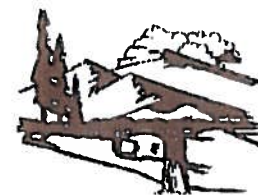




# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

Exhibit 86

July 22, 2014

Department Administration and Information  
Division of General Services  
Procurement  
700 West 21<sup>st</sup> Street  
Cheyenne, WY 82002

Attn: Brenda Crozier

Re: Statewide Contract – Nowood Construction Inc.  
AML Project 17.32 - Task Order Number 32-14

This letter is written notification that Task Order 32-14 has been executed between the State of Wyoming, Department of Environmental Quality, Abandoned Mine Land Division (AML) and, Nowood Construction Inc. to abate the Buyok-Monarch mine fire in Sheridan County, Wyoming at an estimated cost of \$ 40,778.00. The work will begin approximately on August 4, 2014 and is expected to be completed by August 30, 2014.

If I can be of any assistance, please contact me at 307-777-6192.

Sincerely,

Alan Edwards  
AML Administrator

AE/mlb

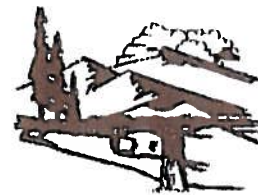
cc: Bill Locke  
Marcia Murdock  
Jean Weiss





# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

July 22, 2014

Department of Employment  
Division of Employment Affairs  
1510 E. Pershing Blvd., Ste. 2015  
Cheyenne, WY 82002

Attn: Jason Delo, Program Manager

Re: Statewide Contract – Nowood Construction Inc.  
AML Project 17.32 - Task Order Number 32-14

Dear Mr. Delo:

This letter is written notification that Task Order 32-14 has been executed between the State of Wyoming, Department of Environmental Quality, Abandoned Mine Land Division (AML) and, Nowood Construction Inc. to abate the Buyok-Monarch mine fire in Sheridan County, Wyoming at an estimated cost of \$ 40,778.00. The work will begin approximately on August 4, 2014 and is expected to be completed by August 30, 2014.

If I can be of any assistance, please contact me at 307-777-6267.

Sincerely,

Alan Edwards  
AML Administrator

AE/mlb

cc: Bill Locke  
Marcia Murdock  
Jean Weiss

Herschler Building · 122 West 25th Street · Cheyenne, WY 82002 · <http://deq.state.wy.us>

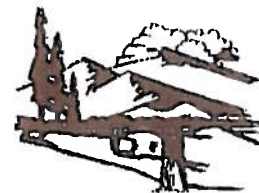
ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6482	AIR QUALITY (307) 777-7391 FAX 777-5816	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

July 22, 2014

Clayton W. Cheeney  
Nowood Construction, Inc.  
297 Highway 434  
Ten Sleep, WY 82442

Re: AML Project 17.32  
Task Order Number No. 32-14  
Buyok-Monarch mine fire

Dear Mr. Cheeney:

Enclosed is an original Task Order for the above referenced project signed by Alan Edwards. Please sign and date the Task Order on page 2 of the document. Return one copy of the entire original signed document to the following address:

Jane Nuoci  
Abandoned Mine Land Division  
122 West 25<sup>th</sup> Street  
Herschler Building, 1W  
Cheyenne, WY 82002

Thank you for your cooperation on this matter. If you have any question please do not hesitate to call me at 307-777-6145.

Sincerely,

Alan Edwards  
AML Administrator

AE/mlb

Enclosure

Herschler Building · 122 West 25th Street · Cheyenne, WY 82002 · <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6482	AIR QUALITY (307) 777-7391 FAX 777-5816	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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**ATTACHMENT A  
AML PROJECT 17.32  
TASK ORDER NO. 32-14**

AML Contractor: Nowood Construction, Inc.

AML Project Manager: Marcia Murdock

AML Project Engineer: Spectrum Engineering, Inc.

1. Upon execution of this Task Order No. 32-14, the CONTRACTOR is required to commence the work described herein as Appendix A.
2. The CONTRACTOR will be reimbursed at the unit rates as specified in Section C, Bid Proposal, of the Contract Documents, and in the CONTRACTOR'S cost estimate attached hereto as Appendix B. If this Task Order will result in the creation of new pay item or any change in the billing rates, then a Contract Amendment must be completed and fully executed before the Task Order is initiated.
3. Materials costs shall be reimbursed to the CONTRACTOR by either lump sum (LS) or in accordance with costs reflected in materials purchase receipts presented at the conclusion of the Work. The agreed upon method of reimbursement (LS or receipt) shall be identified in Appendix A, Statement of Work of this Task Order.
4. Total costs associated with this Task Order No. 32-14 shall **not exceed \$40,778.00.**
5. Task Order Budget

A.	Previous Task Order Obligations	\$ 77,809.60
B.	Task Order No. 32-14	\$ 40,778.00
<b>Total Obligations =</b>		<b>\$118,587.60</b>
6. Under this Task Order, the work required is attached hereto as Appendix A.
7. **Term of Task Order.** The date of this Task Order is July 22, 2014. This Task Order shall remain in effect until completion of the task on or before the time frame agreed to by parties, but in any event, no later than December 31, 2014.
8. **Changes to Task Order.** Modifications or changes to the specific terms of this Task Order shall be made only upon mutual written agreement by the parties, by Amendment, by Change Order, or Field Order.
9. **Notice to Proceed.** The AML Administrator will issue a fully executed written Task Order to the CONTRACTOR before any work can commence. A fully executed Task Order will act as a

Notice to Proceed (NTP). Any costs incurred for work performed by the CONTRACTOR before the issuance of the NTP for this Task Order, will be considered outside the Contract Scope of Work and will not be eligible for payment.

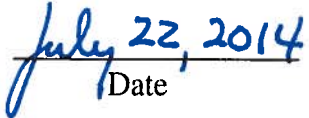
**Notice to Proceed:** On or before August 4, 2014.

**10. Special Provisions.** With the exception of the tasks explicitly delineated in this Task Order, all other conditions of the original Contract, including but not limited to Sovereign Immunity, shall remain unchanged and in full force and effect.

**11. Signatures.** In witness thereof, the parties to this Contract, either personally or through their duly authorized representatives, have executed this Task Order No. 32-14 on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Task Order.

**DEPARTMENT OF ENVIRONMENTAL QUALITY,  
ABANDONED MINE LAND DIVISION**

  
\_\_\_\_\_  
Alan Edwards, AML Administrator

  
\_\_\_\_\_  
Date

**NOWOOD CONSTRUCTION, INC.**

\_\_\_\_\_  
Clayton W. Cheeney, Owner

\_\_\_\_\_  
Date

**INTENTIONALLY LEFT BLANK**

**APPENDIX A**  
**STATEMENT OF WORK - TASK ORDER NO. 32-14**  
**AML PROJECT 17G, BUYOK-MONARCH FIRE**

**Location and History** - The Buyok-Monarch Fire is burning on the south bank of the Tongue River in the SE¼NW¼ of Section 19, T57N, R84W. Access and location are shown on the attached Location Map. This outcrop fire is located less than 100 feet north of the abandoned underground workings of the Old Monarch Mine, which operated from 1903-1921. This area is shown on the Monarch, Wyoming 7.5 Minute Quadrangle at latitude 44.90185° N and Longitude 107.04606° W (NAD 83)).

Vanessa Buyok reported the fire to AML on February 24th of 2014. Spectrum Engineering investigated the fire on April 8th of 2014. The fire has been smoldering in the bank of the river since at least January of 1984, when the SCS installed a cutoff trench behind the fire and probably capped it. The trench was installed along the centerline of the county road, which runs between the Tongue River and the workings of the Monarch Mine in this area. The cutoff trench was constructed by removing the coal from a 9-foot thick bed and replacing it with non-combustible material to prevent the fire from advancing any further south from the bank of the river. Within the last two years, high water in the Tongue has washed away much of the area where the fire had been smoldering under the river bank. The erosion of the bank exposed a portion of the smoldering coal bed in the caved bank of the river. The exposed bed is currently burning along a 10 to 15-foot wide front. In the most active area, the fire has only burned about 4 feet into the bank. The coal bed is about 5 feet high in the area where it is exposed and burning.

The fire is situated 45 feet off the north side of County Road 110 and about 34 feet from overhead power lines. It is burning on a steep river bank that is 25 to 30 feet high. The bottom of the bed is situated about 17 feet below the peak of the bank, which is about 20 feet behind the fire face. The bottom of the bed is situated about 7 feet above the low water level of the river and sits on a thick layer of mudstone. The coal bed is only 4 feet to 6 feet high, where it has been exposed. The fire has burned a 4-foot to 6-foot deep notch into the bank. The notch has an 11 to 12 foot vertical wall along its back edge. It is believed that the upper part of the Monarch Seam, which has a combined thickness of 30 feet, is involved. Old reports suggest that the mine had to be careful not to expose any part of the upper part because to was likely to spontaneously combust.

**Ownership** - John and Veanness Buyok control the land in the SE4NW4 of Section 19 affected by the fire.

John and Veanness Buyok  
86 Monarch RD.  
Ranchester, WY 82839  
Phone: 307-673-0068

RAMACO, LLC controls the coal rights for this site.

RAMACO, LLC  
C/O Randall Atkins  
121 W. Martin King Blvd., Suite 406  
Lexington, KY 840507

Road access to the site is via Monarch Road (CR 110). However, this route crosses a wooden bridge with restricted weight limits of between 15 and 20 tons. An alternative access route, which utilizes the heavy highway bridge on Kleenburn RD (CR 106) and crosses land controlled by the following parties, will be available for heavy equipment access:

- RAMACO, LLC of Lexington, KY
- Gladys and Gerald Legerski of Ranchester, WY
- John and Veanness Buyok of Ranchester, WY
- Jane Buyok of Ranchester, WY

The power line is owned by the Montana Dakota Utility Company. If their assistance is required or if a pole needs to be relocated, they can be contacted by calling:

Jim Sorenson  
307-673-3141  
Sheridan, Wyoming

### **Work Objectives**

The current project is designed to completely extinguish the coal fire by excavation and to probe and backfill a sinkhole subsidence feature that is located approximately 500 feet from the fire.

*At least two days prior to the start of work, the Contractor shall contact One Call of Wyoming at 811 for utility locates. This is especially important at this site due to buried utilities.*

### **Work Plan Description**

The fire is small at this time and can be completely dug out by benching down from the top of the bank on the south side of the river. The amount of hot material is limited to an area that is less than 15 feet wide x 5 feet high x 4 feet deep. However smoldering coal could extend up to 30 feet further to the west along the bank. The amount of overburden excavation that will be required to ramp into the fire will depend on the equipment supplied by the Contractor. A long reach trackhoe with at least a digging depth of 18 feet is required. A trackhoe with greater reach is preferred as greater reach will reduce construction disturbance. Because room for spoiling in the narrow zone between the road and the river bank is limited, excavated materials will need to be hauled up the county road about 500 feet to west, where room is available for stockpiling, processing and burial. Excess soil will also be used to repair subsidence damage in the field on south side of the road. Therefore, a dump truck is also required for this project. An outline of

the anticipated work plan follows:

1. **MOBILIZATION** - A construction crew equipped with a dump truck, a track hoe, and pumping equipment will be mobilized to the project. An engineer with experience in extinguishing coal fires will be assigned to help direct the work. Access consents have been obtained for the use of private roads, which will allow heavy equipment to cross the Tongue River on the Kleenburn Road bridge.
2. **STRIP VEGETATION & COVER SOIL** - Approximately one-third of an acre will need to be stripped. All available topsoil will be salvaged and stockpiled. Grass and other small vegetation can be with the salvaged soil. It is possible that the only discernible difference between the cover soil and the overburden in the upper bench and ramp area will be the presence of roots.
3. **UPPER BENCH AND RAMP EXCAVATION** – The trackhoe will need to cut a ramp through the low ridge to reach the fire area. Due to the location of the overhead utility wires and the grade of the road, the ramp will need to be constructed roughly parallel to the power lines. The ramp and bench will be about 55 feet in length
  - The maximum cut on the west side of the low ridge is expected to be around 12 feet deep. On the east side of the narrow ridge, the cut should be in the order of 5 feet deep. The excavated materials will be pushed into spoil stockpiles located at both ends of the cut.
  - The amount of required excavation including cover soil salvage is expected to be around 250 CY.
  - Nearly all of the excavation will need to be hauled to a stockpile area located about 500 feet up the road and to a subsidence backfill area located in the adjacent field to the south.
4. **HOT COAL REMOVAL** - Extinguishing the active fire is expected to require excavation of less than 15 cubic yards of coal from the river bank. However smoldering coal that also requires removal could extend further to the west along the bank of the river. An additional 10 cubic yards might be removed from this area.
  - The extent of the excavation will be determined by exposing and following the fire front in the coal bed. Engineer shall inspect and make final determinations as to the completion of these fire control excavations.
  - Cool hot materials by mixing with the overlying soil during excavation.
  - After initial excavation and mixing, haul the hot mixture to the stockpile area for final cooling by spreading and mixing with additional soil. If required, water can be added.
  - Any exposed coal face that is left in place at the end of these excavations must be covered with a wedge of compacted soil that extends at least two feet over the top of the bed.
  - Total soil and coal excavation is expected to be less than 100 cubic yards.
  - Care must be taken to avoid caving or spilling material into the river.
5. **PROVIDE WATER** – Contractor will provide a gas powered pump and sufficient hose to pump up to 3,000 gallons of water from the Tongue River under the Landowner's water



right. Water will be used for cooling hot materials and for compaction. Contractor should also be prepared to supply a fully loaded water truck for quick response to fire fighting contingencies.

6. **PROCESS & BURY HOT MATERIALS** - Hot materials will be spread in the stockpile/process/disposal area and cooled to an acceptable temperature by turning, mixing with additional soil, and applying water. After cooling the coal/soil mixture will be buried in a disposal trench that will be located within the stockpile/process/disposal area.
  - The mixture should contain less than 50% coal when it is buried.
  - Additional cool soil can be mixed into the coal by using the material excavated from the disposal trench.
  - The processed material that is buried in the disposal trench must be capped with at least two feet of clean soil. Providing 100 CY of disposal capacity will require excavation of a 10' deep x 10' wide x 35' long trench (130 cubic yards).
  
7. **BACKFILL AND GRADE FIRE EXCAVATION AREA** - Backfill the Upper Bench and Ramp excavation and the coal removal areas using previously excavated spoils and supplemental borrow materials. The backfilled materials will be graded on a maximum 3H:1V slope and blended into the surrounding contours.
  - It is anticipated that a large portion of the material hauled to stockpile area will need to be hauled back. But the average elevation of the ridge should be reduced when more gentle slopes are produced.
  
8. **GRADE DISPOSAL AND PERMANENT STOCKPILE AREA** – The disturbed area (0.25 of an acre) will be graded and contoured to a free draining surface that blends smoothly into the adjacent terrain.
  
9. **REPLACE COVERSOIL** – Replace all stockpiled cover soil evenly over the stripped area.
  
10. **PROBE AND BACKFILL MINE SUBSIDENCE** - Probe and backfill the sinkhole located 115 feet south of the gate, in the field that runs along the south side of Monarch Road. The sinkhole is 7 feet in diameter and is up to 6 feet deep.
  - The sinkhole will be excavated to a depth of 15 feet. The bottom of the excavation will be probed to determine whether or not additional caving can be induced.
  - If openings or unstable ground are observed at the bottom of the excavation, water flooding will be employed induce additional settlement.
  - Materials excavated from the sinkhole and soil borrowed from the fire excavation area will be used to fill the sinkhole to a grade that is a few inches above the current grade of the field. The edges of the backfill will be blended into the surrounding contours.

- Backfill material will be conditioned with water and will be compacted in maximum 2-foot thick lifts by pounding with the trackhoe bucket.
11. **SEED AND FERTILIZE** – All disturbed areas (approximately 0.4 Ac.) will be broadcast seeded with 16¼ pounds of pure live seed per acre of the follow mixture of grasses.

Rosana Western Wheatgrass (6 lbs. PLS/ Ac. broadcast)  
Covar Sheep fescue (1 lb. PLS/ Ac broadcast)  
Sodar Streambank wheatgrass (6 lbs. PLS/ Ac broadcast)  
Magnar Great Basin Wildrye (2 lbs. PLS/ Ac broadcast)  
Canbar Canby bluegrass (1 lb. PLS/ Ac broadcast)  
Louisiana sagewort (0.25 lbs PLS/ Ac broadcast)

**END OF SOW**

**APPENDIX B**  
**CONTRACTOR'S COST ESTIMATE**

Nowood Construction Inc.  
297 Hwy 434  
Ten Sleep, WY.  
307-388-4370  
nowoodcon@hotmail.com

AML PROJECT BUYOK-MONARCH FIRE  
BID

DATE 7/18/2014

ITEM	DESCRIPTION	QUANTITY	UNIT	ESTIMATE	
				UNIT PRICE	TOTAL
1	MOB	1	LS	\$15,528.00	\$15,528.00
UNIT #021	TRACK TYPE EXC 250 FWHP	50	HR	\$200.00	\$10,000.00
UNIT #008	DUMP TRUCK 12 CY	50	HR	\$85.00	\$4,250.00
UNIT #028	WATER TRUCK	50	HR	\$80.00	\$4,000.00
UNIT #031	PICKUP & TOOLS	50	HR	\$50.00	\$2,500.00
2	CONTRACT SUPERINTENDENT	50	HR	\$60.00	\$3,000.00
3	GENERAL LABORER	50	HR	\$30.00	\$1,500.00
<b>TOTAL</b>					<b>\$40,778.00</b>

Clayton Cheeney

Nowood Construction Inc.

Owner

*Clayton Cheeney* 7/18/2014

**APPENDIX C  
ACCEPTANCE OF WORK  
AML PROJECT NO. 17.32 - TASK ORDER NO. 32-14**

This AML Project involving mitigation of the Buyok-Monarch Fire has been completed by the CONTRACTOR. The CONTRACTOR, AML Project Manager, and Project Engineer hereby certify that the work on this Project is complete. The property owner ( ) reviewed the work or ( ) did not review the work. The undersigned property owner:

- Finds the Work acceptable.
- Finds the Work is not acceptable because:
  - 1.
  - 2.
  - 3.

Property Owner: \_\_\_\_\_

Address: \_\_\_\_\_

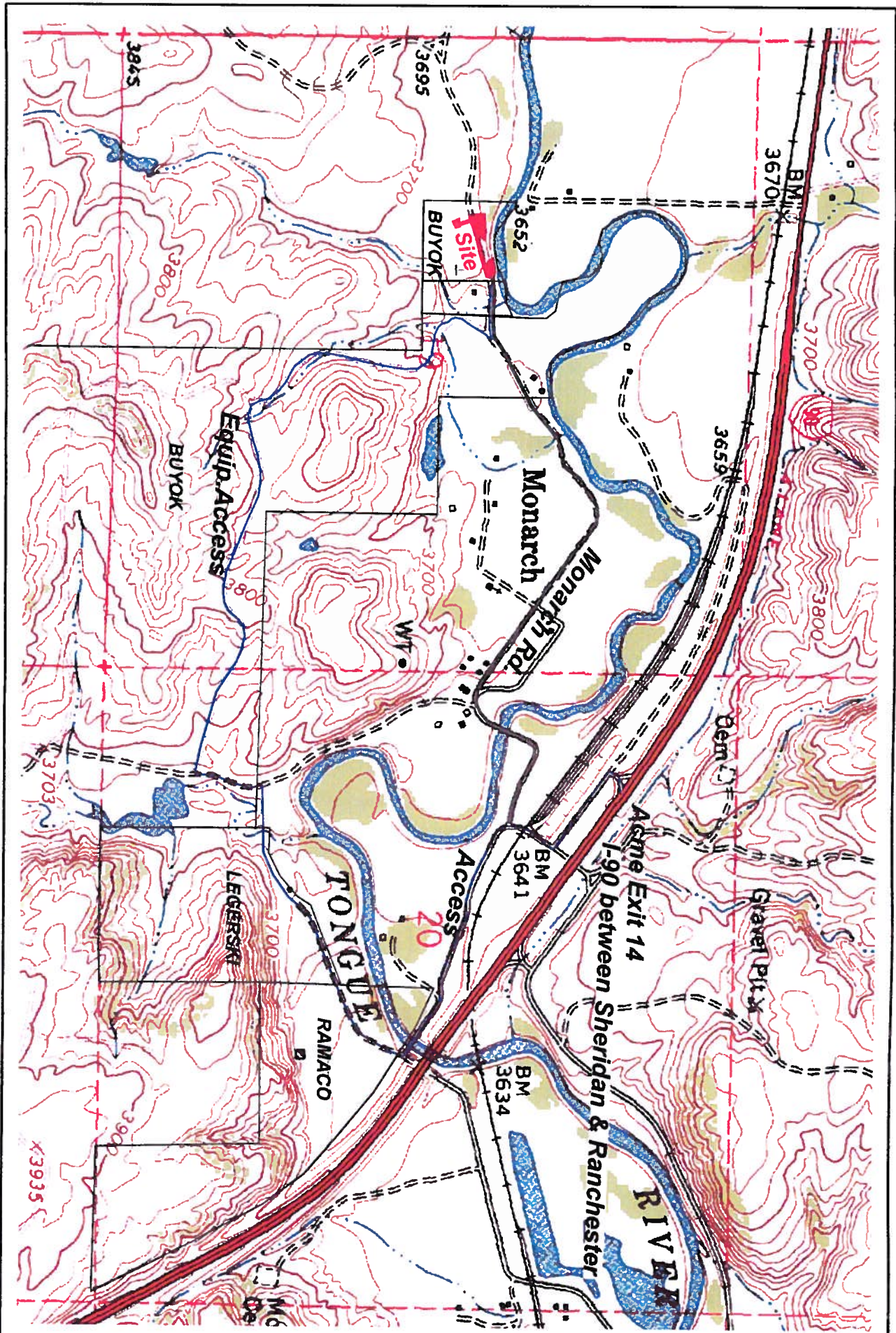
Phone No.: \_\_\_\_\_

By: \_\_\_\_\_  
Property Owner Date

By: \_\_\_\_\_  
Contractor Date

By: \_\_\_\_\_  
Project Engineer Date

By: \_\_\_\_\_  
AML Project Manager Date



**LOCATION MAP**

Sections 19 & 20 of T57N, R84W  
 Sheridan County, Wyoming



**Buyok/Monarch Fire  
Construction Plan**

**SW4NW4 of Sec. 19 of T57N, R84W  
Sheridan County, Wyoming**