12/20/10 DRAFT **SETTLEMENT AGREEMENT**

The Wyoming Department of Environmental Quality, Air Quality Division ("DEQ/AQD"), Herschler Building, 122 West 25th Street, Cheyenne, WY 82002, and O'Dell Construction, Inc. ("O'Dell Construction") 1448 O'Dell Court, Sheridan, WY 82801, enter into this Settlement Agreement ("Agreement") to fully and finally resolve without litigation the alleged violations cited in DEQ Notice of Violation Docket No. 4761-10 ("NOV"). The NOV alleged that O'Dell Construction failed to thoroughly inspect for the presence of asbestos prior to renovation and failed to provide written notification of the renovation project to the DEQ/AQD before starting the renovation of the Wyoming Retirement Center ("Facility") located at 890 U.S. Highway 20 S, in Basin, Big Horn County, Wyoming, thereby violating the Wyoming Environmental Quality Act ("Act") and applicable Wyoming Air Quality Standards and Regulations ("WAQSR").

WYO. STAT. ANN. § 35-11-901(a)(ii) (West 2010) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules or other settlement conditions in lieu of litigation. To that end, O'Dell Construction and the DEQ/AQD hereby stipulate and agree as follows:

1. O'Dell Construction is a Wyoming corporation.

2. The DEQ/AQD is responsible for enforcing the Act and the WAQSR.

3. WYO. STAT. ANN. § 35-11-201 states, "No person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the council."

4. Chapter 3, Section 8 of the WAQSR establishes in part asbestos emission standards applicable to owners and operators of facilities undergoing renovation or demolition.

5. Chapter 3, Section 8(i)(i) of the WAQSR requires owners and operators of facilities undergoing renovation or demolition to "thoroughly inspect the affected facility or part of the facility where the demolition or renovation operation will occur for the presence of asbestos" before "the commencement of the demolition or renovation."

6. Chapter 3, Section 8(i)(ii) of the WAQSR requires owners and operators of facilities undergoing renovation or demolition to provide the DEQ/AQD with "written notice of the intention to demolish or renovate" at least ten working days before the commencement of the demolition or renovation.

7. On or about April 28, 2010, while enroute to another site, the DEQ/AQD Asbestos Program Coordinator observed renovation activities occurring at the Facility and then conducted an inspection of the Facility. The DEQ/AQD Asbestos Coordinator observed that the renovation included the installation of new roofing, mechanical changes, electrical system upgrades, ceiling tile, door and window replacement which are all materials considered suspect for containing asbestos. Upon further investigation, the DEQ/AQD Asbestos Coordinator also determined that O'Dell Construction had not conducted an asbestos inspection prior to renovating the Facility, nor had O'Dell Construction provided DEQ/AQD with notification of intent to renovate the Facility.

8. On November 5, 2010, the DEQ/AQD issued the NOV to O'Dell Construction alleging that O'Dell Construction failed to comply with certain provisions of Chapter 3, Section 8 of the WAQSR prior to and during renovation of the Facility.

9. The DEQ/AQD and O'Dell Construction agree to resolve the alleged violations, described above and set forth in the NOV, in lieu of litigation under WYO. STAT. ANN. § 35-11-901(a)(ii) by having O'Dell Construction pay the DEQ/AQD three thousand two hundred fifty dollars and no cents ($3,250.00) as a stipulated cash penalty. O'Dell Construction shall make full payment by check made payable to the Wyoming Department of Environmental Quality, Air Quality Division, within thirty (30) days after O'Dell Construction has been notified that the final signature has been affixed to this Agreement. O'Dell Construction shall mail the payment to Nancy Vehr, Sr. Asst. Attorney General, 123 Capitol Building, Cheyenne, WY 82002.

10. O'Dell Construction, by entering into this Agreement, does not concede or admit to any liability or fault, and this Agreement constitutes no admission of liability or fault.

11. Full compliance with this signed Agreement shall constitute full satisfaction for all claims by the DEQ/AQD against O'Dell Construction based on the NOV and solely in reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against O'Dell Construction for these particular violations.

12. In the event that O'Dell Construction fails to fulfill its obligations under this Agreement, O'Dell Construction waives any statute of limitation claims which may apply in an enforcement action by the DEQ/AQD involving the specific matters described in the NOV.

13. This Agreement shall be admissible by either O'Dell Construction or the DEQ/AQD (hereinafter the DEQ/AQD may be referred to individually as "Party" and collectively as "Parties") without objection by the other Party only in an action between

these Parties relating to the violations alleged herein; provided, however, that nothing herein constitutes an admission by O'Dell Construction of liability or fault.

14. Neither Party shall have any claim against the other for attorney fees or other costs incurred with the allegations resolved hereby, including costs incurred in the preparation of this Agreement. Each Party shall bear its own attorney fees and costs, if any, incurred through the date this Agreement is signed by the Parties. Each Party assumes the risk of any liability arising from its own conduct. Neither Party agrees to insure, defend or indemnify the other.

15. Any changes, modifications, revisions or amendments to this Agreement that are mutually agreed upon by the Parties shall be incorporated by written instrument, executed and signed by all Parties to this Agreement.

16. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the Parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

17. This Agreement, consisting of four (4) pages represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

18. The State of Wyoming and the DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to WYO. STAT. ANN. § 1-39-104(a) and all other state law.

19. The Parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Agreement shall operate only between the Parties to this Agreement, and shall inure solely to the benefit of the Parties to this Agreement. The Parties to this Agreement intend and expressly agree that only Parties signatory to this Agreement shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a Party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement.

20. Each Party represents that they are authorized to enter into this Agreement and agree to be bound hereby. This Agreement shall become binding upon the Parties once executed by all Parties.

IN WITNESS THEREOF, the Parties, by their duly authorized representatives, have executed this Agreement on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement:

O'DELL CONSTRUCTION, INC.:

By: _____ 1-28-11
Shawn O'Dell — Date
Title: President

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By: Steven A. Dietrich 2-11-11
Steven A. Dietrich, AQD Administrator — Date

By: _____ 2/14/11
John Corra, DEQ Director — Date

APPROVAL AS TO FORM:

_____ 2/10/11
Nancy E. Vehr, Sr. Asst. Attorney General — Date
Attorney for DEQ/AQD