

APPENDIX A

OPEN CUT MINING PERMIT AND AMENDMENTS

(EXISTING OPERATION)

MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
PO BOX 200901
HELENA MT 59620-0901
FAX: (406)444-1923

MINED LAND RECLAMATION CONTRACT

Site Name: Huttinga

Contract Number: HUT-001

This CONTRACT is made and entered into by and between the STATE OF MONTANA, DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ) of Helena, Montana and Richard Huttinga (OPERATOR).

Pursuant to Section 82-4-422(1) MCA, the DEQ is authorized to enter into Mined Land Reclamation Contracts where it is found that the requirements of the law and rules can be carried out and will be observed.

In consideration of the above and other good and sufficient consideration, the parties agree as follows:

1. The DEQ hereby authorizes the OPERATOR to conduct opencut mining operations, as described in the attached application which was previously submitted and is hereby approved and made a part of this contract on 5 acres in the NE 1/4 SE 1/4, Sec. 25, T. 3 ~~N~~S, R. 4 ~~E~~W, Gallatin County, Montana. This contract does not authorize opencut mining operations other than as described in the application or as described above. Operating without a contract is a violation of law subject to civil penalties. The application is hereby incorporated as a part of this contract for all purposes.
2. The OPERATOR shall comply with all requirements of the Opencut Mining Act in Title 82, Chapter 4, Part 4, MCA and all rules adopted pursuant thereto.
3. The OPERATOR shall reclaim all affected land in accordance with the previously submitted and approved Mining and Reclamation Plan which is part of the application and of this contract. The DEQ may periodically review each plan and require modifications as necessary. Reclamation shall be as concurrent with mining as feasible and will be completed within the time frame specified in the plan.
4. The OPERATOR may submit amendments to the contract at any time. If approved, the amendments shall be attached to the contract and become a part of the contract for all purposes.
5. The OPERATOR (unless the State of Montana, a county, city, or town) has submitted a bond or other acceptable surety to ensure that the affected land is reclaimed in accordance with the Mining and Reclamation Plan. Failure to reclaim in accordance with the plan shall result in forfeiture of the bond. If the bond is revoked or otherwise becomes invalid, the operator shall submit a new bond or surety within 30 days. Failure to submit a new bond suspends this contract.
6. The OPERATOR shall allow access by the DEQ and its representatives at all times in order to determine whether the terms of this contract are being complied with.
7. If reclamation according to the Mining and Reclamation Plan has not been completed in the time specified, the DEQ, after 30 days written notice, shall order the OPERATOR to cease mining. If the OPERATOR does not cease, the DEQ shall institute action to enjoin further opencut mining by the OPERATOR and may sue for damages for breach of contract.

8. This contract is effective upon signature by the ADMINISTRATOR and shall remain in force until terminated by mutual consent or by the DEQ upon 6 months notice.

Richard Hittinger
OPERATOR

BY: Richard Hittinger

TITLE: Owner - Operator

DATE: July 2, 1996.

STATE OF MONTANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

BY: Jim P. Sensenbarger Administrator July 5, 1996
SIGNATURE TITLE DATE

**PLAN OF OPERATION
Including The
Mining And Reclamation Plan**

Huttinga Gravel Pit

See the Plan Of Operation Guideline or contact the Department if you need assistance in completing this plan. The language contained in this form must be included in any plan submitted.

Section I - Premining Conditions

(1) Site location and topography:

The site is located approximately 3.5 miles southeast of Gallatin Gateway. The topography of the site is the alluvial valley of Bear Creek. The ground slopes very gently to the west.

(2) Present land use and past mining disturbance:

The present land use is irrigated hayfield and gravel pit.

(3) Estimated depth to the seasonal high and low water table (give information sources) and proposed depth of mining:

The estimated depth to the static water table is approximately 17 feet as measured from a water well approximately 150 feet to the south. The estimated maximum depth of mining is 30 feet plus. During the irrigation season the water table rises to an unknown depth at the site.

(4) Locations, descriptions, and uses of marshes, ponds, lakes, ditches, springs, streams, rivers, and other surface water features in and within 1,000' of the proposed site:

The confluence of Big Bear Creek and Little Bear Creek is approximately 500 feet to the west across the road and to the west of the buildings. There are various irrigation ditches which irrigate the land to the north and east. None of the ditches will be impacted by the operation. All of the ditches are on Huttinga property and the water rights are owned by the same party.

(5) Locations, water levels, total depths, and uses of water wells in and within 1,000' of the proposed site (give information sources):

There are two water wells located within 1000 feet of the site, both are on Huttinga property one well is located approximately 150 feet to the south and is 55 feet deep and the static water depth is at 17 feet. The other well is approximately 250 feet to the south and has approximately the same characteristics as the well 150 feet away.

(6) Descriptions and thicknesses of soil and overburden to be disturbed (include test hole data if available):

The soil is of a clay silt loam texture and is approximately 6 to 12 inches deep. The overburden is a very gravelly clay and is approximately 2 feet deep.

(7) Dominant vegetation:

The vegetation consists of orchardgrass, brome, and alfalfa

(8) Use by wildlife:

Whitetail deer and various species of birds frequent the area.

(9) Other useful information:

Section II - Mining And Reclamation Plan

- (1) **POSTMINING LAND USE:** State the proposed postmining land use of the site:

The postmining landuses are pasture and ponds for fish and waterfowl habitat.

- (2) **SOIL AND OVERBURDEN SALVAGE:** All available soil will be stripped from, and a buffer of at least 10 feet will be stripped ahead of, any area to be mined, excavated, graded, or used as a permanent mineral or overburden disposal site. Up to 6 inches of soil, if available, will be stripped from all soil, overburden, and mineral stockpile areas, processing facility areas, staging areas, improved, expanded, and new access, haul, and support road locations that will be graded or surfaced, and any other areas to be disturbed. Soil will be handled separately from overburden and either hauled directly to graded or prepared areas or stockpiled where it will not be disturbed, contaminated, or lost to erosion. Soil and overburden stockpiles that will remain for more than 1 year will be shaped and seeded to the approved mix. All soil will remain on site and available until the approved postmining land use is assured.

Describe the proposed methods and depths of soil and overburden salvage on the various areas to be disturbed:

The soil which is approximately 12 inches deep will be stripped and salvaged with a dozer, frontend loader and or scraper. The overburden will be sold as a product.

- (3) **ROAD CONSTRUCTION:** All access, haul, and support roads will be located, constructed, and maintained in a manner that controls and minimizes erosion.

Describe any planned road improvement and new construction including location, length, width, drainage, crossings, surfacing, and erosion control, and any road portions proposed to remain open after the operation is completed, their intended use, and the condition in which they will be left (contact the Department if you need road design, construction, and maintenance guidelines):

There will be no road construction as the site is immediately adjacent to the county road.

- (4) **WATER MANAGEMENT:** Describe any proposed sediment control and water containment structures, water treatment systems, drainage systems, diversions, berms, and other sediment and water control methods (include diagrams, cross-sections, and maps, as appropriate; sediment pond and drainage system designs are available on request):

The site will not be dewatered as mining into the groundwater will be conducted with a hydraulic excavator. If necessary, earthen berms and other erosion control devices will be install to prevent any off site erosion or sedimentation.

- (5) **WATER PROTECTION:** Surface and groundwater will be given appropriate protection from deterioration of water quality and quantity that could be caused by mining and reclamation activities. Any bulk fuel storage tanks will be bermed and lined to minimum Department specifications (see Fuel Storage Containment schematic). Any spilled or contaminated materials will be properly disposed of. Excavations will be kept at least 50 feet from the channel of an ephemeral or intermittent drainage, and 100 feet from the channel of a perennial drainage, unless otherwise specified below (guidelines that discuss operating in or near streams, wetlands, and flood plains are available on request).

Describe any possible effects on surface and groundwater quantity, quality, systems, and structures, and any proposed measures to prevent, mitigate, or monitor these effects:

All stormwater will be contained on the site. The hydraulic excavator used to retrieve gravel from below the water table will be maintained to prevent petroleum based products from contaminating the water in the pit. When the site is mined to a depth where water is permanently encountered most mining will be conducted in the winter which is the time of the lowest water table.

2) **MINERAL STOCKPILES:** Excess minerals left on site will be consolidated into stockpiles of similar grade and type and left as near as possible to a site access point. All oversize and fines will be buried in an approved fill or on the pit floor, unless otherwise specified below (nontoxic fines may be used as plant growth medium; see #9 (b) below). Any fines stockpiles remaining will be shaped to a natural appearance with slopes of 4:1 or less. For future reclamation by the applicant, landowner, or another party, an appropriate amount of soil will be left stockpiled, shaped, and seeded next to each mineral stockpile that remains. **Additional information:**

7) **WASTE DISPOSAL:** Only clean fill such as soil, dirt, sand, gravel, rock, nonpainted brick, rebar-free concrete, and asphaltic pavement generated on site by this operation will be disposed of on site. Other wastes will only be disposed of on site if an appropriate solid waste management system license is obtained from the Department of Health and Environmental Sciences. If asphaltic pavement is disposed of on site, a separation of at least 25 feet will be maintained between the waste and the seasonally high groundwater table, unless otherwise approved by the Department. Road, work, and stockpile area surface materials (e.g., gravel) will be retrieved and properly disposed of or stockpiled. All wastes not conducive to plant growth will be covered with fine gravel, fines, and/or overburden, then topsoil for a total cover depth of 3 feet. Wastes will be placed where they will not interfere with future mining operations. Oversize, fines, and excess overburden will not be disposed of on sideslopes or in drainages, unless otherwise specified below. Wastes will be disposed of in a manner that will not cause water pollution or other adverse effects.

Describe the proposed methods and sites for clean fill, asphaltic pavement, oversize, fines, excess overburden, and road, work, and stockpile area surface materials disposal:

All refuse will be hauled off and properly disposed of in accordance to all applicable state and federal laws.

3) **GRADING:** Unless otherwise specified below, all surfaces will be left at least 3 feet above the highest seasonal water table, graded to conform to the surrounding topography and drainages, graded to 3:1 or flatter (4:1 or flatter for sand, 5:1 or flatter for hayland and farmland), and graded to drain or concentrate water in specific areas.

Describe the planned postmining topography, backfilling and grading methods proposed to achieve this landscape, any pond design (see Pond Guideline), and any pit portion to stay open (quarter-acre maximum allowed; include a written landowner request to leave any pit portion open):

The site will be regraded so as to create an irregular shaped fish and wildlife pond following the attached Pond Guidelines.

7) **RIPPING, OVERBURDEN AND SOIL REPLACEMENT, AND REVEGETATION:** Describe the proposed:

(a) **Methods and depths of ripping road, work, and stockpile areas and other compacted surfaces:**

All compacted areas will be ripped to a depth of 12 inches using equipment capable of performing the task.

(b) **Depths of overburden and soil replacement on mined, excavated, and graded areas, and of soil replacement on all other disturbed areas (if available, areas that will be reclaimed to dryland range or hayland will receive 18 inches or more of overburden and soil, and areas to be reclaimed to irrigated pasture or farmland will receive 36 inches or more of overburden and soil):**

The soil will be replaced to a depth of 12 inches down to the high water mark except as follows. All shallows less than 2 feet deep will be topsoiled to provide a growing medium for aquatic plants which will naturally invade the site and provide both shelter and food for wildlife. There is no overburden to be replaced. Access soil will remain on the site until such time as the site is retopsoiled. Any soil remaining after the site is retopsoiled will be sold.

(c) **Methods, types, rates, and timing of fertilizer or other amendment application:**

(d) **Methods of seedbed preparation (rock greater than 5 inches will be removed from hayland and farmland):**

The seedbed will be prepared by harrowing or discing except where water covers the soil.

(e) Methods, species, rates, and time periods for seeding or planting all affected areas (see Seed Mix Recommendations; drill seeding will be done on the contour; if broadcast seeding is proposed, the drill seeding rate will be doubled and the seeded area dragged):

The site will be drill seeded on the contour between October 15 and May 15 with the following species and rates:

Orchardgrass	4.0 lbs. PLS/Acre
Mountain or smooth brome	4.0 lbs. PLS/Acre
Alfalfa	1.0 lb. PLS/Acre

(f) Methods, types, rates, and timing of cover crop seeding or mulch application:

N/A

- (10) **ROAD RECLAMATION:** Upon road location downsizing or abandonment, all road surfacing materials will be retrieved and properly disposed of or stockpiled, and the road location graded to conform to the surrounding topography and drainages, then ripped, topsoiled, and seeded. **Additional information:**

N/A

- (11) **SITE PROTECTION AND MANAGEMENT:** Adequate site protection and management measures will be implemented from the time of seeding or planting through one complete growing season for cropland and two complete growing seasons for grassland, or until reclamation success is achieved, whichever is longer. If it becomes apparent that these measures are inadequate, additional measures will be implemented or the Department will be notified of any site protection or management problems.

Describe the proposed methods to be used or arrangements made with the landowner for the protection and management of reclaimed areas from human or animal disturbance:

If needed the newly seeded areas will be fenced for a minimum of two years to prevent livestock from grazing.

- (12) **WEED CONTROL:** All seed will be weed free and noxious weeds will be controlled as specified in the respective district weed management plan until the site is released.

Please contact the District Weed Supervisor prior to any surface disturbance and describe any proposed weed control measures:

The district weed supervisor will be contacted for controlling noxious weeds.

- (13) **CONCURRENT AND FINAL RECLAMATION:** Reclamation will be concurrent with mining and all reclamation work will be completed within 1 year after the cessation of mining or related activities.

Give the estimated completion date of the final reclamation of all affected areas (put "unknown" if it is not possible to determine an approximate date):

The estimated completion date is October 1, 2010.

- (14) **RECLAMATION COSTS:** Provide a general breakdown of the estimated per-acre costs to reclaim the proposed mine and facility level disturbances including equipment, labor, and material costs, and give the estimated total cost to reclaim the entire affected area (government entities put "N/A"; the Bond Level Recommendations approach may be used; it is recommended that an operator verify the bond amount with the Department before processing the bond):

Mine Site

Highwall reduction (less the 200' of "free highwall")	
350' of highwall 22' high = 2,350 cu. yds. x \$1.00/yd =	\$2,350.00/acre
Overburden Handling:	\$00.00/acre
(Topsoiling 2.50 acres of shoreline and shallows will be done)	
\$135.00/acre for soil replacement x 12" x 1.0 acre =	\$1,620.00/acre
Revegetation:	\$150.00/acre
General grading/surface clean up	\$200.00/acre
Total per acre mine site reclamation cost is:	\$4,320.00/acre
Total cost for 4.5 acres of mine site including	
2.5 acres of shoreline and shallows =	\$16,200.00

Facility & Material Stockpile Site

General grading/surface clean up:	\$200.00/acre
Ripping:	\$50.00/acre
Topsoiling: \$135.00/acre/inch x 6 inches =	\$810.00/acre
Revegetation:	\$150.00/acre
Total per acre facility site reclamation cost is:	\$1210.00/acre
Total cost for 0.5 acres of facility site is:	\$605.00
Total cost for 5.0 acres =	\$16,805.00

- 5) **ROAD AND BOUNDARY MARKERS:** The centerlines of all new or to be improved access, haul, and support road locations will be temporarily marked, and the boundary of the main contract area permanently marked, before contract application is made. These markers will be placed within sight of one another and at every corner and bend in road or boundary.
Describe the methods and materials used to mark the proposed roadways and main contract area:

Lathe with flagging, fence posts, or fencing will be used to mark the contracted area.

Section III - Wildfire Prevention, Archaeological And Historical Value Protection, Annual Reports, And Field Personnel and Subcontractors

- (1) Proper care will be taken to prevent wildfires;
- (2) Archaeological and historical values in the affected area will be given appropriate protection. Should a significant archaeological or historical value be found, the operation will be routed around the site of discovery for a reasonable time until salvage can be made. The State Historic Preservation Office will be promptly notified;
- (3) The Annual Progress Report requirements of ARM 26.4.206 will be complied with; and
- (4) All on-site personnel, including subcontractors, involved in activities affected by this plan will be familiar with the specifics of the plan.

Section IV - Additional Information (refer to the appropriate subsections and attach other information as necessary)

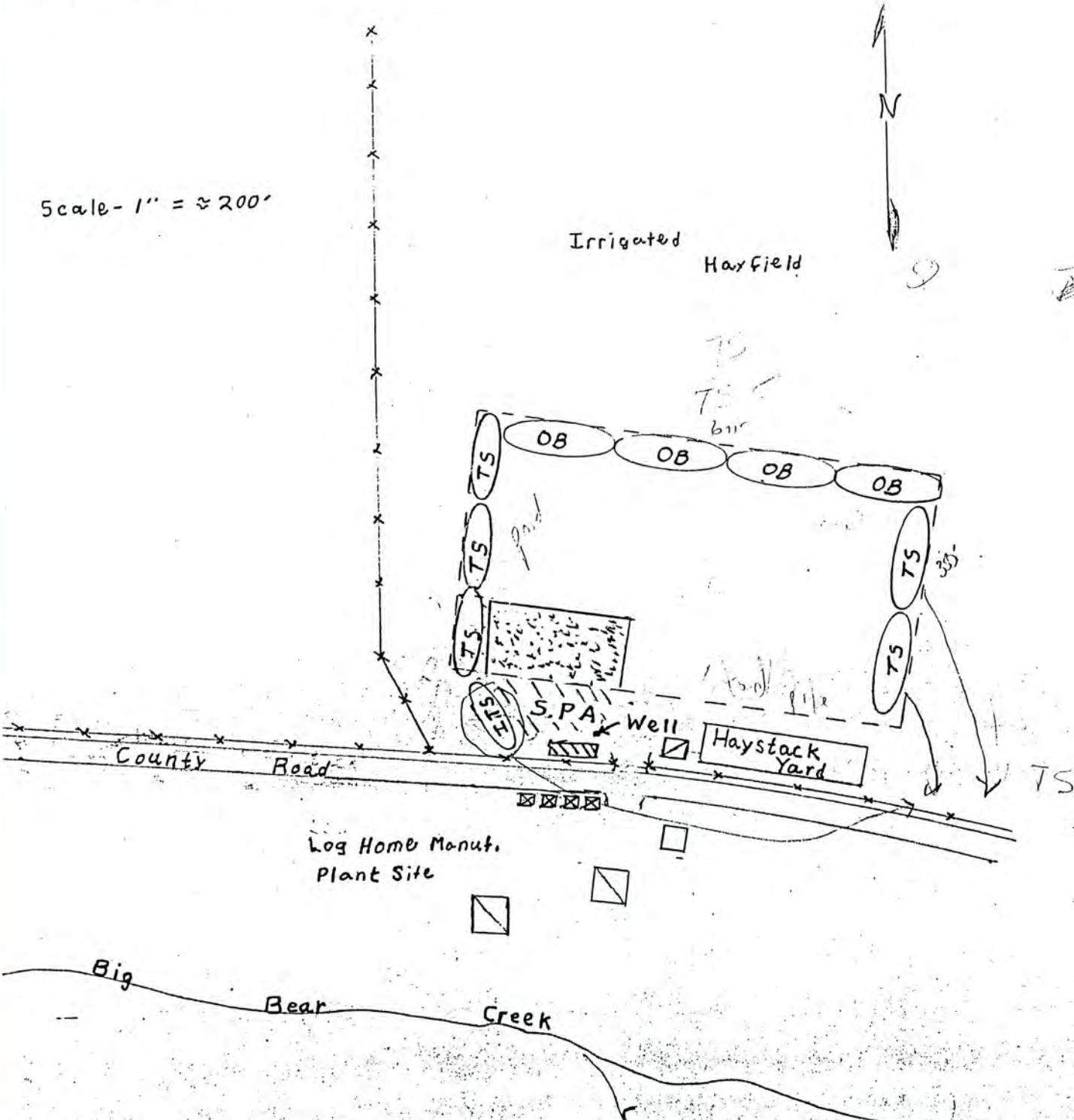
I Certify That The Statements And Information Given Apply To The HUTTINGA Site And That This Plan Will Be Followed Unless Officially Modified.

Signature

Date

Kinga Gravel Pit

Scale - 1" = 200'



LEGEND

- Huttinga Farm House
- Shops
- House Trailer
- Farm Machinery Storage Shed
- Facility + Mineral Stockpile Area
- Contract Boundary
- Topsoil Stockpiles
- Overburden Stockpiles
- Imported Topsoil Stockpile from Construction Projects
- Screening Plant Area for screening ITS

JRB
3-29-96



Montana Department of
ENVIRONMENTAL **Q**UALITY

Judy Martz, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • Website: www.deq.state.mt.us

September 25, 2003

Huttinga Contracting
Richard Huttinga
1990 Little Bear Road
Gallatin Gateway, MT 59730

Re: Reclamation Permit No. HUT-001 – Huttinga Site
Amendment No. 1

Dear Sir:

Enclosed is your copy of approved Amendment No. 1 to your Mined Land Reclamation Permit No. HUT-001

Thank you and please get in touch if there are questions.

Sincerely,

Debbie Voeller
Compliance Specialist
Opencut Mining Program
Industrial & Energy Minerals Bureau
Phone: 406-444-3920
Fax: 406-444-1923

Enclosure

RECEIVED

SEP 25 2003

D.E.Q.

DEPARTMENT OF ENVIRONMENTAL QUALITY
PERMITTING & COMPLIANCE DIVISION
INDUSTRIAL & ENERGY MINERALS BUREAU
PO BOX 200901
HELENA MT 59620-0901
PHONE: 406 444-4970 FAX: 406 444-1923

**AMENDMENT TO MINED LAND
RECLAMATION PERMIT**

PERMIT #: HUT - 001

AMEND. #: 1

SITE NAME: Huttinga Gravel Pit

Mined Land Reclamation Permit # HUT-001, a contract entered into, by, and between the State of Montana and

Richard Huttinga (operator), is hereby amended to include the following (acreage, legal description, and county, or other modifications):

10 acres
NE 1/4 SE 1/4 Sec 25 T 35 R 4E
Hallatin County, Montana

The terms contained within said permit apply to these tracts of land and, unless specifically amended herein, shall remain in full force and effect.

STATE OF MONTANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

BY: Neil Harrington
BUREAU CHIEF
INDUSTRIAL & ENERGY MINERALS BUREAU

DATE 9/24/03

DEPARTMENT OF ENVIRONMENTAL QUALITY

**INDUSTRIAL & ENERGY MINERALS BUREAU
OPENCUT MINING PROGRAM**

SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

Proponent: Richard Huttinga

Site: Huttinga

Legal: NESE25, T3S, R4E

County: Gallatin

Approved Contract & Amendment #: HUT-001

Type and Purpose of Action: Proponent has applied for an amendment to add 10 acres of land to the permit area to continue mining operations. The application for amendment form specifies that the applicant could also operate a crusher, asphalt plant, wash plant and other equipment. These operations were allowed under the original permit but the forms did not specify these activities. Final reclamation would be completed by the fall of 2015.

The original 5 acres is presently bonded at \$16,805. With approval of this amendment, bonding would remain at that amount even though the total acreage under permit would increase to 15 acres. This is because a majority of the site would be reclaimed to ponds, which are relatively inexpensive to reclaim, and concurrent reclamation would occur.

Site Description: The site is located in an area of relatively flat agricultural landscape. The site itself was flat, irrigated farmland.

Potential Impacts and Mitigation: The additional area is adjacent to the area currently under permit. The current Mining and Reclamation Plan applies to the new mining area. The new acreage can be easily prepared, used, and reclaimed. There are no exceptional mining and reclamation considerations. Use of the amendment area will not cause any significant impacts on the physical environment or human population. Proponent is legally bound through their reclamation permit with the state to reclaim the site. The 1996 Environmental Assessment is applicable to this action.

Prepared by: Jo Stephen, Reclamation Specialist, 07/11/03

STATE OF MONTANA SAVINGS CERTIFICATE ASSIGNMENT

SPECIAL INSTRUCTIONS:

1. The Department of State Lands must have the original of this form, and the original of the Certificate.
2. The Certificate must be made out in both the Assignor's AND the Department of State Lands' names.
3. Please fill in the acreage and legal description in number 2; the Department will complete the Contract/Amendment number and issue date when the contract is issued.
4. The Acknowledgements of numbers 9 and 10 must be filled out in their entirety. (Number 9: If you are signing as a person, please fill out the "PERSONAL ACKNOWLEDGEMENT"; if signing for a corporation, please fill out the "CORPORATE ACKNOWLEDGEMENT".) (Number 10: The signature that needs to be notarized is that of the person who is signing for the Bank.)

1. For value received, Richard Nutting Assignor, does hereby assign, transfer, and set over to the State of Montana, Department of State Lands (hereinafter called the State), all rights and interests in a Savings Certificate No. 85489 in the amount of \$ 16,805.00, payable on or after 6-17-99 issued by 1st Security Bank (hereinafter called Bank), and payable to Richard Nutting the Assignor herein.
2. The Assignor makes this assignment pursuant to the Opencut Mining Act and Reclamation Contract No. _____ and/or Amendment No. _____ issued by the State to _____ on _____, 19____. Reclamation Contract No. _____, Amendment No. _____ covers 15 acres in the NE 1/4 SE 1/4, Section 25, Township 35 N/S, Range 4E E/W in Gallatin County County.
3. The Assignor may withdraw or otherwise dispose of any earnings attributed to the Savings Certificate while the same is assigned to the State.
4. The Assignor may, with the consent of the State, replace or renew a Savings Certificate once it has expired, or is voided by the Bank and the Assignor shall be entitled to the rights as laid out in Clause 3 with respect to the new Savings Certificate. A new Savings Certificate Assignment shall be executed if the Savings Certificate is replaced.
5. The State may at any time after the Contractor fails to fully comply with all requirements of the Opencut Mining Act and the Rules and Regulations of the State Board of Land Commissioners and the said contract, and/or amendment, and after giving written notice to the Assignor, surrender the Savings Certificate to the Bank in exchange for money.
6. The Assignor is entitled to any earnings or interest upon the cash proceeds after the State has surrendered the Savings Certificate.
7. The Savings Certificate shall be held by the State of Montana during the term of this Assignment.
8. The Assignor hereby authorizes and directs the Bank to pay the above-described Savings Certificate as instructed by the State until such time as the Bank shall receive the Release provided for below. The Bank shall not be liable to inquire whether there has been performance by Contractor or to see to the application of any moneys paid on instruction of the State, and in such matters the Bank may rely upon the instructions of the State executed over the signature of the person, or his designee, appearing under the Acceptance below without the need to verify the authority of such person. Nothing herein shall prevent the State from designating a person authorized to act for it in another lawful manner.

9. Signed and dated at Bozeman, Montana, this 14 day of June, 1996
 Address: 1990 Little Bear Rd, City/State/Zip: Gallatin Gateway MT 59730
Richard Fultinga
 (Assignor's signature)

PERSONAL ACKNOWLEDGEMENT

STATE OF Montana)
 County of Gallatin) ss.

On this 14 day of June, in the year 96, before me, Richard Rebecca M.
 notary public for the State of Montana, personally appeared Richard Fultinga, known
 to me to be the person(s) whose name(s) is (are) subscribed to the foregoing assignment of Savings Certificate, and acknowledged
 to me that he (they) executed the same.

CORPORATE ACKNOWLEDGEMENT

On this _____ day of _____, in the year _____, before me, _____
 notary public for the State of _____, personally appeared _____ known
 to me to be the _____ of the corporation that executed the within instrument and acknowledged to me that such
 corporation executed the same.

(Notarial Seal)

Rebecca M. Cox
 Notary Public for the State of Montana
 Residing at Bozeman
 My Commission Expires May 26, 1998

BANK ACCEPTANCE

10. The FIRST SECURITY BANK OF BOZEMAN Bank, as witnessed below by the signature of a duly authorized officer,
 hereby recognizes this above assignment of Savings Certificate No. 85489 in the amount of \$16,805.00
 this 14 day of JUNE, 1996

FIRST SECURITY BANK OF BOZEMAN B. Gulach
 (Bank) (Authorized signature)

208 EAST MAIN BOZEMAN MT 59715
 (Address) (City, State, Zip)

CORPORATE (BANK) ACKNOWLEDGEMENT

STATE OF Montana)
 County of Gallatin) ss.

On this 14th day of June, in the year 1996, before me, Ronald R. Farmer,
 notary public for the State of Montana, personally appeared Bruce Garlach
 known to me to be the Senior V.P. of the corporation that executed the within instrument and acknowledged to me
 that such corporation executed the same.

(Notarial Seal)

Ronald R. Farmer
 Notary Public for the State of Montana
 Residing at Bozeman
 My Commission Expires 7-26-99



Brian Schweitzer, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.mt.gov

December 14, 2006

Huttinga Contracting Inc
1990 Little Bear Road
Gallatin Gateway, MT 59730

Re: Reclamation Permit No. HUT-001 - Huttinga Site
Amendment No. 2

Dear Sir:

Enclosed is your copy of approved Amendment No. 2 to your Mined Land Reclamation Permit No. HUT-001.

As a reminder, please be advised that you may be required to secure other licenses, permits or approvals prior to commencement of operations.

Thank you and please get in touch if there are questions.

Sincerely,

Debbie Voeller, Program Specialist
Opencut Mining Program
Industrial & Energy Minerals Bureau
Phone: 406-444-3920
Fax: 406-444-1923

Enclosure

PART 2 - ADDITIONAL SITE INFORMATION

1. The total area under permit and amendment will now be 25 acres.
2. The estimated maximum depth of mining in the permit and amendment areas will now be 30 feet.
3. The estimated quantity of mine material to be excavated in the permit and amendment areas will now be 4,111,111 c.y.
4. The type, location, and size of each postmining land use area within the permit and amendment areas will now be: 6 acre pond + 19 acres Re-seeded + Farmed
5. The estimate of the date of final reclamation of the permit and amendment areas will now be (mm/yy): Oct. 2015
6. The existing, modified, or new Plan Of Operation applicable to the permit and amendment areas is dated: 8-8-06
7. The existing, modified, or new map applicable to the permit and amendment areas is dated: 8-8-06
8. The bond for the permit and amendment areas will now be \$ 50,432 as shown on the attached bond calculation.
9. Describe other permit modifications and information not given above: _____

OPERATOR AFFIRMS THAT OPERATOR HAS THE RIGHT AND POWER, BY LEGAL ESTATE OWNED, TO MINE THE LANDS DESCRIBED. OPERATOR ALSO AFFIRMS THAT THE CONTENTS OF ALL ATTACHMENTS TO THIS APPLICATION BECOME A PART OF THE TERMS THEREOF.

Operator Signature: Richard Hattings Title: owner Date: 8-8-06

DEPARTMENTAL APPROVAL

This amendment is issued by the State of Montana, Department of Environmental Quality (DEQ) of Helena, Montana to Hattings Contracting, Inc. (operator). Pursuant to Sections 82-4-422(1), 82-4-432(5), 82-4-434(4), and 82-4-436, MCA, the DEQ is authorized to issue an amendment to an Opencut Permit where it is found that the requirements of the law and rules can be carried out and will be observed.

In consideration of the above and other good and sufficient consideration, the following applies to this amendment:

1. The DEQ hereby authorizes the operator to conduct opencut operations, as described in the application which is hereby approved and made part of permit number H4F-001, on 10 acres in the NE 1/4 SE 1/4, Sec. 25, T. 3 N/S, R. 4 E/W _____ 1/4 _____ 1/4, Sec. _____, T. _____ N/S, R. _____ E/W Gallatin County, Montana, known as the Hattings site. This amendment does not authorize opencut operations other than as described in the application or as described above. The application is hereby incorporated as a part of said permit for all purposes. The terms contained within said permit apply to this amendment and, unless amended by the application, remain in full force and effect.

2. This amendment becomes operative upon approval by the DEQ.

STATE OF MONTANA, DEPARTMENT OF ENVIRONMENTAL QUALITY

Neil Harrington
Chief, Industrial & Energy Minerals Bureau

12/13/06
Date

DEQ OPENCUT MINING PROGRAM
SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

Proponent: Huttinga Contracting, Requesting Amendment #2

Site: Huttinga

Legal: SE Sec 25, T3S, R4E

County: Gallatin

Approved Permit and Amendment #'s: Hut-001, Amendment #1

Type and Purpose of Action: Operator has applied to increase the permit area by 10 acres for a total of 25 acres. A new map was submitted with this application. The bond was increased by \$33,627 to a total of \$50,432. The final reclamation date would be October 2015.

Potential Impacts and Mitigation: The amendment area will not cause significant impacts on the physical environment or human population.

The amendment area would expand toward the east. The southern boundary is set back from the county road 120 feet. Soil would be placed in a berm along the eastern and southern portions of the area to provide a visual and noise buffer to the resident 400 feet east of the fenceline. The crusher is a quarter mile from that residence and is in the bottom of the pit.

The pond would be used for wildlife and waterfowl habitat so no water rights changes are required (DNRC Billings office, December 4, 2006).

Studies of the effect of heating in gravel pit ponds (Ostrander and others, 1998; Harden Environmental, 1995) have shown that ponds typically have minimal impact on the heating of down gradient groundwater and that the small thermal gains (<1 degree C) measured in pit ponds are dissipated in groundwater within hundreds of meters down gradient of the pond.

There have been no complaints on the Huttinga operation. Proponent will be legally bound by his permit to reclaim the site. The original Environmental Assessment and supplemental are applicable to this action.

Prepared by Jo Stephen 12/06

Neil Harrington
Neil Harrington, Chief, Industrial and Energy Minerals Bureau,

12/13/06
Date

PFM

PROPERTY DESCRIPTION: NE1/4 SE1/4 Sec 25 T3S, R4E; Gallatin County

COMPANY NAME: Huttinga Contracting, Huttinga Site

DATE: December, 2006

PREPARED BY: Peter Mahrt

PRIVATE PROPERTY ASSESSMENT ACT CHECKLIST

DOES THE PROPOSED AGENCY ACTION HAVE TAKINGS IMPLICATIONS UNDER THE PRIVATE ASSESSMENT ACT?

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deprive the owner of all economically viable uses of the property?
	X	4. Does the action deny a fundamental attribute of ownership?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? (If answer is NO, skip questions 5a and 5b and continue with question 6.)
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property?
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally? (If the answer is NO, skip questions 7a-7c)
		7a. Is the impact of government action direct, peculiar, and significant?
		7b. Has the government action resulted in the property becoming practically inaccessible, waterlogged, or flooded?
		7c. Has the government action diminished property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?

Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b.

If taking or damaging implications exist, the agency must comply with § 5 of the Private Property Assessment Act, to include the preparation of a taking or damaging impact assessment. Normally, the preparation of an impact assessment will require consultation with agency legal staff.