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AUG 04 2023  
MINERALS & MINING PROGRAM

August 1, 2023

Richard M. Williams  
Email: rwilliams@gpna.com  
Direct Dial: (605) 719-3430

**Via Email and U.S. Mail**

Roberta Hudson  
Department of Agriculture and Natural Resources  
Minerals and Mining Program  
Joe Foss Building  
523 East Capitol Avenue  
Pierre, SD 57501-3182

PAID

Re SDO Services, LLC  
GPNA File No. 16413.0002

Dear Ms. Hudson:

On behalf of our client, SDO Services, LLC (“SDO”) we are submitting this Exploration Notice of Intent (EXNI) and supplemental information for the Mateen Claim near Hill City, South Dakota.

At this time, the application for the EXNI only includes private land in Pennington County, South Dakota.

Included in this Exploration Notice of Intent are the following:

- The EXNI application form – SD form 0429
- A Plan of Reclamation Pursuant to Section 8
- A Topographic Map Pursuant Section 9
- A fee of \$250.00 pursuant to Section 17 in check form
- A completed Certification of Applicant form for SDO Services, LLC
- Related exhibits
- Well Log Excel spreadsheet forwarded via email

All reasonable efforts have been made to verify the accuracy and validity of information regarding the proposed activities for exploratory drilling and associated reclamation.

If there are any questions or concerns, please do not hesitate to contact me. Thank you in advance for your time and attention.

Sincerely,

Richard M. Williams

RMW:lf  
Enclosures

Offices in Rapid City and Pierre, South Dakota

Attorneys licensed to practice in South Dakota, North Dakota, Nebraska, Wyoming, and Montana

Department of Agriculture and Natural Resources  
Minerals and Mining Program  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3182  
605 773-4201; Fax: 605 773-5286

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NOTICE OF INTENT TO CONDUCT  
MINERAL EXPLORATION OPERATION  
(Excluding Uranium)

Pursuant to SDCL 45-6C

Operator's name: SDO SERVICES, LLC ("SDO")

Contact Person for SDO SERVICES, LLC:

Michael Schlumpberger  
CEO / Manager

Mailing Address: 18 East Main  
Suite 103  
Rapid City, SD 57701

Telephone: (419) 371-3331

Resident agent (if out-of-state corporation):

Gunderson Palmer Registered Agents, LLC

Resident agent address: 506 6<sup>th</sup> Street  
Rapid City, SD 57701

Telephone: (605) 342-1078

Legal description of area to be explored by Section, Township, and Range:

Section 31, Township 1S, Range 5E, BHM, Pennington County, South Dakota

County: Pennington County

Give a brief description of the type of exploration to be conducted. Include a list of all minerals to be explored and a description of methods (e.g. drill rig type, number of holes to be drilled, number of drill pads to be constructed, proposed depth for each test hole, length of existing access roads and/or new access road construction).

SDO Services LLC ("SDO") intends to explore for the lithium bearing mineral spodumene by means of diamond core drilling. Water for the drilling and plugging processes will be trucked in and reused when possible. The site will have 16 drill pads that are 50'x 70'. See map attached as **CONFIDENTIAL Exhibit A**. The total disturbance for the drilling pads will be approximately 56,000 square feet. Up to 5 holes will be drilled per drill pad for a total of 80 holes at a depth of 850 feet depending on geological conditions. Existing roads will be utilized where possible. The estimated disturbance area for access roads is also shown on **CONFIDENTIAL Exhibit A**. Reclamation will be accomplished in conformance with the South Dakota law and rule and in consultation with the landowner.

The Public Map, **Exhibit B**, is a topographical map which also shows access to the exploration area.

Date exploration will commence: Upon issuance of the final Restriction Letter issued by DANR.

What legal authority does the operator have to conduct exploration on the above-described land? Include a copy if available.

Deed  Lease  US Forest Service Permit  Pending US Forest Service Permit  Other

SDO will be conducting operations under a Purchase Agreement. See **Exhibit C** (partial and redacted to eliminate confidential terms).

Will the operator conduct uranium exploration?  Yes  No If yes, a permit pursuant to SDCL 45-6D must be obtained.

**INSTRUCTIONS:**

Please reference SDCL 45-6C. This Notice of Intent must be accompanied by:

1. A plan of reclamation pursuant to Section 8.
2. A topographic map pursuant to Section 9.
3. A fee of \$250 payable to the Department of Agriculture and Natural Resources pursuant to Section 17.
4. A surety in an amount to be determined by the department pursuant to Section 19.
5. Any written landowner consultations giving alternative preferences for the reclamation of the affected land pursuant to Section 16.

Applicant affirms that the surface owner has been notified of the proposed mineral development and that said surface owner is aware of his rights to compensation for damages to property pursuant to SDCL 45-5A. Applicant hereby affirms that the mineral exploration will be conducted pursuant and subject to the provisions of SDCL 45-6C, and all regulations promulgated thereunder, that he will grant access to the SD Board of Minerals and Environment or its agents to the area under notice from the date of the notice and thereafter to assure compliance with the provisions of SDCL 45-6C.

*I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.*

Michael X Schlumpdager Date: 01 Aug 2023  
Signature

Title: CEO/ Manager

STATE OF South Dakota

COUNTY OF Pennington

On this 1st day of August, 2023, before me personally appeared

Michael X Schlumpdager, who acknowledged himself to be the CEO/Manager  
(Title)

for SDO Services, LLC and that he is authorized to execute the Notice of Intent for the  
(Operator)  
purposes contained therein.

Linda S. Fletcher My Commission Expires: 12/19/2024  
Notary Public



**FOR DEPARTMENT USE ONLY**

DATE APPROVED: BOND AMOUNT: EXNI NUMBER:

\_\_\_\_\_  
**Chairman, SD Board of Minerals & Environment**

STATE OF SOUTH DAKOTA  
BEFORE THE SECRETARY OF

RECEIVED  
AUG 04 2023  
MINERALS & MINING PROGRAM

THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES

IN THE MATTER OF THE )  
APPLICATION OF )  
 )  
SDO SERVICES, LLC ) CERTIFICATION OF )  
 ) APPLICANT )  
STATE OF SOUTH DAKOTA )  
 )  
COUNTY OF PENNINGTON )

I, Micheal Schlumpberger (Manager / CEO), the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

I have read and understand South Dakota Codified Law Section 1-41-20 which provides:

*"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:*

*(1) The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner, or resident general manager of the facility for which application has been made:*

- (a) Has intentionally misrepresented a material fact in applying for a permit;*
- (b) Has been convicted of a felony or other crime involving moral turpitude;*
- (c) Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;*
- (d) Has had any permit revoked under the environmental laws of any state or the United States; or*
- (e) Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or*

*(2) The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.*

*All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review, recommendation or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification,*

consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

I certify pursuant to 1-41-20, that as an applicant, officer, director, partner, or resident general manager of the activity or facility for which the application has been made that I; a) have not intentionally misrepresented a material fact in applying for a permit; b) have not been convicted of a felony or other crime of moral turpitude; c) have not habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage; (d) have not had any permit revoked under the environmental laws of any state or the United States; or e) have not otherwise demonstrated through clear and convincing evidence of previous actions that I lack the necessary good character and competency to reliably carry out the obligations imposed by law upon me. I also certify that this application does not substantially duplicate an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Further;

"I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct."

Dated this 1<sup>st</sup> day of August, 20 23.

Michael Schlumpberger (Manager / CEO)  
Applicant (print)

Michael Schlumpberger  
Applicant (signature)

Subscribed and sworn before me this 1st day of August, 20 23.

Linda S. Fletcher  
Notary Public (signature)

My commission expires: 12/19/2024

(SEAL)



**PLEASE ATTACH ANY ADDITIONAL INFORMATION NECESSARY TO DISCLOSE ALL FACTS AND DOCUMENTS PERTAINING TO SDCL 1-41-20 (1) (a) THROUGH (e). ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION**

Department of Agriculture and Natural Resources  
Minerals and Mining Program  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3182  
605 773-4201; Fax: 605 773-5286

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EXPLORATION RECLAMATION PLAN

Pursuant to SDCL 45-6C-8 and 45-6D-9

In preparing this reclamation plan, please address each item in detail, referencing SDCL 45-6C-8 and 45-6D-9. Please refer to the reclamation standards outlined in SDCL 45-6C-27 through 45-6C-34, SDCL 45-6D-33 through 45-6D-39, and the state's hole plugging regulations as detailed in ARSD 74:11.

1. Describe the type of reclamation the operator proposes to achieve in the reclamation of the affected land.

See attached – Reclamation Plan

2. Provide a proposed timetable for seeding and replanting indicating when and how the reclamation plan will be implemented. Such timetable shall be developed in consultation with the County District Conservationist as to the nature of the soils and native vegetation in the area of the proposed operation. These recommendations shall be followed, if any are provided, and copies of all correspondence shall be provided to the Department.

See attached – Reclamation Plan

3. Describe how the reclamation plan will rehabilitate the affected land.

See attached – Reclamation Plan

4. Describe the anticipated temporary and permanent plugging and capping procedures to be used. Please refer to SDCL 45-6C-28 through 45-6C-30, SDCL 45-6D-33 through 45-6D-35, and the state's hole plugging regulations as detailed in ARSD 74:11.

See attached – Reclamation Plan

5. Provide the estimated cost of implementing and completing the proposed reclamation, and, the estimated cost of plugging and sealing each test hole.

See attached – Reclamation Plan

*I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.*

Michael J. Schlegel  
Signature

Date: 01 Aug 2023

Title: CEO/ Manager

## Reclamation Plan

**(1) A description of the type of reclamation the operator proposes to achieve in the reclamation of the affected land;**

The proposed exploratory drilling project will be conducted entirely on patented claims in Pennington County, South Dakota, on land subject to a Purchase Agreement (“Purchase Agreement”) which includes the right to access for mineral exploration, permitting, and reclamation. *See Exhibit B, C, and CONFIDENTIAL Exhibit A.* All surface reclamation (regrading, contouring, travel route rehabilitation, seeding, etc.), travel restrictions, and timing will be as directed by SDO in accordance with SDCL 45-6C-16 and under the terms of the Purchase Agreement, **Exhibit C**, entered into between SDO and the landowner.

SDO and its contractors will strive to minimize the surface impact of the exploratory drilling program by minimizing the disturbed area and maintaining open communication with DANR. Seeding mix will be approved by the NRCS office or as otherwise directed by DANR. Reclamation will continue during the course of the project following completion of drilling.

To the extent it is necessary to do so, SDO will construct all roads and trails developed for the exploration project to minimize sedimentation and erosion by the placement of water bars and similar structures, road placement on the contour, revegetation of roadwork and embankment slopes, or by using other methods in accordance with SDCL 45-6C-32.

Topsoil will be salvaged and stockpiled for later use in reclamation.

In the event that bones, artifacts, foundation remains, or other evidence of previously unrecorded past human use is uncovered during exploration, the area will be avoided, and the South Dakota Archeological Research Center will be contacted.

**(2) A proposed timetable for seeding and replanting indicating when and how the reclamation plan will be implemented. Such timetable shall be developed after consulting the local conservation district as to the nature of the soils and native vegetation in the area of the proposed exploration operation. The recommendations of the local conservation district shall be followed if any are provided;**

Replanting and reseeding will take place following recontouring and regrading of disturbed areas as seasonally acceptable. All reclamation processes, seed mixes, seasonal constraints and timing and guidance will be based on NRCS or DANR guidance and requirements. To the extent not otherwise controlled by DANR, the land will be reclaimed as directed by SDO pursuant to SDCL 45-6C-16 and the Purchase Agreement.

**(3) A narrative description of how the reclamation plan will rehabilitate the affected land;**

The site will have 16 drill pads that are 50'x 70'. See map attached as **CONFIDENTIAL Exhibit A**. The total disturbance for the drilling pads will be approximately 56,000 square feet. Up to 5 holes will be drilled per drill pad for a total of 80 holes at a depth of 850 feet depending on geological conditions. Existing roads will be utilized where possible. The estimated disturbance area for access roads is also shown on **CONFIDENTIAL Exhibit A**. Total disturbance for the project is estimated at 65,075 square feet or 1.49 acres. Reclamation will be accomplished in conformance with the South Dakota law and rule and in consultation with the landowner.

The goal of the reclamation process will be to restore surface impacts of the proposed exploratory drilling program to pre-project conditions, or as near as possible and in accordance with direction from the landowner. Any deviation from this objective will be guided by SDO, the Purchase Agreement, and DANR. Reclamation actions will include recontouring to conform with surrounding topography where practical. Topsoil will be stored on the drill pads on the uphill side and not mixed with tailings and cuttings. A silt fence will be installed around the stockpiled soil. Stockpiled topsoil will be used, for reclamation purposes, where available. Seeding with local native species will occur as guided by the NRCS or as directed by DANR. Stabilizing and/or growth medium may be used to encourage regrowth of native species, the use of which will be directed by DANR.

**(4) A narrative description of the temporary and permanent plugging and capping procedure to be used;**

Plugging, capping, and sealing of test holes will be consistent with ARSD 74:11:08. Pursuant to ARSD 74:11:08:04, test holes that encounter no water or only low-permeability formations such as clays, shales, and till will be backfilled to restore natural conditions as nearly as possible. Except as provided in §§ 74:11:08:05 to 74:11:08:07.02, inclusive, the test hole plugging method will return the excess drill cuttings to the drill hole to a point not less than eight feet below the ground surface. Backfill material will be free of contamination and have a permeability equal to or less than the permeability of the formations encountered in the borehole. A nondegradational, nonslip plug will be placed at a point not less than eight feet below the ground surface, and a five-foot column of cement grout will be placed above the plug. Topsoil or material representative of the undisturbed surface material will be tamped into the upper three feet of the drill hole. SDO may use bentonite chips as an alternative to cement grout in the top eight feet of the test hole if bentonite grout or bentonite chips are used to plug the test hole.

In the unlikely event that a drill hole needs to remain open for more than 30 days for downhole data collection purposes, SDO will apply in writing to DANR for permission to temporarily keep the test hole open.

**(5) The estimated cost of implementing and completing the proposed reclamation and the estimated cost of plugging and sealing each test hole pursuant to the provisions of §§ 45-6C-28 and 45-6C-29.**

SDO already has in place a statewide surety bond of \$20,000 with the State of South Dakota. (SDCL 45-6C-19).

**(6) Application of SDCL 45-6C-9.**

**Exhibit B**, and **CONFIDENTIAL Exhibit A**, show the location of the know roads and trails in the area. **Exhibit D** is a map showing completed wells within  $\frac{1}{4}$  of  $\frac{1}{4}$  section. Based on the well completion reports and the distances reported and on file with the State of South Dakota, there are three, or maybe four, water wells in the exploration area. The email attached to the electronic correspondence is a spreadsheet of the well completion reports for those wells. Other than indicated on the maps, there are no known other known springs, lakes, ponds, reservoirs, water pipelines, or earthen dams.