AMENDMENT FOUR TO PROJECT AGREEMENT
GILLETTE MADISON PIPELINE PROJECT

1. Parties. This Amendment to the Project Agreement is made and entered into by and between the State of Wyoming, acting by and through the WYOMING WATER DEVELOPMENT COMMISSION [COMMISSION] and the CITY OF GILLETTE, Campbell County, Wyoming, a duly organized municipality existing under the laws of that state [SPONSOR].

2. Purpose of Amendment. This Amendment shall constitute the fourth amendment to the Project Agreement between the COMMISSION and the SPONSOR which was duly executed on August 18, 2009, August 26, 2009, August 29, 2009 and September 3, 2009 and which became effective September 3, 2009.

This Project Agreement was amended by Amendment One to the Project Agreement, which was duly executed on May 19, 2010, July 23, 2010, July 25, 2010, and July 29, 2010. The purpose of Amendment One was to effectuate 2010 Wyo. Sess. Laws, Ch. 115, increasing the appropriation, for the construction engineering and construction for Phase I of the GILLETTE MADISON PIPELINE PROJECT which includes expanding the Madison well field, including five (5) wells, pumps, well field collection piping, the regional southwest treated water transmission pipeline, and appurtenances necessary to make Phase I of the project function in the manner intended.

This Project Agreement was amended by Amendment Two to the Project Agreement, which was duly executed on July 21, 2011, July 28, 2011, August 1, 2011, and August 18, 2011. The purpose of Amendment Two was to effectuate 2011 Wyo. Sess. Laws, Ch. 61, increasing the appropriation for the GILLETTE MADISON PIPELINE PROJECT, to document the change in the terms of the Project loans, and to delete the description of Phase I of the PROJECT as described in Amendment One, thereby allowing the PROJECT description in Section 2 of the Project Agreement to control. Section 2 of the Project Agreement provides the definition of the PROJECT as follows:

(a) Design, groundwater exploration and drilling, permit procurement, PROJECT land procurement, construction engineering, construction of municipal wells, transmission pipelines, pump stations; and

(b) Appurtenances necessary to make the PROJECT function in the manner intended.

This Project Agreement was amended by Amendment Three to the Project Agreement, which was duly executed on July 10, 2012, July 17, 2012, July 18, 2012 and August 22, 2012. The purpose of Amendment Three was to effectuate 2012 Wyo. Sess. Laws, Ch. 61, Sess. Laws, Ch. 26 and Ch. 27 increasing the appropriation for the GILLETTE MADISON PIPELINE PROJECT and to document the change in the terms of the Project loans.

The purpose of this Amendment Four to the Project Agreement is to effectuate 2013 Wyo. Sess. Laws, Ch. 156, increasing the appropriation for the GILLETTE MADISON PIPELINE PROJECT.

3. Term of the Amendment. This Amendment shall commence immediately upon the last required signature being affixed hereto, and shall remain in full force and effect through the term of this Project Agreement.

4. Specific Changes.

A. PROJECT Loan and Grant. The PROJECT funding as set forth in Section 4.A. of the Project Agreement is amended as follows:

4.A. Appropriations and Funding

(1) The STATE OF WYOMING has appropriated from the Budget Reserve Account, to the COMMISSION, a sum not to exceed ELEVEN MILLION TWO HUNDRED TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS ($11,222,500.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT until it is entirely disbursed; and

(2) The State Treasurer shall make available from the Permanent Mineral Trust Fund to the COMMISSION, a sum not to exceed FIVE MILLION FIVE HUNDRED TWENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS ($5,527,500.00) or thirty-three percent (33%) of the actual development costs, whichever is less, which shall be a loan to the SPONSOR for a term of five (5) years from the date of COMMISSION determines PROJECT benefits accrue to the SPONSOR, at an annual rate of four percent (4%), for the exclusive purpose of completing the aforementioned project until it is entirely disbursed, followed by:

(3) The STATE OF WYOMING has appropriated from the Water Development Account created by Wyo. Stat. 41-2-124 (a)(iii), to the COMMISSION, a sum not to exceed SIXTEEN MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS ($16,415,000.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT; and

(4) The State Treasurer shall make available from the Permanent Mineral Trust Fund to the COMMISSION, a sum not to exceed EIGHT MILLION EIGHTY-FIVE THOUSAND DOLLARS ($8,085,000.00) or thirty-three percent (33%) of the actual development costs, whichever is less, which shall be a loan to the SPONSOR for a term of five (5) years from the date of COMMISSION determines PROJECT benefits accrue to the SPONSOR, at an annual rate of four percent (4%), for the exclusive purpose of completing the aforementioned PROJECT; and

(5) The STATE OF WYOMING has appropriated from the General Fund, to the COMMISSION, a sum not to exceed SIX MILLION NINE HUNDRED SIXTY THOUSAND FOUR HUNDRED THIRTY DOLLARS ($6,960,430.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT; and

(6) The STATE OF WYOMING has appropriated from the state of Wyoming's share of abandoned mine land funds from the Surface Mining Control and Reclamation Act Amendments of 2006, section 411 (h)(i) pursuant to 2007 H.R. 6111 General Fund, to the COMMISSION, a sum not to exceed TWENTY-FIVE MILLION FOUR HUNDRED TWO THOUSAND SEVENTY DOLLARS ($25,402,070.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT; and

(7) The State Treasurer shall make available from the Permanent Mineral Trust Fund to the COMMISSION, a sum not to exceed FIFTEEN MILLION NINE HUNDRED THIRTY-NINE THOUSAND SEVEN HUNDRED THIRTY-NINE DOLLARS ($15,939,739.00) or thirty-three percent (33%) of the actual development costs, whichever is less, which shall be a loan to the SPONSOR for a term of Five (5) years from the date of COMMISSION determines PROJECT benefits accrue to the SPONSOR, at an annual rate of four percent (4%), for the exclusive purpose of completing the aforementioned PROJECT;, and

(8) The STATE OF WYOMING has appropriated from the General Fund, to the COMMISSION, a sum not to exceed SIX MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($6,975,000.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT; and

(9) The STATE OF WYOMING has appropriated from the state of Wyoming's share of abandoned mine land funds from the Surface Mining Control and Reclamation Act Amendments of 2006, section 411 (h)(i) pursuant to 2007 H.R. 6111 General Fund, to the COMMISSION, a sum not to exceed TWENTY-THREE MILLION TWENTY-FIVE THOUSAND DOLLARS ($23,025,000.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT; and

(10) The State Treasurer shall make available from the Permanent Mineral Trust Fund to the COMMISSION, a sum not to exceed FOURTEEN MILLION SEVEN HUNDRED SEVENTY-SIX THOUSAND ONE HUNDRED NINETEEN DOLLARS ($14,776,119.00) or thirty-three percent (33%) of the actual development costs, whichever is less, which shall be a loan to the SPONSOR for a term of Five (5) years from the date of COMMISSION determines PROJECT benefits accrue to the SPONSOR, at an annual rate of four percent (4%), for the exclusive purpose of completing the aforementioned PROJECT; and

(11) The STATE OF WYOMING has appropriated from the state of Wyoming's share of abandoned mine land funds from the Surface Mining Control and Reclamation Act Amendments of 2006, section 411 (h)(i) pursuant to 2007 H.R. 6111 General Fund, to the COMMISSION, a sum not to exceed THIRTY MILLION DOLLARS ($30,00,000.00) or sixty-seven percent (67%) of the actual development costs, whichever is less, which shall be a grant to the SPONSOR for the exclusive purpose of completing the aforementioned PROJECT.

B. Certificates of Payment. Add the following paragraph to Section 4.M of the PROJECT Agreement:

Upon notification from the COMMISSION that it is utilizing funds from the appropriation described in subsection 4.A. (6) of Amendment Two, subsection 4.A.(9) of Amendment Three and subsection 4.A.(11) of this Amendment Four to reimburse disbursements from other PROJECT appropriations, the SPONSOR shall provide the COMMISSION with certifications that the corresponding disbursements have been made for PROJECT purposes as approved by the COMMISSION. The certifications shall be in the form provided by the COMMISSION and shall be provided in a timely manner.

C. Following Section 4.X. of the Project Agreement add the following paragraphs:

4.Y. Sage Grouse Core Population Area Strategy. The SPONSOR agrees that it will ensure the PROJECT work is in compliance with Governor's Executive Order 2011-5 Sage Grouse Core Population Area Strategy.

4.Z. Consultant Budget Increases. Prior to incurring increased PROJECT contract budget costs for engineering design and construction phase contract administration services, the SPONSOR shall provide justification to the COMMISSION and obtain the COMMISSION'S authorization for such proposed increases to the PROJECT budget.

5. <u>Same Terms and Conditions</u>. With the exception of items explicitly delineated in this Amendment, all terms and conditions of the Project Agreement between the COMMISSION and the SPONSOR, including but not limited to sovereign immunity, shall remain unchanged and in full force and effect.

6. **<u>Entirety of Contract.</u>** This Amendment, consisting of four (4) pages and the original Project Agreement, consisting of nine (9) pages, represent the entire and integrated agreement between the parties and supersede all prior negotiations, representations and agreements.

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7. Signatures. IN WITNESS THEREOF, the parties to this Amendment through their duly authorized representatives have executed this Amendment, known as Amendment One to the Project Agreement between the COMMISSION and the SPONSOR, on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment as set forth herein.

WYOMING WATER DEVELOPMENT COMMISSION

William B. Resor, Chairman — Date: 7/18/13

Floyd Canfield, Secretary — Date: 7-29-13

ATTEST:

Nancy S. Casper

CITY OF GILLETTE

Tom Murphy, Mayor — Date: 9-17-13

ATTEST:

Karlene Abelseth, Clerk

ATTORNEY GENERAL'S OFFICE APPROVAL AS TO FORM

S. Jane Caton #102805

S. Jane Caton, Senior Assistant Attorney General — Date: 7-9-13

The Amendment date is the date of the last signature affixed to this page.