



(715) 726-7920
www.co.chippewa.wi.us

711 North Bridge Street
Chippewa Falls, WI 54729-1876

MEMORANDUM

DATE: March 27, 2013

TO: Tom Maul, EOG Resources

CC: Tim Stauffer, EOG Resources
Dan Masterpole, Chippewa County LCFM
David Nashold, Chippewa County LCFM

FROM: Seth Ebel, Department of Land Conservation & Forest Management

RE: Approval for Use of Reject Material in Reclamation

In February of 2013 EOG Resources informed the Chippewa County Department of Land Conservation & Forest Management (LCFM) of its interest in securing sand from a third party source and processing this sand at its plant in Chippewa Falls. Under the proposal this new sand would be mixed during processing with sand from the S&S Mine and DS Mine, resulting in a change to the waste stream of reject material that is generated. As proposed all of this reject material would be hauled to the DS mine and used in reclamation.

It is important to note that the reject material generated from the processing of sand from the S&S Mine and the DS Mine have been approved for use in reclamation at those mine sites.

On February 15, 2013 our department sent an email to you requesting more information about the source of the new sand, the amount of new sand to be processed, the amount of reject material that would be generated, and the impact the additional volume would have on the reclamation plan.

On March 13, 2013 you submitted a memo to the LCFM that addresses the items from the February 15th email.

From your memo of March 13th, it is our understanding that the new unprocessed sand from the Milestone Materials mine near Downing, WI would be added to the unprocessed sand from the S&S Mine and DS Mine and would constitute approximately 10% of the total amount of sand processed at the plant in Chippewa Falls.

Using the figures provided in the EOG Resources annual report for 2012 and the information provided in the March 13th memo, we have calculated the total amount of reject material that can be attributed to the new sand to be approximately 40,000 tons per year. Using the same information we have also calculated the total amount of additional reject material over the life of the DS Mine to be approximately 600,000 tons.

These calculations assume that the new sand will be 10% of the total material processed at the plant in Chippewa Falls, and that all of the reject material originating from the new sand will be used in reclamation over the life of the DS Mine. This amount of additional reject material (600,000 tons) over

the total area of the mine would add approximately 1 foot to the finished grade elevations as shown in the DS Mine reclamation plan.

Given the scope of the proposal we have concluded that the additional amount of reject material originating from the new sand would have a limited impact on EOG Resources ability to comply with the reclamation standards as established in NR 135 or provisions of the reclamation plan and permit 2011-03 for the DS Mine.

Given the terms of your proposal and the administrative authority provided to the LCFM under NR 135.24, we would propose to issue an administrative plan amendment that would allow the use of new mix of reject material in reclamation at the DS Mine.

The conditions for approval of the amendment are outlined in Attachment I. If you agree to the conditions please sign Attachment I and return it to our office.

Thank you for submitting your proposal and for supplying the information needed to calculate the impacts on the DS Mine reclamation plan.

If you have any questions please contact me at 715-720-3644.

Seth Ebel
Project Engineer
Chippewa County LCFM

ATTACHMENT I

Conditions for approval of a reclamation plan amendment allowing reject material originating from a new third party sand source to be used in reclamation at the DS Mine (permit # 2011-03).

- 1.) The volume and source of material is limited to, and consistent with, the information listed in the memo from the LCFM to EOG Resources dated March 26th 2013.
- 2.) The required sampling and testing as prescribed by permit condition 8.b. shall be performed by EOG Resources on or before March 31, 2013 with results sent to the LCMF within two weeks of receipt.
- 3.) Any future changes to the sources or volume of sand being processed at the plant in Chippewa Falls that result in changes to the waste stream will require the same type of documentation, testing, and LCMF approval if that material is proposed for use in reclamation at a permitted mine.
- 4.) The operator will continue to comply with all provisions of the DS Mine reclamation plan and permit, including permit condition 8.b. regarding the ongoing testing of waste materials hauled to the mine and used in reclamation.

As the operator, or authorized representative of the operator, I hereby acknowledge and agree to the above conditions.



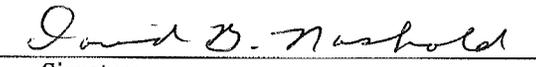
Signature

4/8/13
Date

Tim Stanthor
Printed Name - Operator

Regional Manager
Title

As an agent and authorized representative of the Department of Land Conservation and Forest Management, I hereby acknowledge and agree to the above conditions



Signature

4-12-2013
Date

David B. Nashold
Printed Name - Authorized Staff

Environmental Engineer
Title