

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Land Quality Division (WDEQ/LQD) and Green River Rock, Inc., a company authorized to do business in Wyoming, enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation (NOV) Docket Number 3962-06, dated October 13, 2006. The NOV alleges: 1) The limited mining operation exceeded the ten acre exemption by 1.5 acres, for a total of 11.5 acres. 2) There is inadequate protection of topsoil, through mixing dark organic material with overburden, placing mineral stockpiles on top of topsoil, not segregating the topsoil piles from other overburden material, and not designating all topsoil piles with signs. These violations are located in NW1/4 SW1/4 Sections 17, Township 29 North, Range 111 West. This is a violation of the Wyoming Statutes (W.S.) and the applicable WDEQ/LQD Noncoal Rules and Regulations (R&R).

W.S. §35-11-901(a)(ii) authorizes the WDEQ/LQD to negotiate a stipulated settlement, including a cash settlement payment, in lieu of litigation. To that end, Green River Rock, Inc. and the WDEQ/LQD hereby stipulate and agree as follows:

1. The WDEQ/LQD pursuant to W.S. §35-11-104, is a department in the executive branch of the state government of Wyoming and is principally situated in Cheyenne, Wyoming. WDEQ is the agency with the responsibility for administering the Wyoming Environmental Quality Act including all provisions of the WDEQ/LQD R&R.
2. Green River Rock, Inc. agrees to pay a total of One Thousand Five Hundred dollars (\$1,500.00) as a stipulated cash settlement payment as partial resolution to this matter in lieu of litigation under W.S. §35-11-901(a)(ii). Green River Rock, Inc. shall pay One Thousand Five Hundred dollars (\$1,500.00) directly to the WDEQ/LQD. Payment is due and payable within thirty (30) days of full execution of this Settlement Agreement. Payment to WDEQ/LQD shall be by check and made payable to the Wyoming Department of Environmental Quality/Land Quality Division and shall be sent to: Richard A. Chancellor, Administrator, Wyoming Department of Environmental Quality, Land Quality Division, Herschler Building, 3 Floor-West, 122 West 25th Street, Cheyenne, Wyoming 82002.
3. Green River Rock agrees to increase their bond by \$2,000, to account for the additional acreage of disturbance. The bond increase instrument should be submitted to the Wyoming Department of Environmental Quality/Land Quality Division, Herschler Building, 3 Floor-West, 122 West 25th Street, Cheyenne, Wyoming 82002 in a timely manner.
4. Green River Rock, Inc. agrees to reclaim all disturbances associated with their mining operation in NW ¼ SW 1/4 Sections 17, Township 29 North, Range 111 West once all mineral stockpiles are depleted. Care shall be taken to protect topsoil resources as the pit is mined out and mineral stockpiles are removed.
5. This signed Settlement Agreement and payment of cash settlement amount shall constitute full satisfaction and resolution of all claims by the WDEQ/LQD against Green River Rock, Inc. based on the violations alleged in NOV and Order, Docket No.3962-06. Contingent upon Green River Rock, Inc.'s compliance with the terms of this Settlement Agreement, the WDEQ/LQD will refrain from taking further enforcement action against Green River Rock, Inc. for these particular violations cited in this Settlement Agreement. By this Settlement Agreement, the parties intend to resolve with prejudice all allegations that were asserted in NOV Docket No3962-06.
6. Green River Rock, Inc. waives any statute of limitations which may apply to an enforcement action by the WDEQ/LQD involving the specific matters described in NOV and Order, Docket No.3962-06, in the event that Green River Rock, Inc. fails to fulfill its obligations under this Settlement Agreement.
7. Nothing in this agreement precludes WDEQ/LQD from taking additional enforcement action, including the issuance of a Notice of Violation and Order, should Green River Rock, Inc. violate the Wyoming Environmental Quality Act or applicable rules and regulations in the future.

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8. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
9. Notwithstanding any other language in this Settlement Agreement, the State of Wyoming and WDEQ do not waive sovereign immunity by entering into this Settlement Agreement with Green River Rock, Inc. and specifically retain all immunity and all defenses available as sovereigns under state and federal law.
10. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.
11. This Settlement Agreement is binding upon Green River Rock, Inc., its successors and assignees, and upon the WDEQ/LQD.
12. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

FOR: GREEN RIVER ROCK, INC.:

Signed: Mark Fear

Date: Dec 7 2006

Typed: MARK FEAR

Title: PRES.

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

John V. Corra
John V. Corra, Director
Wyoming Department of Environmental Quality

Date: 12/7/06

Richard A. Chancellor
Richard A. Chancellor, Administrator
Land Quality Division

Date: 13 Dec 06

cc: Mark Moxley, WDEQ/LQD, District II
Docket Number 3962-06

