SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002, and Sublette County, P.O. Box 766, 9522 State Highway 191, Pinedale, Wyoming, 82941, enter into this Settlement Agreement ("Agreement") to fully and finally resolve without litigation the alleged violations cited in Notice of Violation Docket Number 5462-14. The Notice of Violation alleged that Sublette County violated Permit MD-9706 and the Wyoming Air Quality Standards and Regulations ("Air Quality Rules") by improperly controlling fugitive dust at the Richardson Pit, located in Sublette County, Wyoming.

Wyo. Stat. Ann. § 35-11-901(a)(ii) (2013) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules, or other settlement conditions in lieu of litigation. To that end, Sublette County and the DEQ/AQD hereby agree as follows:

1. Sublette County is the owner and operator of the Richardson Pit, located in Sublette County, Wyoming.

2. The DEQ/AQD is the executive branch agency of Wyoming government responsible for enforcing the Air Quality Rules.

3. Wyo. Stat. Ann. § 35-11-201 provides, "[n]o 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 [environmental quality] council."

4. Wyo. Stat. Ann. § 35-11-801 states, "In granting permits, the director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

5. On September 29, 2009, DEQ/AQD issued Permit MD-9706 to Sublette County to modify the Richardson Pit. Conditions 8 and 9 of the permit require Sublette County to use regular dust suppressant treatment "on a schedule sufficient to control fugitive dust" at work areas and stockpiles, and on unpaved haul roads.

6. On July 31, 2014, DEQ/AQD Inspector Jamie Brewer observed excessive fugitive dust at the Richardson Pit. She observed that chemical dust suppressant was not being used on a schedule sufficient to control fugitive dust at the work area, disturbed areas, stockpiles, or on the unpaved haul road.

7. On September 29, 2014, DEQ/AQD issued Notice of Violation 5462-14 to Sublette County. The Notice of Violation alleged that Sublette County was in violation of Permit MD-9706 and the Air Quality Rules for failing to control fugitive dust.

8. Without admitting liability, and in lieu of litigation pursuant to Wyo. Stat. Ann. § 35-11-901(a)(ii), Sublette County agrees to pay to the DEQ/AQD the amount of two thousand five hundred ($2,500) as a stipulated penalty to resolve the violations alleged in the aforementioned Notice of Violation. Sublette County agrees to make full payment by check made payable to the Wyoming DEQ/AQD, within thirty (30) days after Sublette County has been notified by DEQ/AQD that the final signature has been affixed to this Agreement. Sublette County agrees to mail the payment to Ann Shed, DEQ/AQD, Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002.

9. Sublette County, by entering into this Agreement, does not concede or admit any liability, fault, or statutory noncompliance. Except as specifically provided for herein, nothing in this Agreement shall prejudice, waive, or impair any right, remedy, or defense that Sublette County may have against any entity.

10. Full compliance with this signed Agreement shall constitute full satisfaction for all claims by the DEQ/AQD against Sublette County arising from the allegations contained within the Notice of Violation and this Agreement. In reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against Sublette County for these particular alleged violations. By this Agreement, the Parties intend to resolve with prejudice all allegations that are contained within the Notice of Violation and this Agreement.

11. In the event that Sublette County fails to fulfill its obligations under this Agreement, Sublette County 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 or otherwise set forth in this Agreement.

12. This Agreement shall be admissible by either Sublette County or the DEQ/AQD without objection by the other party in any action between DEQ/AQD and Sublette County relating to the violations alleged herein.

13. Each party assumes the risk of any liability arising from its own conduct. Neither party agrees to insure, defend, or indemnify the other. Neither DEQ/AQD nor Sublette County shall have any claim against the other for attorneys' fees, or any other costs related to the preparation and resolution of this Agreement.

14. Any changes, modifications, revisions, or amendments to this Agreement are invalid unless mutually agreed upon by both parties, incorporated by written instrument, executed, and signed by all parties to this Agreement.

15. The laws of the State of Wyoming shall govern the construction, interpretation, and enforcement of this Agreement. 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.

16. 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.

17. 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.

18. 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 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.

19. DEQ/AQD reserves the right to enforce this Agreement against any and all subsequent owners and operators.

[INTENTIONALLY LEFT BLANK]

20. Each party represents that they are authorized to enter into this Agreement, agrees to comply with and to be bound by the terms of this Agreement, and further agrees that they will not contest the basis or validity of this Agreement. This Agreement shall become binding upon the parties once executed.

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:

SUBLETTE COUNTY:

By: _____ 1/20/15

~~Joel Bousman,~~ Chairman — Date
Sublette County Commission
ANDREW G. NELSON

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By: Steven A. Dietrich 1-26-15

Steven A. Dietrich, AQD Administrator — Date

By: _____ 1/27/15

Todd Parfitt, DEQ Director — Date

APPROVAL AS TO FORM:

_____ 1/29/15

Elizabeth Lyon — Date
Assistant Attorney General
Attorney for DEQ/AQD