

**BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING**

IN RE BENTONITE PERFORMANCE) DOCKET 18-1601
MINERALS LLC)

**BENTONITE PERFORMANCE MINERALS, LLC'S RESPONSE TO
MEDIATION REPORT BY 2U RANCH LLC**

Bentonite Performance Minerals, LLC ("BPM"), by and through undersigned counsel, in response to the Mediation Report filed by 2U Ranch LLC ("2U Ranch") hereby submit the following:

1. BPM respects the request of the Wyoming Agriculture & Natural Resources Mediation Program to keep the discussions and events of the mediation confidential. However, because 2U Ranch breached that request and filed its "report" with this Council, BPM determined it needed to respond and correct the record. BPM respects the Council's limited time and will make this response as brief as possible.

2. The Wyoming Agriculture & Natural Resources Mediation Program conducted this mediation and chose JR Barnes Consulting, LLC as the mediator.

3. BPM fully participated in this process and participated in the mediation with a good faith desire to settle this matter. BPM continues to have that desire. To that end, in attendance for BPM was Warren Scott, Global Mining Operations Manager, who came in from Houston, Texas to attend the mediation; Joel Severn, Mine Manager; Tyler Tetrault, Environmental Specialist and Matt Micheli with Holland & Hart LLP in Cheyenne. Each of these individuals traveled to Sundance, Wyoming to accommodate the 2U Ranch request to hold the mediation in Sundance. Each of these individuals came to this mediation with the desire to settle this dispute. BPM is in the business of mining bentonite and not paying lawyers or attending hearings.

4. BPM patiently listened to 2U Ranch's concerns and demands. BPM then made a good faith offer for a surface use agreement that would settle the dispute.

5. After listening to 2U Ranch's demands, listening to BPM's offer and hearing the issues with both sides, Mr. Barnes made the determination that further negotiations would not be useful. It was Mr. Barnes' independent determination that concluded the mediation. Mr. Barnes confirms this in the letter attached as Exhibit A. Based on this conclusion, BPM agreed that the mediation had concluded.

6. While BPM was certainly disappointed that the mediation did not lead to a settlement, it understands Mr. Barnes' conclusion. After listening to the demands from 2U Ranch, BPM is convinced that settlement is not likely and will move forward with its Order in Lieu of Consent proceeding.

DATED this 25th day of September 2018.

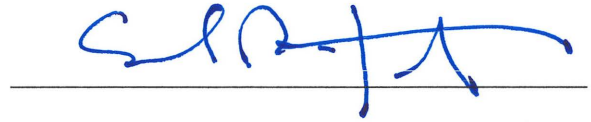


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CERTIFICATE OF SERVICE

I certify that on September 25, 2018 I served a copy of the foregoing document to the following by email:

Ronald Ericsson/2U Ranch
ericsson@childselect.com

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be 'S. Ericsson'.