D. Michael Nielsen
North Salt Lake City Attorney

Sessions Place
505 South Main Street
Bountiful, Utah 84010

Telephone: (801) 292-1818
Fax: (801) 292-2525
email: dmnlaw@msn.com

May 26, 2010

Leslie Heppler
Mining Engineer/Geologist
Reclamation Minerals Regulatory Program
State of Utah - Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

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JUN 01 2010
DIV. OF OIL, GAS & MINING

Lynn Kunzler
Environmental Scientist/Sr.
Reclamation Biologist Minerals Regulatory Program
State of Utah - Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Paul Baker
Minerals Program Manager
State of Utah - Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

RE: Mine Name: Lakeview Quarry/Mary Clark Property Expansion
Operator Name: Lakeview Rock Products
Location: Southern Davis County

Dear Mr. Baker, Ms. Heppler & Mr. Kunzler:

As I recall, all three of you have been involved in meetings and/or conversations with former North Salt Lake Mayor Shanna Schaefermeyer, former North Salt Lake City Manager Collin Wood and/or me regarding the above-referenced quarry, located within North Salt Lake City. Your professionalism and assistance have been greatly appreciated.

The purpose of this correspondence is to provide notice that a SETTLEMENT AGREEMENT was executed on or about March 5, 2010 between Lakeview Rock Products and North Salt Lake City compromising and settling pending litigation between the City and Lakeview regarding property previously known as the "Mary Clark parcel". A brief summation of the facts of the case are as follows:

a. Lakeview Rock Products purchased the "Mary Clark" parcel in 2007.

b. Thereafter, Lakeview commenced mining operations.

c. In the City's opinion, such action was in violation of the applicable zoning designation.

d. The City's position was that Lakeview had a duty to secure a permit from the City prior to commencing operations.

e. Lakeview disagreed with that view, claiming that the parcel was previously associated with mining operations and that such operations could continue, regardless of zoning designation.

f. The City filed an action for injunctive relief. Ultimately, the parties were able to settle their differences and execute the attached SETTLEMENT AGREEMENT.

g. The said agreement was entered as an Order of the Second District Court by signature of Honorable David Connors, District Court Judge on or about March 26, 2010.

Copies of the Order and exhibits are attached. Pursuant to the terms thereof, as ordered by the Court, a definitive line has been established. Mining operations are permitted as a non-conforming use **west** of the definitive line. No excavation will occur **east** of the definitive line. That property will be utilized for residential purposes.

Please consider the attached documents. If you have questions, comments or suggestions, or if the City can provide further assistance in any way, please do not hesitate to contact either me, Mayor Len Aarve or City Manager Barry Edwards at (801) 936-3877.

Again, thank you for your assistance in this matter.

Very truly yours;

D. Michael Nielsen
North Salt Lake City Attorney

DMN/ab
enclosures
cc: Honorable Len Aarve, NSL City Mayor
Barry Edwards, NSL City Manager
Paul Ottoson, NSL City Engineer
Blaine Gehring, NSL Zoning Administrator/Economic Development Director
Kevin Watkins, General Counsel for Lakeview Rock Products, LRP Investments and Hughes General Contractors

D. MICHAEL NIELSEN (#3668)
DAVID J. PETERS (#4388)
Attorneys for Plaintiff
Sessions Place
505 South Main Street
Bountiful, Utah 84010
Telephone: (801) 292-1818
Telefax: (801) 292-2525
Email: dmnlaw@msn.com

RECEIVED
JUN 01 2010
DIV. OF OIL, GAS & MINING

IN THE SECOND JUDICIAL DISTRICT COURT OF DAVIS COUNTY, STATE OF UTAH

CITY OF NORTH SALT LAKE, Plaintiff, vs. L.R.P. INVESTMENTS, LLC, A Utah limited liability company, LAKEVIEW ROCK PRODUCTS, INC., a Utah Corporation, and HUGHES GENERAL CONTRACTORS, INC., a Utah corporation, Defendants.	**NOTICE OF ENTRY OF ORDER** Case No. 080700245 MI Judge Rodney S. Page

COMES NOW Plaintiff City of North Salt Lake by and through counsel D. Michael Nielsen and does hereby give notice that the Order of Dismissal with Prejudice has been entered by signature of Honorable David Connors, District Court Judge. Said Order was entered on or about March 26, 2010.

DATED this 29th day of March, 2010.

D. MICHAEL NIELSEN
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of March, 2010, I caused a true and correct copy of the foregoing NOTICE OF ENTRY OF ORDER to be, [✓] mailed, postage prepaid, [ ] hand-delivered, [ ] sent via facsimile to:

Glen E. Hughes, Registered Agent
L.R.P. INVESTMENTS, LLC
LAKEVIEW ROCK PRODUCTS, INC.
HUGHES GENERAL CONTRACTORS, INC.
900 North Redwood Road
PO Box 540700
North Salt Lake, Utah 84054

Kevin Watkins, General Counsel
L.R.P. INVESTMENTS, LLC
LAKEVIEW ROCK PRODUCTS, INC.
HUGHES GENERAL CONTRACTORS, INC.
900 North Redwood Road
PO Box 540700
North Salt Lake, Utah 84054

D. MICHAEL NIELSEN (#3668)
DAVID J. PETERS (#4388)
Attorneys for Plaintiff
Sessions Place
505 South Main Street
Bountiful, Utah 84010
Telephone: (801) 292-1818
Telefax: (801) 292-2525
Email: dmnlaw@msn.com

IN THE SECOND JUDICIAL DISTRICT COURT OF DAVIS COUNTY, STATE OF UTAH

CITY OF NORTH SALT LAKE, Plaintiff, vs. L.R.P. INVESTMENTS, LLC, A Utah limited liability company, LAKEVIEW ROCK PRODUCTS, INC., a Utah Corporation, and HUGHES GENERAL CONTRACTORS, INC., a Utah corporation, Defendants.	**MOTION TO DISMISS WITH PREJUDICE** Case No. 080700245 MI Judge Rodney S. Page

COMES NOW Plaintiff by and through its City Attorney, D. Michael Nielsen and Defendant, Lakeview Rock Products, by and through its counsel Kevin Watkins and do hereby move this Honorable Court for dismissal of this matter with prejudice based upon the attached joint SETTLEMENT AGREEMENT.

DATED this 12 day of March, 2010.

D. MICHAEL NIELSEN
Attorney for Plaintiff

DATED this _____ day of March, 2010.

_____
KEVIN WATKINS
Attorney for Defendants

D. MICHAEL NIELSEN (#3668)
DAVID J. PETERS (#4388)
Attorneys for Plaintiff
Sessions Place
505 South Main Street
Bountiful, Utah 84010
Telephone: (801) 292-1818
Telefax: (801) 292-2525
Email: dmnlaw@msn.com

IN THE SECOND JUDICIAL DISTRICT COURT OF DAVIS COUNTY, STATE OF UTAH

CITY OF NORTH SALT LAKE, Plaintiff, vs. L.R.P. INVESTMENTS, LLC, A Utah limited liability company, LAKEVIEW ROCK PRODUCTS, INC., a Utah Corporation, and HUGHES GENERAL CONTRACTORS, INC., a Utah corporation, Defendants.	**ORDER OF DISMISSAL WITH PREJUDICE** Case No. 080700245 MI Judge Rodney S. Page

Based upon the foregoing Motion of the parties, and good cause appearing; IT IS ORDERED that this matter is hereby dismissed with prejudice.

DATED this 26 day of March, 2010.

BY THE COURT:

DISTRICT COURT JUDGE

SETTLEMENT AGREEMENT

Agreement made this 5th day of March, 2010, between Lakeview Rock Products, Inc. ("LRP"), and the City of North Salt Lake ("City"), to settle all claims and disputes set forth in the litigation now pending between LRP and the City (hereinafter referred to as "Parties") in Case No. 080700245, Second District Court, Davis County ("Litigation").

RECITALS

WHEREAS, the Parties are currently in Litigation that was initiated by the City as a part of its zoning enforcement efforts against LRP, for an alleged violation by LRP of City's zoning ordinances; and

WHEREAS, the parties now desire to settle the Litigation in all respects, and in furtherance of this desire to settle the Litigation the Parties have set forth below the terms of settlement and dismissal of the Litigation ("Agreement").

NOW, THEREFORE, in consideration of the mutual covenants and promises herein, and for valuable consideration that is hereby acknowledged, the Parties agree as follows:

1. DISMISSAL OF LITIGATION, WAIVER, ATTORNEYS FEES. Pursuant to this Agreement and an Order to be entered by the Court in the Litigation, the Parties agree that the Litigation shall be dismissed on the merits and with prejudice, and further agree to forever waive any and all claims against each other for any damages, costs, or losses, which may now exist, or may in the future exist, arising out of, or related to, the Litigation and any of the claims giving rise to the Litigation.

a. Attorneys Fees. The Parties agree that they shall each bear their own attorneys fees and costs incurred in prosecuting and defending the Litigation.

2. PROPERTY SUBJECT TO SETTLEMENT. While the Litigation is related to certain property owned by LRP that is specifically described in the Litigation, the property subject to the terms of this Settlement Agreement is both the property described in the Litigation, and additional property recently acquired by LRP shown on Exhibit "A" as Parcel 2. The parties hereby agree that both parcels are subject to this Settlement Agreement as set forth below.

3. LEGAL NON-CONFORMING USE RECOGNIZED. As part of this Settlement Agreement the City hereby acknowledges and agrees that the property shown as Parcel 1 on Exhibit "A", which Exhibit is a part of this agreement, will be recognized by the City as having a Legal Non-Conforming Use, allowing for continued mining use of the property described as Parcel 1 on Exhibit "A". Mining shall not be allowed on the property described as Parcel 2 on Exhibit "A".

a. Permits, Applications. LRP agrees to submit to the City, and City agrees to approve, any applications or permits necessary or required by the City's ordinances to effectuate a Legal Non-Conforming Use as set forth above.

b. Residential Zoning. LRP acknowledges and agrees that Parcel 2 of Exhibit A is currently subject to residential zoning as it is now zoned, and shall not be entitled to the legal-nonconforming use provisions herein as described in paragraph 3a above.

4. ZONING AND LAND USE. City hereby agrees that all of the zoning uses and densities that now exist on Parcel 2 as it is zoned as of the date of this Settlement Agreement shall continue in perpetuity.

a. LRP hereby waives any rights it may have in any prior City approvals related to the North Salt Lake Heights subdivision on Parcel 2, and acknowledges and agrees that any future development of Parcel 2 shall be through a new application to the City in accordance with the City's Land Use Development and Management Act at the time of application, and this Agreement.

5. AMENDMENT, NOTICE.

a. Amendment. This Agreement may only be amended in writing, and signed by an authorized representative of the parties hereto.

b. Notices All Notices required herein shall be forwarded to the following:

LRP

Scott G. Hughes, Vice President
L.R.P., LLC.
900 North Redwood Road
P.O. Box 540700
North Salt Lake, Utah 84054-0700

With a copy to;

Kevin R. Watkins, General Counsel
LAKEVIEW ROCK PRODUCTS, INC.
900 North Redwood Road
P.O. Box 540700
North Salt Lake, Utah 84054

City

City Recorder
CITY OF NORTH SALT LAKE
20 S. Hwy 89
P.O. Box 540208
North Salt Lake, UT 84054

With a copy to:

D. Michael Nielsen
NORTH SALT LAKE CITY ATTORNEY
505 South Main Street
Bountiful, Utah 84010

6. ATTORNEYS FEES. In the event of any default in any obligations imposed by this Agreement, the defaulting party shall pay all costs and expenses, including a reasonable attorneys fee, which may arise or occur from enforcing this Agreement, or any part hereof, or in pursuit of any remedy provided hereunder or by law, whether such remedy is pursued by filing a suit or otherwise.

a. The Parties hereby agree that in the event one party breaches the terms of this agreement that the non-breaching party may seek injunctive relief and may be entitled to civil penalties and payment for damages from the breaching party as provided by law.

7. CHOICE OF LAWS. This Agreement is to be construed pursuant to the laws of the State of Utah.

8. ENTIRE AGREEMENT. The provisions of this Agreement embody and reflect the entire understanding of the parties and there are no representations, warranties, or undertakings other than those expressed and set forth in this Agreement and in any exhibits to this Agreement. The provisions of this Agreement shall not be modified or amended in any way except by writing signed by all parties.

9. AUTHORITY TO EXECUTE. Each party signing this Agreement and each party on whose behalf each party signs this Agreement warrants that he or she is duly authorized to enter into and execute this Agreement.

10. SUCCESSORS AND ASSIGNS. This Agreement shall bind and inure to the benefit of each party hereto and each party's predecessors, affiliates, subsidiaries, successors, assigns, officials, partners, limited partners, agents, officers, employees, shareholders, associates, legal representatives, insurance carriers, sureties and representatives, heirs, executors, and/or administrators.

11. PARTIAL INVALIDITY. If any term or provision of this Agreement shall be held invalid or unenforceable, the remaining terms and conditions of the Agreement shall not be affected thereby, but each such term and provision shall be valid and enforced to the fullest extent permitted by law.

Dated this 5th day of March, 2010.

Lakeview Rock Products, Inc.:
"LRP"

By: Glenn E. Hughes
Glenn E. Hughes, President

Date: 3/5/10

City of North Salt Lake:
"City"

By: [signature]
Mayor Lynn Arve

Date: 3/11/2010

Attest:

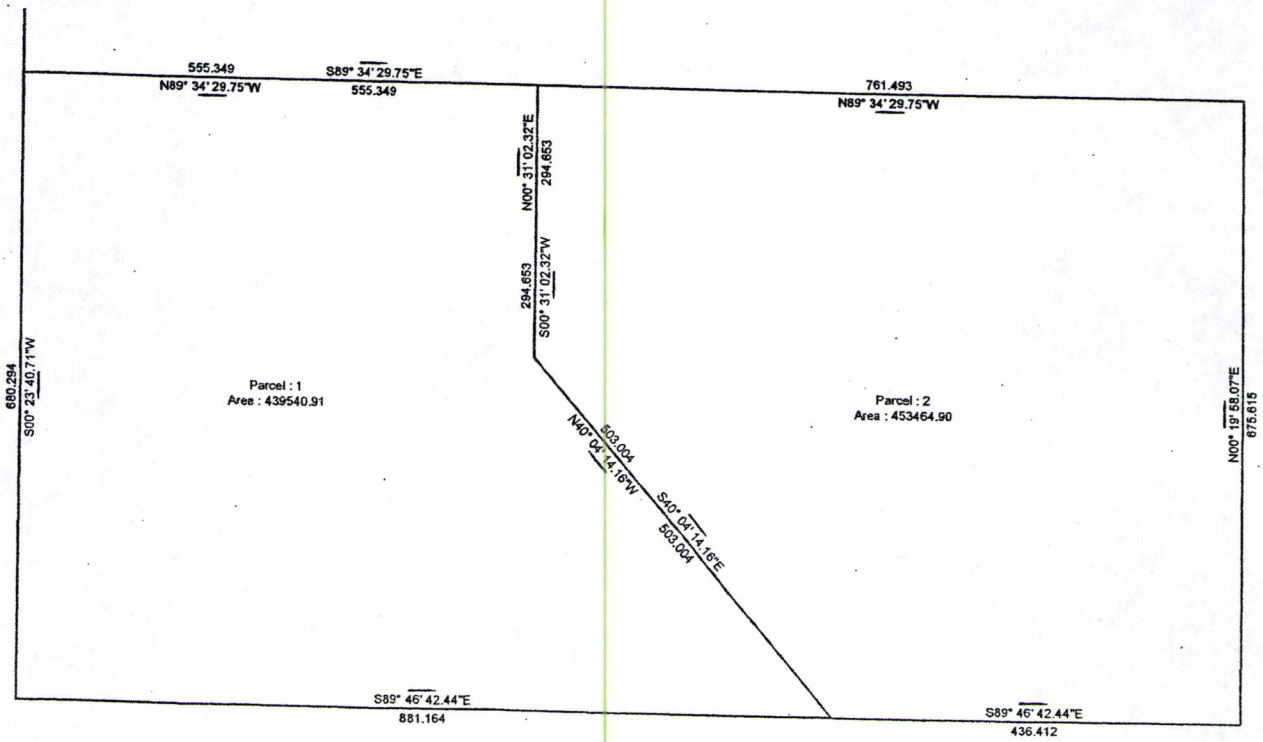
LaRae Dillingham
LaRae Dillingham, City Recorder
City of North Salt Lake

NORTH SALT LAKE CORPORATION
Seal
DAVIS COUNTY, UTAH

Exhibit "A"

Metes and Bounds description of parcel Parcel 1

Commence at the NW Corner of Section 13, T1N, R1W, S.L.B.&M;
thence S00° 23' 40.71" W a distance of 1317.578 feet;
thence S89° 34' 29.75"E a distance of 555.35 feet to the True Point of Beginning;
Beginning at a point whose Northing is 907380.59 and whose Easting is 1887171.69 ;
thence bearing S 00° 31' 02.32" W a distance of 294.65 feet ;
thence bearing S 40° 04' 14.16" E a distance of 503.00 feet ;
thence bearing N 89° 46' 42.44" W a distance of 881.16 feet ;
thence bearing N 00° 23' 40.71" E a distance of 680.29 feet ;
thence bearing S 89° 34' 29.75" E a distance of 555.35 feet to the point of beginning.

Metes and Bounds description of parcel Parcel 2

Commence at the NW Corner of Section 13, T1N, R1W, S.L.B.&M;
thence S00° 23' 40.71" W a distance of 1317.578 feet;
thence S89° 34' 29.75"E a distance of 555.35 feet to the True Point of Beginning;
Beginning at a point whose Northing is 907380.59 and whose Easting is 1887171.69 ;
thence bearing S 89° 34' 29.75" E a distance of 761.49 feet ;
thence bearing S 00° 19' 58.07" W a distance of 675.62 feet ;
thence bearing N 89° 46' 42.44" W a distance of 436.41 feet ;
thence bearing N 40° 04' 14.16" W a distance of 503.00 feet ;
thence bearing N 00° 31' 02.32" E a distance of 294.65 feet to the point of beginning.