

To all interest parties:

Attached is a copy of the document I sent to Eau Claire County explaining how a frac sand mine can, under the worst case scenario, avoid paying for the reclamation of mine property.

The Letter of Credit documents that are used for “financial assurance” are of little value to protect the County tax payers because of the cancellation provision and the requirement that “they have not reclaimed” the property.

With the way the present law is written, it is virtually impossible for the County to recover any money from the mining companies “Financial Assurance.” (ie Letters of Credit) if they decide to leave without reclaiming the land.

If the attached Modified Sample Letter’s of Credit for High Country Sands and Hi-Crush, are modified as shown in the attached file, they would give the County total access for any reason to the “Financial Assurance” to be used for reclamation. If Eau Claire County had the Letter’s of Credit written this way, the county has total access at any time in the five year period without any condition. These letters of credit could only be cancelled with the permission of the County.

If the mining company has any assets and has plans on reclaiming the property, then a letter of credit written this way with no conditions would not be a problem since they are planning on recovering the property anyway.

If the mining company does not have any assets and is not going to reclaim, they will fight this. This is because, they have no intention to reclaim.

You can forward this email to any interested party.

Thanks.

Mark Wise