120 Deep Creek Rd. | P.O. Box 889
Manhattan, KS 66505-0889

BAYER CONSTRUCTION

Office: (785) 776-8839
Fax: (785) 776-8968

October 15, 2026

Lake Elbo HOA Board
5627 Elbo Shore Drive
Manhattan, KS 66502

Re: Conditional Agreement Regarding Construction of Sediment Control Pond and Emergency Access Road

Members of the Lake Elbo Board:

This letter memorializes the commitments of Bayer Construction Company, Inc. ("Bayer") concerning certain improvements proposed in connection with Bayer's application for a Conditional Use Permit ("CUP") to conduct limestone mining operations on property owned by Dave Nelson in Pottawatomie County, Kansas.

1. Conditional Nature of Agreement

The obligations and undertakings described herein are expressly contingent upon Bayer obtaining all necessary governmental approvals for the proposed mining operation, including the issuance of a Conditional Use Permit by the Pottawatomie County Board of County Commissioners and any related approvals arising from the review process currently before the Pottawatomie County Planning Board.

In the event the Conditional Use Permit is denied, withdrawn, or otherwise not approved, this Agreement shall be deemed null and void, and neither party shall have any further obligations hereunder.

2. Sediment Control Pond Construction

Subject to receipt of the required Conditional Use Permit and all applicable regulatory approvals, Bayer agrees to construct a sediment control pond consisting of approximately 4.3 acres in substantial accordance with the engineering design prepared by SMH Consultants, a copy of which is attached hereto and incorporated herein by reference. The sediment control pond shall be constructed prior to the commencement of any mining activities authorized under the Conditional Use Permit.

The sediment control pond shall be located on Elbo Creek, north of Lake Elbo, and shall extend across portions of property owned by Lake Elbo and Dave Nelson, as depicted in the attached SMH Consultants design.

The parties acknowledge and agree that the location, dimensions, configuration, and design details of the sediment control pond may be modified as reasonably necessary to accommodate engineering considerations, field conditions, property boundary constraints, or other conditions encountered during construction, provided the pond's intended sediment-control function is substantially maintained.

The sediment control pond intercepts and retains sediment transported through the Elbo Creek watershed before it discharges into Lake Elbo, improving sediment management and extending the lake's useful life.

Bayer and the Lake Elbo Board acknowledge that the sediment control pond described herein is being voluntarily proposed by Bayer as a community benefit and watershed enhancement project and is not required by any current regulatory agency, permit condition, or governmental approval associated with the proposed mining operation. Bayer's commitment to construct the pond reflects its desire to provide long-term environmental benefits to the Lake Elbo watershed through improved sediment control, protection of downstream water resources, and enhanced overall health and longevity of Lake Elbo.

3. Construction Easements and Rights of Entry

Bayer's obligations under this Agreement are expressly conditioned upon Bayer obtaining, at no cost to Bayer, all necessary construction easements, rights-of-entry, licenses, and other property rights reasonably required to access, construct, and complete the sediment control pond and associated improvements contemplated herein.

The Lake Elbo Board, Dave Nelson, and any other affected property owners shall cooperate in good faith to provide or facilitate the execution of all easements, access agreements, licenses, and related documents reasonably necessary to allow Bayer, its employees, contractors, consultants, and agents to enter upon the subject properties for purposes of surveying, staking, clearing, grading, excavation, construction, inspection, and project completion.

Such easements shall provide Bayer with sufficient rights to access the project area, stage equipment and materials, and perform all necessary construction activities required during the construction period.

Upon completion of construction, Bayer's rights under such construction easements shall terminate except as otherwise provided therein.

4. Ownership and Maintenance Responsibilities

Upon completion of construction, the sediment control pond and all related improvements shall remain the property of the underlying landowners.

Bayer's obligations shall be limited to the construction of the sediment control pond as described herein. Upon substantial completion of the project, Bayer shall have no responsibility or liability for future operation, inspection, maintenance, repair, sediment removal, replacement, reconstruction, or management of the sediment control pond.

The Lake Elbo property owners and Dave Nelson, or their respective successors and assigns, shall execute and maintain a separate maintenance agreement establishing responsibility for the future operation, inspection, maintenance, repair, and sediment removal associated with the sediment control pond. Bayer shall not be a party to such maintenance agreement and shall bear no obligations, duties, costs, or liabilities arising therefrom.

5. Emergency Access Road

Subject to receipt of the Conditional Use Permit and all necessary approvals, Bayer agrees to construct an emergency access road providing secondary ingress and egress for emergency response purposes.

The emergency access road shall generally extend from the northwest corner of Lake Elbo near Elbo Ridge Drive and connect to Moody Road, with the final alignment determined by engineering requirements, topographic conditions, property ownership considerations, and permitting requirements.

The emergency access road shall include all-weather surfacing suitable for emergency vehicle access. Drainage from the north side of the access road shall be directed northward and discharge into a farm/silt pond. The emergency access road shall be constructed during the beginning stages of mining activity.

For the avoidance of doubt, Bayer's commitment regarding the emergency access road is limited exclusively to its initial construction. Bayer shall have no continuing obligation to maintain, repair, improve, reconstruct, replace, or otherwise provide upkeep for the road after construction is completed, and no such obligation shall be implied from this Agreement.

6. Limitation of Obligations

Nothing contained in this Agreement shall be construed as obligating Bayer to perform any activities beyond those expressly set forth herein. Bayer's obligations are limited solely to the construction of the sediment control pond and emergency access road described herein, subject to the conditions outlined in this Agreement.

Following completion of such improvements, Bayer shall have no continuing obligation related to maintenance, operation, repair, replacement, monitoring, or management of the sediment control pond or emergency access road except as may otherwise be required by law.

7. No Third-Party Beneficiaries

This Agreement is intended solely for the benefit of Bayer Construction Company, Inc., the Lake Elbo Board, and the participating property owners. Nothing contained herein shall be construed to create any rights or remedies in any third party.

8. Entire Agreement

This letter constitutes the entire understanding between the parties concerning the matters addressed herein and supersedes any prior oral or written discussions relating thereto. Bayer appreciates the Lake Elbo Board's and neighboring property owners' cooperative efforts to pursue improvements intended to provide long-term watershed benefits to Lake Elbo and enhance emergency access for the surrounding area.

Respectfully submitted,

BAYER CONSTRUCTION COMPANY, INC.

Randall K. Hattesohl

Vice President, Materials

Date: 10-15-26

Accepted and Agreed:

LAKE ELBO BOARD

Name: Jeff A

Title: President

Date: 10-15-26

Lois L. Moses, Secretary

Brent McKeeman - Treasurer

Karen E Van Vlat