

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, WY 82002, and Wyoming Medical Center, 1233 East 2nd Street Casper, Wyoming 82601, enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violations cited in DEQ Notice of Violation Docket No. 5177-13 (Notice of Violation). As more fully set forth below, the Notice of Violation alleges that Wyoming Medical Center failed to obtain an air quality permit for boiler unit B-03 Wyoming Medical Center facility (Facility) located in Natrona County, Wyoming, thereby violating the Wyoming Environmental Quality Act (Act), applicable Wyoming Air Quality Standards and Regulations (Air Quality Rules).

Wyo. Stat. Ann. § 35-11-901(a)(ii) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules or other settlement conditions in lieu of litigation. To that end, Wyoming Medical Center and the DEQ/AQD hereby stipulate and agree as follows:

1. Wyoming Medical Center is a Wyoming corporation that owns and/or operates the Facility.
2. The DEQ/AQD is responsible for enforcing the Act and the Air Quality Rules.
3. Chapter 6, Section 2(a)(i) of the Air Quality Rules prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program, specifically requiring that a DEQ/AQD permit be obtained prior to any person engaging in the use of a source/facility, "which may cause the issuance of or an increase in the issuance of air contaminants in to the air."
4. On March 26, 2013, Mr. Jeff Hancock, DEQ/AQD Engineer/Inspector determined that boiler unit B-03 was put into operation September 2012 and operated for 40 hours before leaking coils and valves forced the unit to be shut down.
5. On July 2, 2013, the DEQ/AQD issued Notice of Violation No. 5177-13 to Wyoming Medical Center alleging that Wyoming Medical Center operated boiler unit B-03 without first obtaining a permit from the DEQ/AQD.
6. Without admitting liability, and in lieu of litigation under Wyo. Stat. Ann. § 35-11-901(a)(ii), Wyoming Medical Center agrees to resolve the violations alleged above and also set forth in the Notice of Violation for a total amount of five thousand dollars and no cents (\$5,000.00) payable as a stipulated civil penalty. Wyoming Medical Center

shall make full payment by check made payable to the Wyoming Department of Environmental Quality, Air Quality Division, within thirty (30) days after Wyoming Medical Center has been notified by the DEQ/AQD that the final signature has been affixed to this Agreement. Wyoming Medical Center shall mail the payment to Matthias Sayer, Assistant Attorney General, 123 Capitol Building, Cheyenne, WY 82002.

7. Wyoming Medical Center, 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.

8. Full compliance with this Agreement shall constitute full satisfaction and release for all claims by the DEQ/AQD against Wyoming Medical Center and its predecessors and successors based on the Notice of Violation and, solely in reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against Wyoming Medical Center for these particular alleged violations.

9. In the event that Wyoming Medical Center fails to fulfill its obligations under this Agreement, Wyoming Medical Center waives any statute of limitation claims that may apply in an enforcement action by the DEQ/AQD involving the specific matters described in the Notice of Violation.

10. This Agreement shall be admissible by either Wyoming Medical Center or the DEQ/AQD (hereinafter Wyoming Medical Center and 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 this Notice of Violation; provided, however, that nothing herein constitutes an admission by Wyoming Medical Center of liability or fault.

11. Neither Party hereto shall have any claim against the other for attorneys' 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 both Parties. Each Party assumes the risk of any liability arising from its own conduct. Neither Party agrees to insure, defend or indemnify the other.

12. 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.

13. 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.

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

15. 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.

16. 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.

17. 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.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

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:

Wyoming Medical Center:

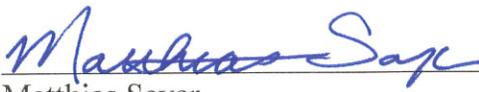
By:  10/25/13
Vickie Diamond Date
Chief Executive Officer

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY

By:  10-31-13
Steven A. Dietrich, AQD Administrator Date

By:  10/31/13
Todd Parfitt, DEQ Director Date

APPROVAL AS TO FORM:

 10/28/13
Matthias Sayer Date
Assistant Attorney General
Attorney for DEQ/AQD