 2 DEG 11 MIN E 96.42 FT TH S 84 DEG 333.5 FT TH S 01 DEG 09 MIN E 252 FT TO BEG LESS HWY IN 1-21-65 7.484A

EXHIBIT "B"
TENANT Layout

Appendix F: Map of Slag Piles

Figure 4 Approximate Extent of Slag Piles at OU2



approximate property boundary

Attachment 19 - Photos taken from 2nd floor of building at 1103 South Santa Fe Avenue, Pueblo, CO

View from 2nd floor of building at 1103 South Santa Fe Avenue looking northwest

View from 2nd floor of building at 1103 South Santa Fe Avenue looking north

Attachment 20 – Photos of property adjacent to the Brown property

Adjacent Property - Bricks on neighboring property to the north – from old smelter operations

Adjacent Property – View looking northwest towards slag/railroad

Adjacent Property - Remnants of old blast furnaces

Adjacent Property - Brick and slag debris on neighboring property to the north

Adjacent Property – On northern boundary of Cecil Brown's property, the retaining wall is broken, exposing native soil

Adjacent Property – Old concrete foundation remnants on neighboring property to the north