

MATERIALS AGREEMENT

THIS AGREEMENT, made and entered into this day by and between STELLA M. BARKER and MARY V. HUTTON, married women, dealing in their sole and separate property, (hereinafter called "Owners") and BIG HORN SERVICES, LLC., a Wyoming Corporation, (hereinafter called "Big Horn Services");

WITNESSETH:

WHEREAS, OWNERS own land which contain commercial gravel and sand and which lands are located in Sheridan County, Wyoming and are particularly described in Exhibit "A" which is attached hereto and by reference thereto made a part hereof, said lands being hereinafter referred to as "premises"; and

WHEREAS, BIG HORN SERVICES desires to obtain the right to go upon said lands for the purpose of extracting, removing and taking from said property all of the sand and gravel found thereon and the right to use the necessary space for maintaining the equipment required for the extraction and/or processing of said sand and gravel and the necessary space for temporarily stockpiling the same on said property for the eventual removal thereof; and

WHEREAS, OWNERS are agreeable to granting BIG HORN SERVICES the exclusive right and privilege to enter upon said lands for the hereinafter stated purposes subject to any specific provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, it is agreed as follows:

I.

OWNERS do hereby sell to BIG HORN SERVICES all of the sand and gravel which BIG HORN SERVICES may remove from the lands described in Exhibit "A" which is attached hereto and by reference thereto made a part hereof, from the date hereof until the 1<sup>st</sup> day of September, 2010, at the price of One Dollar (\$1.00) per cubic yard, said price to be adjusted annually to the same amount as the State of Wyoming pays per cubic yard of gravel or sand; provided, however, in no event shall said price be less than One Dollar (\$1.00) per cubic yard for the sand or gravel removed. Payments for said material shall be made quarterly on the 10<sup>th</sup> day of August, the 10<sup>th</sup> day of November, the 10<sup>th</sup> day of February and the 10<sup>th</sup> day of May of each year during the continuance of this agreement.

II.

BIG HORN SERVICES does agree to pay a minimum royalty in the sum of Two Thousand Dollars (\$2,000.00) per year. The first of said payments shall be made with the execution of this agreement and a like payment shall be made on the 1<sup>st</sup> day of September of each year thereafter commencing with the 1<sup>st</sup> day of September, 2008. BIG HORN SERVICES shall be entitled to proper credit for the minimum royalty that is paid up front each year and shall have credit for the same in the payment of royalty under this agreement.

III.

Subject to the terms of this agreement, OWNERS hereby grant unto BIG HORN SERVICES the

right to come upon the premises for the purpose of extracting, removing and taking from the land described sand and gravel, and BIG HORN SERVICES shall have the right to use the necessary space for maintaining the equipment required for the extraction and/or processing of said sand and gravel and the necessary space for temporary stockpiling the same on said premises.

## IV.

BIG HORN SERVICES agrees that it shall, at its sole expense, remove and stockpile top soil and strip the overburden in the manner and custom required by the rules and regulations of Wyoming State Highway Department in preparation for the removal of pit-run sand and gravel and in accordance with the rules, regulations and standards of the Department of Environmental Quality.

BIG HORN SERVICES may either remove the materials as they are taken from the pit site or may crush the gravel at the pit site.

## V.

BIG HORN SERVICES shall use the existing road serving said premises as a means of ingress and egress and it shall have the right to place up to two (2) cattle guards, with proper weight, to control livestock. The cattle guards shall belong to BIG HORN SERVICES and they may be taken by BIG HORN SERVICES and the fence presently found on said premises replaced (at the expense of BIG HORN SERVICES) upon the termination of this agreement.

## VI.

BIG HORN SERVICES shall obtain any permits required in the operation of said gravel pit and shall pay all severance taxes as may be levied by the State of Wyoming.

## VII.

The OWNERS reserve the right and privilege to remove sand or gravel or dirt from the gravel pit area (not from stockpiles) to be used on OWNERS' roads and premises.

## VIII.

On termination of this agreement, or the removal of the sand and gravel of the pit area, whichever event occurs first, all overburden and topsoil removed from the pit, roads and other areas disturbed by BIG HORN SERVICES shall be replaced as smoothly graded and re-seeded by BIG HORN SERVICES, all to the satisfaction of the OWNERS and in accordance with the rules, regulations and standards of the Department of Environmental Quality.

## IX.

THIS AGREEMENT and the terms thereof shall be binding upon and inure to the benefit of the heirs at law, executors, administrators and assigns of the parties hereto.

EXECUTED this 11<sup>th</sup> day of October, 2007.

Stella M. Barker

Stella M. Barker

Mary V. Hutton

Mary V. Hutton

OWNERS

BIG HORN SERVICES, LLC

John L. Moore  
John L. Moore, Manager

STATE OF WYOMING )

COUNTY OF SHERIDAN )

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of October, 2007 by the parties.

Witness my hand and official seal.

Brittany A. Buszkiewicz  
Notary Public

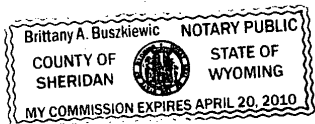


EXHIBIT A  
10-10-07  
9.92 ACRES IN  
SE 1/4 Sec 13  
T56N R84W

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