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March 14, 2012

Chairman Darrel Fehr
1844 County Hwy DD
Bloomer, WI 54724

RE: EOG Resources, Inc.

Dear Chairman Fehr:

Pursuant to correspondence received from Town of Cooks Valley legal counsel, Mr. Glenn Stoddard, dated March 9, 2012, the purpose of this letter is to respond to the issues outlined in that document regarding EOG Resources, Inc's ("EOG") ongoing mining operations in the Town of Cooks Valley.

In reviewing the correspondence and the attached Non-Metallic Mining Ordinance, we wanted to set forth in writing some issues which are important for the preservation of the record and for EOG as a company. First and foremost, the Town of Cooks Valley asked EOG to submit a developer's agreement immediately following the acceptance by the Town Board of the Right of Way Permit and Roadway Agreement on December 20, 2011.

Per the Town's request stemming from the December 20th meeting, our office, in conjunction with Mine Superintendent Tom Maul, spent time with you in January negotiating the parameters of a development agreement. Also per your request and your time line, we provided a written development agreement for the Town's review prior to the regularly scheduled February monthly meeting.

Since the decision from the Supreme Court in the *Zweifelhofer* case, the Town is now taking a new approach. Nonetheless, we felt it important to point out EOG has lived up to its commitments and provided a well-thought out and appropriate Mining Agreement. Because the Mining Agreement takes into consideration issues which cannot be approached through a Non-Metallic Mining Ordinance, for example a property guaranty, we still think it is in the Town's best interest to pursue a Mining Agreement versus an application of the Chapter 19 Non-Metallic Mining Ordinance.

In reviewing Attorney Stoddard's letter, there are also legal conclusions which are reached by the Town Board. We do not agree with the legal analysis that the Town of Cooks Valley Chapter 19 Non-Metallic Mining Ordinance applies given our pre-existing status of an operational mine prior to the issuance of the Supreme Court's decision. Further, as I have addressed with Attorney Stoddard, there are parts of the application which preempt Federal law set forth by the Mining Safety and Health

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Administration (“MSHA”). Although our office fully believes the Town’s law does not preempt MSHA, we will leave it to your counsel to further analyze those issues as it relates to the Town’s demand for immediate property inspections.

Setting the legal issues aside, EOG has always worked pro-actively with government officials at all levels and has never deviated from that course. With this in mind, you will find attached to this correspondence, a Non-Metallic Mining Application, along with the appropriate filing fee. Nonetheless, we fully reserve our rights to challenge all or parts of the written application, in addition to the Chapter 19 Non-Metallic Mining Ordinance. Thus, do not construe the attached application or filing fee as an acceptance of the Town’s jurisdiction.

We have also provided 25 copies of the application and provided extensive documentation to be reviewed consistent with your application process. We are filing these documents with you prior to the deadline set forth in the March 7th correspondence. We believe the application is complete and everything set forth in your aforementioned correspondence has been satisfied.

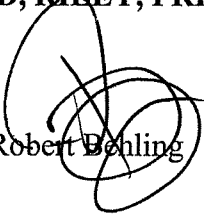
In terms of moving forward, we are hopeful the Town agrees to move the permitting process forward in an expedited manner. Of course, we will pro-actively answer any follow-up questions you have and, again, we think the Town may be better positioned if you turn towards a Mining Agreement versus the application of your Chapter 19 Non-Metallic Mining Ordinance language.

Respectfully submitted, but with full reservation of rights, on behalf of EOG Resources, Inc.

Very truly yours,

WELD, RILEY, PRENN & RICCI, S.C.

John Robert Behling



JRB/kan

Enclosures

cc: Attorney Glenn Stoddard (w/enc)
Mr. Curt Parsons (via e-mail) (w/o att)
Mr. Jeff Spencer (via e-mail) (w/o att)
Mr. Tim Stauffer (via e-mail) (w/o att)

Town of Cooks Valley Non-Metallic Mining Applications

This is a portion of Appendix A

15784 40th Street

Clerk Residence

3717 County Highway A

Bloomer, WI. 54724

Filing Fee \$500

Date of Application February 16th, 2012

Company Name EOG Resources Inc.

Contact Person Tim Stauffer

Address 619 Bridge St., Suite 101, Chippewa Falls, WI. 54729

Phone 715-720-5917 Fax 715-720-5984 Cell 715-495-0103

Email tim_stauffer@eogresources.com

Proof of Insurance (Please attach a copy of this at the back of the application) _____

Legal Description of land for proposed mine development Attached

Tax parcel number Attached

Name and address of surface land owner Dennis Schindler
13806 20th St., Colfax, WI 54730

Name and address of mineral owner Same

1) Type of Mine:

 Construction Fill (Sand, gravel, aggregate, or clay used in the _____
construction trades).

 X Industrial Sand Mine (used to produce glass, moldings for castings,
manufacture of abrasives, or processed into proppant or other industrial
uses).

2) Final destination of mined material: Processing plant, Chippewa Falls, WI.

3) Describe current land uses within and adjacent to the project area. Photos would be
helpful in providing a view in all directions. Coordinate the photos with the description
below.

 Agriculture, Residential Pictures Attached

4) Permits:

- A) Does this mine have a current reclamation permit from Chippewa County to operate?
Yes
- B) List other permits (county, state federal, DNR etc.) necessary for this project, indicate status and provide a copy (if available).
DNR air permit, DNR storm water discharge permit are attached as Exhibits 1 and 2
-

5) Size:

- A) Expected maximum depth of mine? 1100 feet. Depth is relative to what benchmark?
Mean Sea Level (Natural ground cover, mean sea level, road elevation, etc.)
- B) Groundwater level in the project area? 1102 to 1092 Mean Sea Level.
Confirmed or estimated?(circle one). Confirmed
Depth is relative to what benchmark? 3 on-site monitoring wells. Please see attached Figure 4 groundwater elevation map.
- C) Will any part of the mine extend below the water table: Yes _____ No X
If yes – do you intend to dewater: Yes _____ No _____.
If yes – Estimated dewatering rates in gallons per day? _____. What impact, if any, will mine dewatering have on neighboring wells? Provide data to support any conclusions or statements made, including any monitoring well data, well construction data, and current water withdrawal rates.

- D) Specify total area 234 (in acres) to be affected by this project. Include areas for future expansion, stockpiling, processing, haul roads, settling basins, buildings, parking facilities. Show all phases for the removal of material. Give a complete description of the entire site. Use a separate sheet if necessary. Any area of extraction must be at least 50 feet from any line fence or property boundary.
Please refer to copy of Chippewa County Reclamation Permit. 234 acres mining, stockpiling, loading, scaling, reclamation, erosion control facilities, office trailer, haul roads. Please see attached figures 1, 2, 3 (SEH)

6) Mining Operations:

- A) Describe the method that will be used to dispose of brush and other vegetative debris. Describe the process completely: Clearing and grubbing to remove brush. Brush will be mulched. Mulch will be blended with topsoil as conditioner.
- B) Describe the methods that will be used to retain topsoil and all other overburden. Describe how the topsoil, subsoil and other materials will be stored until the reclamation process takes place. Topsoil – A horizon and B horizon will be stripped and stockpiled for use in reclamation. Topsoil stock piles will be seeded and mulched, signs will be placed to identify topsoil stockpiles.

- C) Describe the processing methods that will be used at the site. (Processing methods may include stockpiling & storage, blending, grading, crushing, screening & cleaning, scalping, dewatering, and dust control). If there are none, please explain why they are not necessary.
Drilling and blasting will be utilized to loosen sandstone for extraction – material will be fed to a vibrating screen to remove oversized particles before being stockpiled and loaded into trucks.
- D) Describe the method of extraction (shovel and truck, front-end loader and truck, hydraulic dredge, dragline and truck, self-loading scraper, other): Primarily excavator and articulated haul trucks. Other methods as conditions dictate.
- E) Will explosives be used: Yes No
If yes – specify the types & methods of explosives used and describe what precautions will be used to prevent physical hazards to persons and neighboring property from flying debris, excessive air blasts, or ground vibrations. Depending on the mine's location to nearby structures, more detailed information may be required on the blasting program (such as third party blasting study).
ANFO will be used in the blasting process. Sequential timing will be used to minimize blast vibrations. Multiple seismographs will be used to measure vibrations at neighboring structures.
- F) Will water be used at the site? Yes No . (Water may be necessary for processing and also to keep dust under control at the pit site and the haul road, if present). If yes – describe the volume of water needed, the source of the water, and any run off control measures (if needed).
Water will be used intermittently to control dust. Water will be pumped from sediment basins to control dust. If additional water is needed it will be purchased from local well sources.
- G) Describe the methods used to control dust at the site. This includes mining processes, on haul roads, and while transporting to final destination. Be as complete as possible.
Water trucks will spray dirt haul roads, vacuum sweeper truck will clean paved areas. Trucks hauling to plant will be tarped.
- H) Will fuel tanks, solvents, explosives, or other chemicals be stored on site?
Yes No . If yes – describe these materials and how they will be secured, stored, and method of containment. Indicate locations of storage facilities on mine map(s). Fuel tank will be located on concrete containment device.
Fertilizer tanks may be stored on site. Tanks will be located as shown on Figure 2 attached.
- I) Will any structures need to be established on site? Yes No . This includes any storage shed, portable toilet, employee facility, etc. If yes – specify the number, type and location: Office trailer will be located at the site. Truck scale will be constructed. A drive-over waste unloading facility will be constructed. All located in the operations area (Figure 2).

- J) Identify the number of employees expected to work at the site and the facilities that will be provided: 12-15 employees.
- K) Hours / days of operation (including maintenance): Operation 5 days per week, 24 hours per day, Monday-Friday with maintenance operations possibly occurring on Saturdays
- L) Length of time the mine is to remain operational? From 2012 to 2032.

7) Trucking operations:

- A) How many loads per day: 400. Hours trucks will operate: 24 hours/day, 5 days per week.
- B) Weight per load: 80,000 lbs maximum load weight for sand trucks. Waste trucks 151 loads/day, maximum load weight 73,000 lbs.
- C) Type of truck: Bottom dump trailers and end dumps will be utilized at the mine
- D) Which township and county roads will be used to transport material? Please provide a complete description of all roads to be used to transport and to return to the site. Performance bonds may be necessary for the repair and/or restoration of any township road affected in adverse way. What specific contributions will be taken to insure that the township roads will be maintained to a safe and secure condition? 20th Street to 135th Avenue to State Hwy 40 to County Road B to Hwy 53 to Chippewa Falls. Road maintenance Agreement has been executed with the Town (Attached)

8) Environmental:

- A) List resources that may be impacted by this project such as timber, agriculture, surface water, ground water, air quality, noise pollution, and plant wildlife or fish habitat. Describe measures that will be taken to mitigate those impacts. Landowner has removed existing timber on the property. Crops within the mining areas have been harvested. Areas not within mining area will continue to be cropped. Stormwater plan is in place. Air permit is in place which describes dust control measures. White noise backup alarms are installed to minimize noise pollution.
- B) Are there any known endangered species on or near the mine site?
Yes ___ No X. If yes – Describe the species and whether an environmental impact statement will need to be prepared? _____
- C) Are there any known acid producing minerals or soils present? Yes ___ No X.
If yes – how will acid water pollution from the excavation, stockpiling, and waste areas be controlled? _____
- D) What is the schedule and method for well monitoring within a ¼ mile of the mine's boundaries before, during and after the mine is opened, worked, and reclaimed? (Monitoring distance may need to be increased if the mine depth is near the water table, dewatering is used, or explosives are used):
All wells within ¼ mile have been sampled and analyzed prior to mine operations. All wells within ¼ mile will continue to be monitored per the conditions of the Reclamation Plan _____

E) Describe erosion control practices that will be used during mining. If no measures will be used, explain why none are needed. Silt fence, diversion ditches and stormwater diversion berms, erosion mat, sediment basins.

F) Describe measures that will be taken to screen the operation from view of surrounding land uses or an explanation of why such measures are not needed. If they are not needed, please include photos of the area (aerial or ground level) Please show the areas affected on a plat. Natural topography and tree cover will provide primary screening for the majority of the site. Additional screening devices may be utilized as the mine develops.

9) Reclamation: (this section is preliminary – the actual Chippewa County Reclamation plan for the proposed mining site will need to be submitted to the township before the plan commission can officially review the application)

A) Describe progressive reclamation activities that will occur over the life of the operation. Be complete in the description. If necessary show the reclamation in the various phases. (Attach at the back if necessary).
Please see attached map – reclamation will follow mining through the proposed phases.

B) Is an excavated / impounded body of water to be left as part of the reclamation?
Yes ___ No X
If yes – 1) will it be secured to prevent unauthorized access by the public?
Yes ___ No ___
If yes – 2) will it be stocked with fish? Yes ___ No ___
If yes – what species? _____

C) Describe the methods that will be used at the cessation of seasonal operations to stabilize slopes from erosion. This includes both wind and water erosion. Be complete in your description.
All slopes will be seeded and matted or mulched to establish sufficient vegetation to prevent erosion. Water spreader vehicles and tackifiers may be utilized to prevent wind erosion.

D) Will the site become inactive during current operations for an unspecified period of time? Yes ___ No X If yes – Describe the interim reclamation methods that will be used:

Not Planned

E) Describe proposed reclamation including final slopes, high wall reduction, benching, terracing, and other structural slope stabilization measures. Will the reclamation practices being followed be in agreement with all items in Chapter 30 of the General Code of Ordinances of Chippewa County? Specifically, this is Chapter 30 (NON-METALLIC MINING RECLAMATION)

Site will be reclaimed for passive recreation with all high walls backfilled to 3:1 Horizontal to vertical or flatter. All reclamations will conform to Chippewa County Chapter 30 requirements.

- F) Describe anticipated topography, water impoundments, artificial lakes, and future land use of the site. This should be based upon the entire proposed site. It should include a detailed description of the process and how it will relate to the Chippewa County Non-Metallic Mining Reclamation Ordinance.
Land use will be passive recreation. Topography will consist of level areas and slopes, meadows and tree areas. Please see attached Figure 3.
- G) Describe plans for the disposition of surface structures, haul roads, and related facilities after completion of mining.
All surface structures shall be removed upon completion of mining and reclamation.
- H) Describe the methods proposed for the disposal or reclamation of the oversize and undersized materials. If returned to the site, how will they be incorporated into the reclamation process?
Materials returned to the site will be blended with overburden and used for fill in the reclamation process.
- I) Describe or attach a copy of seeding plan that includes methods of seed bed preparation, seed mixtures, seeding rates, mulching, and other techniques needed to accomplish site stabilization.
Please see attachment.
- J) Describe long term maintenance needed to support reclamation. (as per the amended ordinance):
Once vegetation and tree stock is established, no long term maintenance should be required.
- K) Provide an estimate of the reclamation cost of each phase of the project or the entire site if phasing is not planned.
Please see attachment.

To the best of my knowledge, I certify that the information provided on this application and accompanying documents is true and accurate.

Property Owners signature:



Date

3/15/2012

Please print or type the signature: Dennis Schindler

Mining Company signature:



Date

3/15/12

Please type or print the signature: Tim Stauffer

Company: EOG Resources Inc.

Address: 619 Bridge Street, Chippewa Falls, WI 54729

Signature of this application authorizes the Town of Cooks Valley staff and its designees to enter upon the property to perform needed inspections. Entry will not require a prior notice.

This applicant agrees to provide twenty-five(25) copies of this application. These copies are necessary for the plan commission, town board, adjoining landowners, and general public at the public hearings.