

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
LAND QUALITY DIVISION

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Land Quality Division (WDEQ/LQD) and Canyon Concrete Sand and Gravel LTD LLC., 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 5159-13 dated May 8, 2013 for Mine Permit No. 758. The NOV alleges: 1) that mining activities occurred beyond the boundaries of the permit area and 2) topsoil was not properly salvaged and protected. This violation is located in, Lot 5, the N $\frac{1}{2}$ SE $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 18, Township 43 North, Range 95 West, Hot Springs County Wyoming. These are violations of Wyoming Statutes and the applicable WDEQ/LQD Noncoal Rules and Regulations.

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, Canyon Concrete Sand and Gravel LTD LLC. and the WDEQ/LQD hereby stipulate and agree as follows:

1. The WDEQ, 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 Noncoal Rules and Regulations.
2. Canyon Concrete Sand and Gravel LTD LLC. is the operator of a sand and gravel mining operation located in Hot Springs County Wyoming, in Lot 5 and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 18, Township 43 North, Range 95 West. As part of their operation, Canyon Concrete Sand and Gravel LTD LLC. mines mineral from this site and distributes or sells the mineral mined for commercial use.
3. Canyon Concrete Sand and Gravel LTD LLC. agrees to pay a total of Six Thousand Three Hundred dollars (\$6,300.00) as a stipulated cash settlement payment to resolve this matter in lieu of litigation under W.S. § 35-11-901(a)(ii). Payment is due and payable within thirty (30) days of full execution of this Settlement Agreement. Payment shall be by check made payable to the Wyoming Land Quality Division and shall be sent to: Nancy Nuttbrock, Administrator, Wyoming Department of Environmental Quality, Land Quality Division, Herschler Building, 3 Floor-West, 122 West 25th Street, Cheyenne, Wyoming 82002.
4. Canyon Concrete Sand and Gravel LTD LLC. agrees to submit application for amendment of disturbed lands into Mine Permit 758 to WDEQ/LQD by September 1, 2013.
5. Canyon Concrete Sand and Gravel LTD LLC. agrees to post Fifty One Thousand Sixty Two dollars (\$51,062.00) in additional bonding within thirty (30) days of full execution of this Settlement Agreement.
6. Canyon Concrete Sand and Gravel LTD LLC. agrees to work in good faith with the Worland Field Office, Bureau of Land Management (BLM) office to obtain compliance with all federal regulations to include but not limited to: 1) obtaining a Right-of-Way for the access road, 2) obtaining a Small Site Permit for the area disturbed on BLM surface and 3) submitting an acceptable reclamation plan to the Worland Field Office.
7. This signed Settlement Agreement and payment of cash settlement amount shall constitute full satisfaction and resolution of all claims by the WDEQ/LQD against Canyon Concrete Sand and Gravel LTD LLC. based on the violations alleged in NOV Docket No. 5159-13. Contingent upon Canyon Concrete Sand and Gravel LTD LLC.'s compliance with the terms of this Settlement Agreement, the WDEQ/LQD will refrain from taking further enforcement action 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 No. 5159-13.

8. Canyon Concrete Sand and Gravel LTD LLC. waives any statute of limitations which may apply to an enforcement action by the WDEQ/LQD involving the specific matters described in NOV Docket No. 5159-13 in the event that Canyon Concrete Sand and Gravel LTD LLC. fails to fulfill its obligations under this Settlement Agreement.
8. Nothing in this agreement precludes WDEQ/LQD from taking additional enforcement action, including the issuance of a Notice of Violation and Order, should Canyon Concrete Sand and Gravel LTD LLC. violate the Wyoming Environmental Quality Act or applicable rules and regulations in the future.
9. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
10. 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 Canyon Concrete Sand and Gravel LTD LLC. and specifically retain all immunity and all defenses available as sovereigns under state and federal law.
11. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.
12. This Settlement Agreement is binding upon Canyon Concrete Sand and Gravel LTD LLC., its successors and assignees, and upon the WDEQ/LQD.
13. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

FOR: Canyon Concrete Sand and Gravel LTD LLC.:

Signed: Cynthia DeVries Date: 6/25/2013

Typed: Cynthia S DeVries

Title: Co-owner & General Manager

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

Todd Parfitt Date: 6/26/13
 Todd Parfitt, Director
 Wyoming Department of Environmental Quality

Nancy Nuttbrock Date: 6/27/13
 Nancy Nuttbrock
 Land Quality Division

xc: Mark Moxley, WDEQ/LQD, District II
 NOV Docket Number 5159-13
 Cheyenne DEQ/LQD #758 File
 Worland Field Office, BLM