

Wyoming State Highway Department

MATERIALS AGREEMENT

PROJECT NO. SMP-CM-0302(51)ROAD DESIGNATION U.S. Hwy. 14-16COUNTY CampbellTHIS AGREEMENT, made and entered into this 18th day of January19 89, by and between Ucross Land Company, Hwy. 14-16 East, Clearmont, WY 82835
(landowner's name and address)

hereinafter referred to as "Landowner", and the Wyoming State Highway Department, hereinafter referred to as "Department."

WITNESSETH:

WHEREAS, the Landowner is the owner of the following described land, to wit:

N $\frac{1}{2}$ Section 13, T 53N, R 81W and NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 18 T 53N R 80W and SW $\frac{1}{2}$ SW $\frac{1}{2}$ Section 7T 53N, R 80W. 6th P.M.

which land the Department believes to contain stone, gravel, sand or soil of a quantity and quality desirable for use by the Department in construction and maintenance of highway projects; and,

WHEREAS, the Department is desirous of obtaining the right to go upon said land to dig, drill, extract, search, explore and otherwise test said material for highway purposes; and,

WHEREAS, the Department is also desirous of obtaining the right to go upon said land and to take therefrom said stone, sand, gravel or soil for the purpose herein stated; and,

WHEREAS, the Landowner is agreeable to granting the Department the exclusive right and privilege to enter upon said land for the hereinabove stated purposes.

IT IS FURTHER AGREED that if satisfactory and acceptable material is located on the Landowner's property, said Landowner does hereby sell to said Department all of the sand, stone, gravel or soil which said Department may remove from said parcel of land from the date hereof until the date of September 30, 19 90, at the price of 50 cents per ton, or 75 cents per cu. yd., giving and granting the Department the right to enter upon said parcel of land for the removal of said materials and to erect or construct thereon such machinery and equipment as in the judgment of the Department is necessary and proper to extract and remove from the said land and/or process the material herein purchased, the number of tons or cubic yards to be determined according to methods prescribed in the current edition of Specifications For Road and Bridge Construction adopted by the State Highway Commission and the further right to enter upon said parcel of land to remove any such equipment, machinery, or structures placed thereon by the Department.

THIS AGREEMENT is for removal of material for use on highway projects and maintenance only and removal by any other persons including the Department's contractor or contractors for any purpose other than as herein provided, shall be under a separate agreement with the Landowner and only with prior written approval of the Department.

IT IS FURTHER AGREED by and between the parties hereto, that the Department shall have the right to haul material taken from said parcel of land, across any land owned by the Landowner, on routes mutually agreeable to the parties hereto.

IT IS ALSO AGREED that the Landowner gives the Department the option to extend this Agreement for an additional year upon the same terms and conditions as herein set forth. The Department will exercise this option by notifying the Landowner in writing of its intention to do so prior to the termination of this Agreement.

IT IS FURTHER AGREED that any contractor operating under any agreement or contract with the Department that will extract and remove said material, shall be assigned the rights and obligations by the Department under this Agreement, and will be permitted to use said parcel of land to stockpile and/or properly process said material for highway purposes. Compensation for such right shall be \$500.00 (Five Hundred Dollars) and in addition to any right and other consideration stated herein.

ADDITIONAL CONDITIONS:

1. The premises will be left in a neat condition with backslopes no steeper than 3 to 1.

1. Under the word "process" used hereinabove, it is contemplated that there may be cases wherein controlled emission of smoke, fumes, dust and odors will result. In such event, the Department, its assigns and contractors will control said emission and odors as required and in conformity with the existing State and Federal anti-pollution laws.

2. Work consisting of the removal and replacement of stripping material shall be in accordance with Section 213 of the 1987 Standard Specification for Road & Bridge Construction.

3. Seeding, Mulching and Fertilizing shall be at the same rate as called for on the project stated hereinabove.

4. An advance royalty payment of Five Thousand Dollars (\$5000.00) shall be paid to the landowner for a minimum of 10,000 tons of gravel. Subsequent royalty payments will be paid to the landowner, at the rate specified herein, for materials removed in excess of 10,000 ton. The royalty payments will be paid monthly as gravel is removed.

IT IS DEFINITELY UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT THE DEPARTMENT IN NO WAY GUARANTEES OR ASSURES THE LANDOWNER THAT ANY MATERIAL, WHETHER DESIRABLE OR NOT, WILL BE REMOVED IN MEASURABLE QUANTITIES FROM SAID PREMISES; THAT ROYALTY PAYMENT TO THE LANDOWNER WILL BE MADE ONLY IF MATERIAL IS ACTUALLY REMOVED IN MEASURABLE QUANTITIES.

This Agreement shall be binding on the parties' successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first hereinabove written.

WYOMING STATE HIGHWAY DEPARTMENT

By [Signature]

STATE OF Wyoming

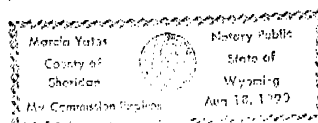
COUNTY OF Sheridan

Landowner(s)
(Corporate Seal Required if Applicable)

The foregoing instrument was acknowledged before me by Kenneth Shreeble

_____ , this 18th day of January, 1989.

Witness my hand and official seal.



Marcela Yates
Notary Public

My commission expires: 8-18-90