Attachment C

Request for Reconsideration

Covia Request for Reconsideration Letter

AUG 1 2 2025 DEPT. OF MINES

Covia Solutions LLC 6-27-2025



June 30, 2025

Suzen Rodesney
Director Oklahoma Department of Mines
RE: Expansion Application for Permit #L.E.-1565

Dear Suzen Rodesney:

Covia is submitting this letter of reconsideration in response to the Oklahoma Department of Mine's (ODM) letter dated May 6, 2025 ("Letter") regarding Covia's Expansion Application for Permit #L.E-1565 (the "Permit"). With this submittal, we respectfully request that ODM revise the Permit pursuant to our March 17, 2025 application.

On June 3, 2025, Covia met with ODM in Oklahoma City to discuss the Letter and clarify how the proposed expansion aligns with current regulations, including Oklahoma Enrolled House Bill No. 2471 ("HB2471"). As a follow-up to our meeting, Covia is submitting the enclosed supplemental information on the Roff Mine operation and the proposed expansion area, including six main points which are summarized below, with supporting details provided in the attachments.

Background – Existing Roff Mine Operation

Since 1913, the Roff Mine has been an important employer in the Roff, Oklahoma, area. Currently, approximately 50 local people work at the mine, producing high quality silica sand, a critical material used in the glass, building products, metal castings, and oil and gas industries. Based on Covia's sales data, almost 80% of the sand produced at the Roff Mine is used within Oklahoma, supporting the Oklahoma economy, industries and workers.

However, the Roff Mine has almost exhausted its existing sand reserves, and unless it is able to open a new pit with sufficient sand reserves to continue operations, the mine will be forced to close in the near future. The closing of the mine will impact not only the local workers and the tax base, but also the industries that use and depend on Roff's high-quality sand. Such closure could cause a domino effect in which other industries may also close, or they may increase their product pricing to offset higher costs of sourcing sand from other mines. Therefore, it is critical for the facility's survival that it is allowed to open the Sunshine Road Pit (the "Sunshine Pit") pursuant to its Permit revision application.

By way of background, the Roff Mine utilizes traditional open pit sand mining methods. Trucks haul the sand from within the pit to the surface, where it is unloaded and mixed with water to form a slurry. The



slurry is then pumped via a pipeline to the "Processing Area" where the slurry is dried, screened, and packaged for sale and shipment. As with all open pit sand mining, after the sand from existing pits is exhausted, a new pit is opened and the process is repeated. Three maps of the Roff Mine facility are provided in Exhibit A; they show the Processing Area, the current pit area, the currently permitted and bonded areas, and the proposed 380 acres of land to be added to the Permit.

Future - Sunshine Road Pit

By moving the sand mining activity to the new Sunshine Pit, the only substantial equipment change will be to install water and slurry pipelines² from the Sunshine Pit northward, connecting to the existing pipelines that currently pump slurry to the Processing Area. Mining this Pit will not increase or change the Roff Mine's sand processing in any manner whatsoever. The buildings, equipment, storage piles, ponds, and processing methods will remain the same; the only change is simply that the sand slurry will be pumped from the new Pit instead of the existing pit.

<u>Point of Clarification #1</u>: Covia's Roff Mine is not a "<u>subject mine</u>" for purposes of HB2471 (and specifically Section 3) and therefore, the moratorium of HB2471 does not apply to the Roff Mine's request for a Permit revision to add land to its permitted area.

<u>Point of Clarification #2</u>: The current Roff Mine's sand removal operations will cease at the existing pits before sand mining operations begin at the proposed Sunshine Pit. The existing sand processing operations will not change and the overall permitted throughput will not increase, as sand slurry will simply be supplied to the Processing Area from the new Pit instead of from the existing pit. Additionally, once the current sand mining pit is closed, reclamation will begin, which includes restoring previously mined areas and improving wildlife habitat.

Point of Clarification #3: Because approximately eighty-five (85%) of the sand reserves at the Sunshine Pit are above the groundwater table, Covia plans to restrict its mining to the upper reserves during the first few years, to avoid mining below the water table for as long as possible. When mining below the water table is eventually undertaken to access the last fifteen (15%) of the identified reserves, the direct

¹ The "Processing Area" includes buildings, sand processing and packaging equipment, sand storage piles, and process water ponds.

² Three (3) pipelines will connect the Sunshine Pit to the existing Processing Area. One pipe will transport water from the Processing Area to the Sunshine Pit to mix with sand, creating a slurry. A second pipe will transport the sand slurry to the existing Processing Area for processing. A third pipe will only be used intermittently to remove excess water from the Sunshine Pit by pumping it back to the Processing Area.



interaction between the mining activities and the groundwater will be limited by area and time to minimize any infiltration.

The company will also implement a comprehensive water management plan to reduce the potential of impacting the groundwater.

Point of Clarification #4: Because the sand slurry will be pumped from the Sunshine Pit to the existing Processing Area, any wastewater generated by processing will be maintained at the existing Processing Area. The proposed design of the project will not add any new wastewater outfalls in the expansion area.

<u>Point of Clarification #5</u>: Covia plans to go above and beyond the required public notice requirements (in a newspaper) by notifying neighbors and other stakeholders including relevant non-governmental organizations (NGOs) directly by letter and considering feedback received in design and operation plans for the new pit. The individualized notifications will be sent prior to publishing the official public notice.

<u>Point of Clarification #6</u>: Covia modified the previously submitted map to clearly delineate the areas that are currently permitted and those that are bonded. (See Exhibit A)

Each of the six Points of Clarification outlined above are detailed further in the attachments. We respectfully request that ODM reconsider Covia's Expansion Application for Permit #L.E-1565 and revise the Permit in light of the above and the attached information. Please reach out to me at (832) 454-9793 or at Natalie.Eglinton@coviacorp.com if you have any further questions.

Sincerely,

Natalie Eglinton, Director of Covia Environmental

Attachments:

Natalis Eglinton

Point of Clarification #1: House Bill 2471

Point of Clarification #2: Throughput and Reclamation

Point of Clarification #3: 85% of the Sand Reserves are Above the Water Table

Point of Clarification #4: Wastewater Outfalls
Point of Clarification #5: Community Engagement

Point of Clarification #6: Map Updates



Point of Clarification #1: House Bill 2471

Covia has reviewed the language of HB2471 and has concluded that the Roff Mine is not a "<u>subject mine</u>" as defined therein; and therefore, the requested Permit revision is exempt from HB2471. Thus, there is no need to rely on the HB2471 exceptions. Even so, Covia provides the following analysis of HB2471³ in support of its requested Permit revision.

HB2471 Section 2, Subsection A

Subsection A states that Section 2 (and therefore the moratorium) applies only to a "<u>subject mine</u>" which is a mine that is proposed for a location overlying a sensitive sole source groundwater basin or subbasin. However, Paragraph 1 of Subsection A excludes from the definition of "<u>subject mine</u>", any mine that "As of November 1, 2019, is engaged in the permitted extraction of minerals from natural deposits;"

The Roff Mine is not a "<u>subject mine</u>" as it has been engaged in the permitted extraction of minerals from natural deposits prior to November 1, 2019. The Roff Mine has been in operation since about 1913 and it has been permitted and bonded since the 1980s.

Therefore, the HB2471 moratorium on ODM's issuance of new permits or permit revisions does not apply to the Roff Mine's requested Permit revision.

HB2471 Section 2, Subsection B

Paragraph 2 of Subsection B establishes a moratorium on the ODM issuing "any amendment or revision to any existing mining permit, that covers additional land which shall include extensions of boundaries shown in the initial permit, if the revision would increase the acreage under such permit for that mine location by more than one hundred percent (100%) or four hundred (400) acres, whichever is less, as compared to the acreage under permit for that mine location prior to the effective date of this act;"

Even if the Roff Mine were to be mis-characterized as a "<u>subject mine</u>" for purposes of HB2741, Covia's additional land does not meet the criteria of paragraph 2 of Subsection B. The Roff Mine's request for

³ The various sections of House Bill 2471 have been codified as follows: Section 1 of Bill 2471 is codified in Title 27A of the Statutes which pertains to the Department of Environmental Quality; Section 2 of Bill 2471 is codified in Section 950 Title 45 which pertains to the Department of Mines; and Section 3 of Bill 2471 is codified in Title 82 of the Statutes which pertains to the Oklahoma Water Resources Board.



additional land area is only 380 acres⁴, or 26% of its currently permitted 1,441 acres, which is below the acreage that triggers the permitting revision moratorium.

Even if HB2471 were to apply to the Roff Mine, this exemption eliminates the moratorium on ODM's ability to add 380 acres to the Roff Mine Permit.

HB 2471, Subsection C

Subsection C states "notwithstanding the moratorium, nothing in paragraph 2 of subsection B of this section shall preclude the Department of Mines from issuing an amendment or revision to cover addition land, . . .under a permit issued prior to the effective date of this act, nor shall any permit amendment or revision issued pursuant to this section be deemed to render the permitted mine a 'subject mine" (emphasis added) for the purposes of Title 27A, 45 or 82 of the Oklahoma Statutes."

Covia believes that Subsection C confirms the authority of ODM to revise Roff's Permit as this Subsection specifically addresses the future characterization of mines that undergo a permit revision authorized by Subsection B. Therefore, upon the revision to the Roff Permit to add new land will not cause the Roff Mine to be characterized in the future as a "subject mine" under the referenced Statutes.

Legislative History

Covia believes that the inclusion of exemptions to the moratorium on revising existing mining permits and the limitation of new land acreage that can be added to an existing permit pursuant to HB2471 reflect the legislature's appreciation of how surface mining is conducted and the need for mine operators to periodically move to new lands that contain accessible reserves when existing reserves have been exhausted. We believe that the legislature intentionally carved out these exemptions, yet limited the acreage that existing mines could add, to provide mine operators with some flexibility to access new reserves and continue operating during the interim period while the various state departments coordinate and conduct studies to promulgate final rules pursuant to HB2471.

2022 Meeting With ODM

Finally, on October 21, 2022, Covia met with representatives from the ODM to review the proposed mine expansion by adding the Sunshine Pit. During this meeting, ODM's Richard Shore determined that the mine expansion appears to qualify for the exclusions outlined in HB2471 and he explicitly advised Covia

⁴ Note: In 2020, the Roff Mine previously added 20 acres to its Permit, leaving 380 acres available for this current expansion; if the limitations of HB2471 were to apply.



to include land area under the slurry pipeline in its Permit expansion application. Covia complied with this advice and included the land corridor in its expansion application. Therefore, the expansion area will be contiguous to the existing permitted area as it will be physically connected via the three water and slurry pipelines as well as by the land corridor easement which will be permitted and bonded.

Distance Between the Expansion Area and Existing Permitted Area

In its Letter, ODM stated a concern that "six (6) miles distance between the existing mine and the new acreage is not a reasonable application of the allowances provided by HB2471." Covia respectfully disagrees with that conclusion. We also believe that distance should not be a factor in ODM's evaluation of Covia's requested Permit revision, as the imposition of any distance limit is arbitrary, as no such limit exists in HB2741 or Title 45 of the Oklahoma Statues.

Section 2 of HB2471⁵ and Title 45 of the Oklahoma Statutes ("Statutes") do not contain language that limits the aerial extent of a mining operation; nor is there any mention of an allowed maximum distance between pits and processing areas, or any requirement that all land encompassed by a mining operation must be contiguous. The definitions in Title 45 Section 723 of the Statutes define a "Mine" as a surface excavation and development for the extraction of minerals, which shall embrace any and all of the land or property of the plant that contributes directly or indirectly to the mining properties, concentration or handling of minerals. Also, a "Pit" is defined therein as a tract of land from which overburden or minerals have been or are being removed in the process of surface mining. Thus, a Pit is just one of many components that compose a Mine and there is no requirement for all pits to be contiguous to, or within a given distance of, the rest of the mining operation.

Currently, the Roff Mine complex has numerous pits that are a distance from, and not contiguous to, the rest of the mining complex. The maps in Exhibit A show the "Mine Permit Boundary" of the separate and discrete areas that are currently permitted, separated by intervening, non-permitted land. In fact, the existing pits are physically connected to the Processing Area by over 2.5 miles of pipeline. This past practice is analogous to the current request to add the expansion area, which will be physically connected to the rest of the Mine by pipelines and a land easement corridor of approximately 3.6 miles.

There is no basis for ODM to limit the distance between a new pit and an existing, permanently-installed processing area. An arbitrary distance limit would impose onerous financial burdens on surface sand mining operations. In such a situation, mining operators would need to either: (i) acquire and permit large tracks of intervening land that have no value to them, just to gain access to target reserves that exist a

⁵ Section 2 of HB2471 is codified in Title 45; 'Mines and Mining' of the Oklahoma Statutes.



distance from, and not contiguous to, their existing processing facility; or (ii) move the entire processing facility building and equipment to each new pit as it is opened. Neither alternative is financially viable.

Although Covia recognizes ODM's concern, we believe that the distance between an existing processing facility to a new pit is "self-limiting" due to cost. As distances increase, so do costs to transport sand from a pit to the infrastructure buildings and equipment in the processing area; pipelines and pumps lose efficiency with distance, requiring larger, more powerful and expensive pumps; the cost to transport sand by truck also increases as the distance increases. Thus, there is no need for ODM to impose an arbitrary distance limit in addition to the acreage limit that already exists in HB2471, Section 2, Subsection B, paragraph 2. Also, given the 400-acre limit in HB2741 and the fact that 20 acres were already added to the Roff Mine Permit in 2020, if HB2741 were to apply to this situation, the company's current request to add 380 acres would reach the maximum allowable acreage; thus there would be no future expansion requests during the life of the moratorium.

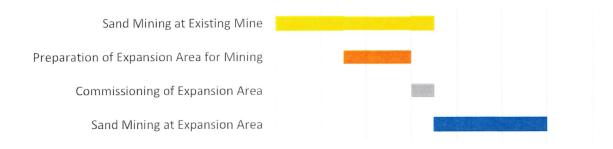
Covia also appreciates ODM's suggestion that the company pursue acreage located closer to the existing mine, but that is not a feasible alternative. The company cannot simply acquire nearby land for expansion. First, any potential land acquisition must have sufficient commercial-quality sand reserves, the location of which is dictated by nature. Secondly, landowners must be willing to sell or lease their property at a price that allows the company to be profitable. At Roff, the company has explored alternative locations and it concluded that the Sunshine Pit was the only viable option to avoid a shutdown of the plant. No alternate sand reserves, of sufficient quality and quantity, exist closer to the mine. Even so, given the distance involved, the cost to develop the Sunshine Pit is very high, approaching the maximum cost that allows the project to remain profitable.



Point of Clarification #2: Throughput and Reclamation

The Roff Mine will cease mining at the existing pits before it starts mining at the proposed Sunshine Pit expansion area. The addition of the expansion area land will not increase or change the Roff Mine's sand processing in any manner whatsoever. The Processing Area, buildings, equipment, storage piles, ponds, and processing methods will not change except that the sand slurry will be pumped to the Processing Area from the new Sunshine Pit instead of from the existing pit. Effectively, this is a simple transfer of the source of reserves from one pit to another. The area being actively mined at any given time will not exceed the current production rates and the overall permitted throughput (across both the current mine area and the expansion area) will not increase.

Below is a simple Gantt chart showing how mining operations would transfer to the new expansion area without overlapping and not increasing the existing throughput of the mine.



Additionally, once the current sand mining pits are closed, the mine reclamation plan will be executed. Reclamation includes restoring previously mined areas by re-contouring the land to an appropriate grade, creating swales and ponds, and planting native vegetation to improve wildlife habitat. Covia strives to be a good corporate citizen, and to leave land in a condition that is equal to or better than what existed prior to mining. As such, the Roff Mine has voluntarily implemented a number of habitat improvement projects over the years, prior to commencing formal reclamation.

- One such project improved aquatic habitat in a pond that was formally a pit by following Pond
 Management guidance provided by the Oklahoma Department of Wildlife, such as installing
 Shelbyville Cubes, which provided artificial shelters for small fish. Since implementation, the
 population of large fish, such as bass, in the pond have substantially increased in both size and health.
- Also, since 2022, the Roff Mine has removed approximately 1,295 Eastern Red Cedar trees in an effort to restore native grasslands, reduce wildfire risks, and allow more water to naturally recharge the



aquifer that would otherwise be taken up by the rapidly spreading and water-intensive cedars. Covia estimates that approximately 236 million gallons of water have percolated back into the aquifer (based on estimates that each Eastern Red Cedar consumes an average of 50 gallons of water per day).



Point of Clarification #3: 85% of the Sand Reserves are Above the Water Table

Covia evaluated the quality and the thickness of the target sand reserves in the expansion area by drilling borings and sampling and logging the results across the area. The borings were advanced through the overburden material and sand reserve formation until an underlying clay layer was encountered.

This evaluation showed that approximately eighty-five (85%) of the targeted sand reserves in the Sunshine Pit expansion area are located above the groundwater table. More importantly, most borings did not encounter any groundwater throughout the entire thickness of the sand formation, except in three isolated areas where the mapped sand reserves dip below the groundwater table. At one isolated location, the target sand unit extends to a depth of approximately 25 feet below the water table; at a second location, the target sand unit extends to a depth of approximately 45 feet below the water table; and at a third area, the target sand unit extends to a depth of approximately 80 feet below the water table.

Covia plans to restrict its mining to above the water table during the first few years to avoid, for as long as possible, any activity that could potentially impact the aquifer. When mining below the water table is eventually undertaken to access the last fifteen (15%) of the identified reserves, the direct interaction between the mining activities and the groundwater will be limited to the three discrete saturated areas and mining will be completed quickly to minimize water infiltration.

Another important point is that no chemicals or additives will be used in the expansion area. The stormwater that accumulates in the Pit and process water from the Processing Area will be used to mix with the sand to create a slurry and to transport that slurry to the Processing Area for processing.

In addition, the mining plan and a water management plan will be implemented to reduce the potential impacts to groundwater.



Point of Clarification #4: Wastewater Outfalls

As more fully described in the "Background – Roff Mine Operation" section, the addition of the Sunshine Pit land will not increase or change the Roff Mine's sand processing in any manner whatsoever. The Processing Area buildings, equipment, storage piles, ponds, and processing methods will not change as the new Pit is opened. The only change will be to relocate the source of the sand and the pipelines from the existing pits to the Sunshine Pit.

As discussed in Point of Clarification #3, no chemicals or additives will be used in the expansion area. The stormwater that accumulates in the Pit and process water from the Processing Area will be used to mix with the sand to create a slurry and to transport that slurry to the Processing Area for processing.

There will be no wastewater outfalls associated with the expansion area. Stormwater at the proposed expansion site will be directed towards the Sunshine Pit and that accumulated water will be used to create a sand slurry for transport via the proposed permitted and bonded pipeline to the Roff Processing Area for processing. Because all of this water is recirculated as part of the slurry process, there will be no discharge of wastewater from Pit dewatering at the expansion area. As a result, no new outfalls will be created in connection with the expansion.



Point of Clarification #5: Community Engagement

Covia plans to go "above and beyond" the standard public notice requirements, which typically include publishing a notice in a local newspaper. Covia plans to proactively engage with the community and key stakeholders.

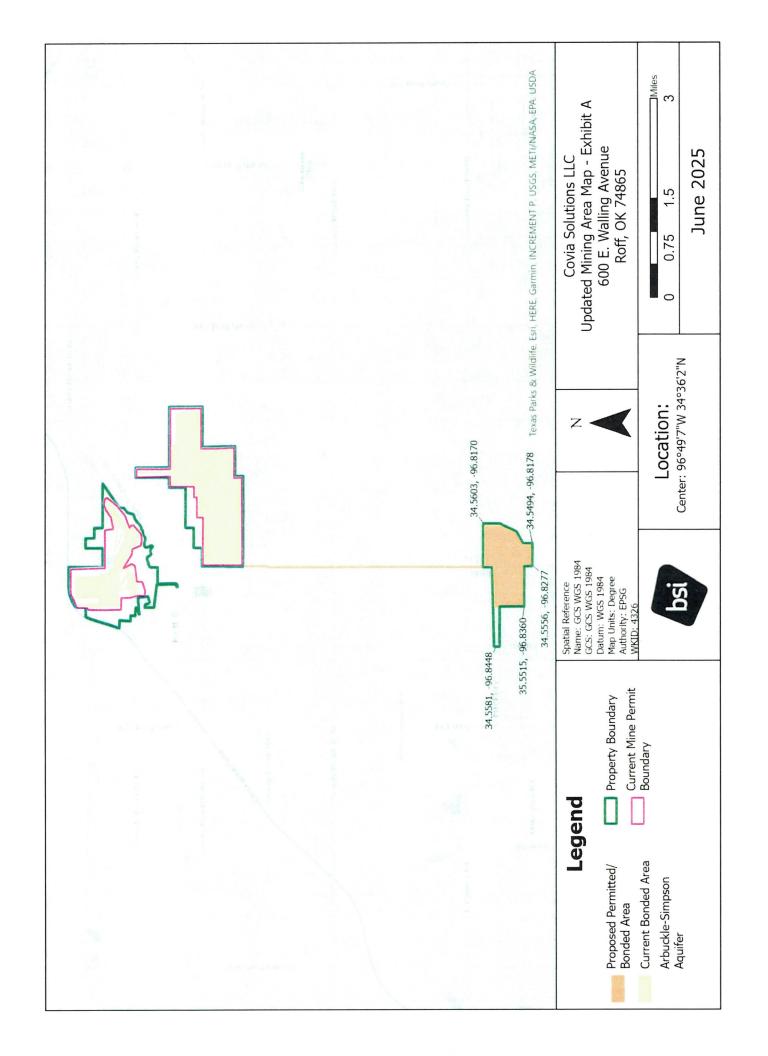
- Prior to publishing the required public notice, Covia intends to directly notify all adjacent landowners of the expansion area through mailed letters. These letters will provide clear information about the proposed expansion and invite recipients to share concerns or input they may have.
- Because the sand from the Sunshine Pit will be pumped via pipelines to the existing Processing Area, the Roff Mine will not transport sand via truck between the Processing Area and the expansion area, thus avoiding traffic on local roads from sand haul trucks.
- Covia also plans to engage with relevant non-governmental organizations, including the Citizens for the Protection of the Arbuckle-Simpson Aquifer ("CPASA"), recognizing their important role in local water resource protection. Feedback received from community members and stakeholders will be carefully considered and, where feasible, incorporated into the design and operational plans for the expansion area and Sunshine Pit.

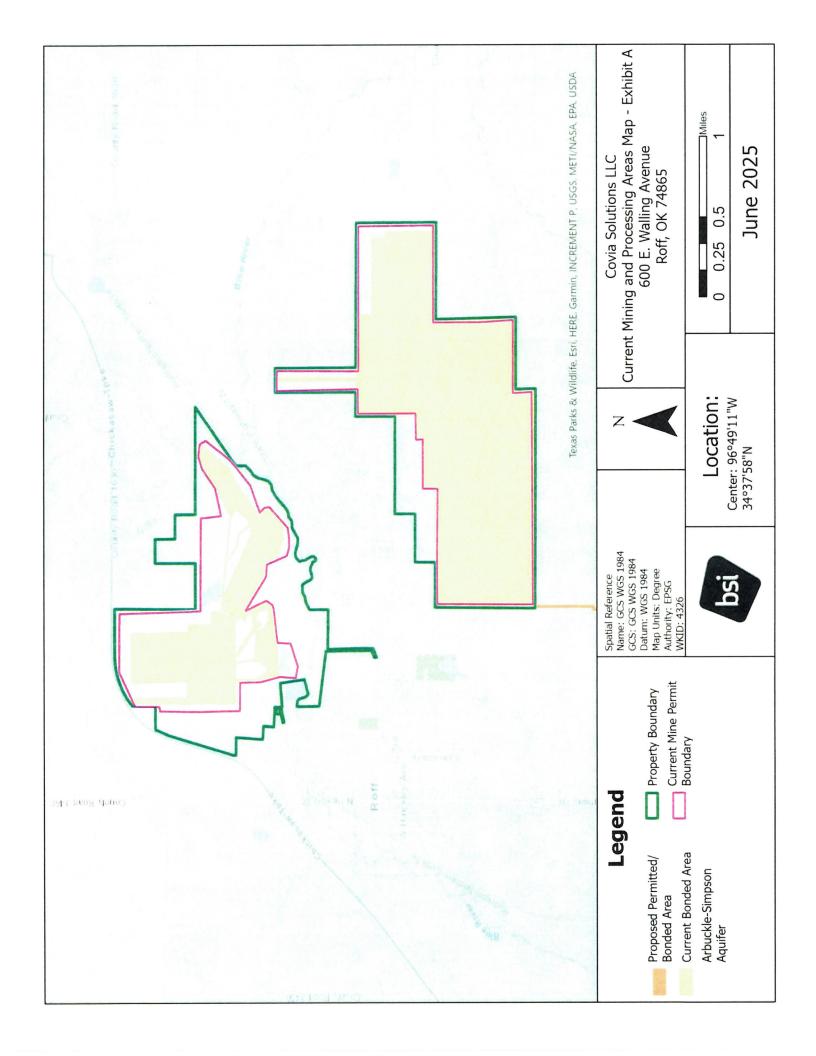
This approach reflects Covia's commitment to transparency, environmental stewardship, and building trust with the local community.

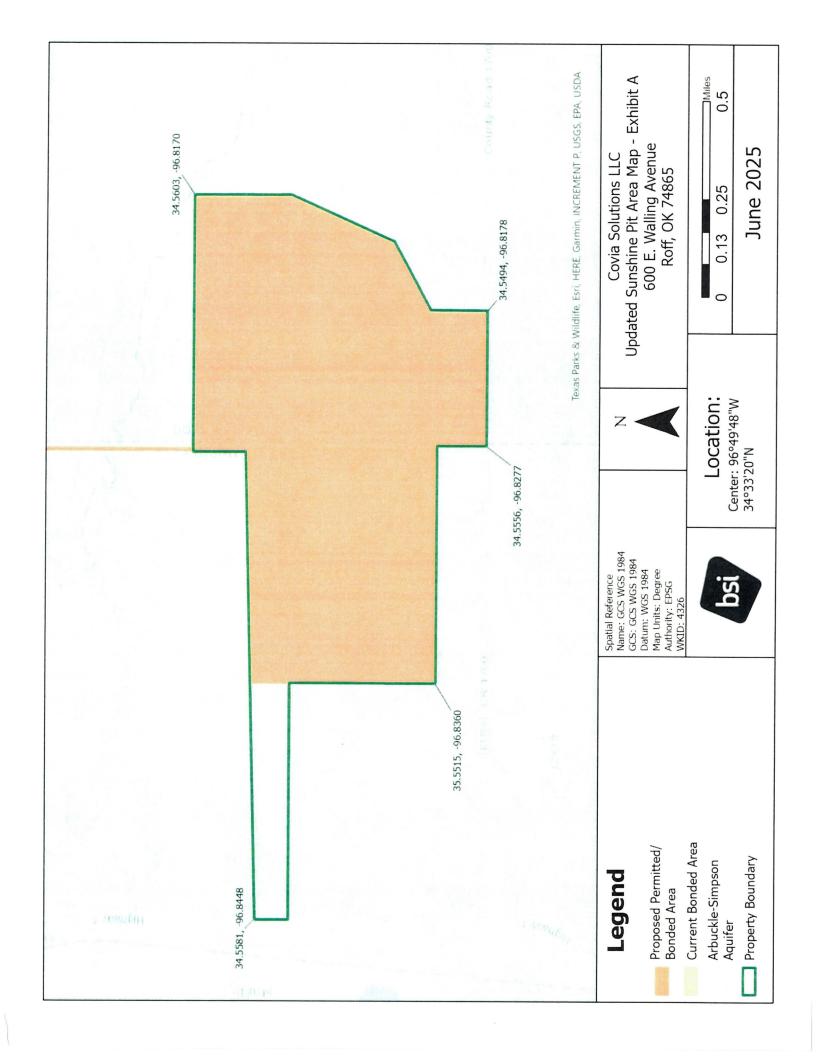


Point of Clarification #6: Map Updates

Covia modified the previously submitted map to clearly delineate the areas that are currently permitted and those that are bonded, as well as the proposed permitted and bonded area. We also added coordinates to the expansion area corners and noted the extent of the Arbuckle-Simpson Aquifer. (See the three maps in Exhibit A)







Attachment D

Request for Reconsideration

ODM Response Letter

AUG 12 2025
DEPT. OF MINES

Covia Solutions LLC 7-2-2025

SUZEN M. RODESNEY DIRECTOR



J. KEVIN STITT GOVERNOR

July 2, 2025

Natalie Eglinton Covia Solutions, LLC 600 E. Walling Avenue Roff, OK 74865

Re: Request for Reconsideration of Expansion Application for Permit #L.E.-1565

Dear Ms. Eglinton:

Thank you for the June 30, 2025, letter and supplemental information provided regarding Covia's request to expand permit #L.E.-1565 located within the Arbuckle-Simpson Aquifer area currently under a legislative moratorium for new mining. I have reviewed the background and points of clarification provided related to House Bill 2471.

While I disagree with your assessment that the Department of Mines' evaluation of your initial application was "arbitrary", I understand that your company wants to continue its operation in this region within the confines of the current law. Your detailed letter regarding Covia's expansion explains more specifically how it does fit within the current law. I appreciate the additional data supplied and your company's willingness to go beyond the required public notice newspaper publication.

The biggest concern I have is how much water will be used in the expansion area, particularly when Covia mines below the water table as you described in Point of Clarification #3. I would like to see the estimated timetable, mining plan and water management plan that would be implemented and maintained. Should the expansion application go through the permitting process and arrive at my desk for approval, annual updates on the water usage will be a condition of the permit.

Therefore, I recommend you re-submit the expansion application to the Department of Mines with the additional data and updated maps you shared with me.

Sincerely,

Suzin M Kodis nig Suzen M. Rodesney

Director

cc: Jenna Bedwell Travis Shore Clayton Eubanks