



Larkin Hoffman Daly & Lindgren Ltd.

1500 Wells Fargo Plaza
7900 Xerxes Avenue South
Minneapolis, Minnesota 55431-1194

GENERAL: 952-835-3800
FAX: 952-896-3333
WEB: www.larkinhoffman.com

September 19, 2012

Scott Cox
Office of Corporation Counsel
Dunn County Government Center
800 Wilson Avenue, Room 206
Menomonie, Wisconsin 54751

Re: Vista Sand
Withdrawal of Application for Industrial Zoning

Dear Scott:

Vista Sand is withdrawing its application to Dunn County to rezone certain property in Menomonie Township from Agriculture to Industrial. Enclosed is a letter from Vista Sand to Dunn County Board Chair Rasmussen and Supervisor Plouff. Vista Sand is taking this action based, in part, on the County's refusal to grant an extension of time to allow Vista Sand to evaluate the County's proposed non-metallic mine ordinance amendments and to address, if possible, comments raised during the County's Planning, Resources and Development Committee public hearing.

I apologize to you and the County staff for the last-minute notice.

Sincerely,

Peter J. Coyle, for
LARKIN HOFFMAN DALY & LINDGREN, Ltd.

Cc: RJ Sikes, Vista Sand
Frank Bammert, Menomonie Township Board Chair



817-279-1660 • WWW.VISTASAND.COM
3549 MONROE HIGHWAY • GRANBURY, TEXAS 76049

September 19, 2012

Steve Rasmussen, Chair
Joe Plouff, Supervisor
Dunn County Board
800 Wilson Avenue, Room 206
Menomonie, Wisconsin 54751

Re: Vista Sand Application for Industrial Zoning

Dear Chair Rasmussen and Supervisor Plouff:

Vista Sand is withdrawing its pending application to rezone certain property in Menomonie Township, Dunn County, Wisconsin, from Agriculture to Industrial. We feel that we need additional time to evaluate Dunn County's proposed non-metallic mine ordinance amendments, which have not yet been finalized, as well as our own proposal based on comments made in the County proceedings before the Planning, Resources and Development Committee ("PRD").

Vista Sand has been working on a proposal to develop a transload facility adjacent to the established rail corridor owned and operated by Union Pacific Railroad Company since late 2011. Prior to submitting its application, Vista Sand completed a thorough review of the land adjacent to the Union Pacific rail corridor running through Dunn County. Unfortunately, no site was both correctly zoned and allowed for the minimum operational characteristics required for the Vista Sand transload use. The formal zoning application was submitted to Dunn County in May 2012.

During the months of February to May 2012, Vista Sand worked with representatives of Menomonie Township to establish a suitable framework for considering and then approving Vista Sand's proposed zoning amendment application. As part of this approval process, Vista Sand agreed to certain site operating conditions and offsite protections, as required by Menomonie Township, including financial guarantees to directly adjacent residential landowners. The recommendation of approval was adopted by the Township Board of Supervisors at its meeting on June 14, 2012.

Vista Sand immediately notified County representatives of the recommendation of approval adopted by Menomonie Township and supplied the County with a copy of an executed Development Agreement as negotiated with the Township. In spite of repeated requests by Vista Sand to have its proposed rezoning considered, the County's PRD did not take up the Vista Sand application until August 28, 2012. At the conclusion of a public hearing, the application was laid over for further consideration. The application was taken up again by the PRD on September 11, 2012; at that time a resolution denying the application was approved by the PRD. We have not yet seen the final resolution specifying the basis for the denial.

It has taken approximately 8 months for Vista Sand's application to advance through proceedings required by Menomonie Township and Dunn County, respectively. This extended timeframe was not due to any request by Vista Sand, but, rather, deemed necessary by Township or County representatives. As the applicant for the zoning change, Vista Sand respectfully believes it should be entitled to some deference in asking for an extension of time before the County Board acts on its application, especially given the concurrent timing of a major ordinance change that bears directly on Vista Sand and its proposed use. Under these circumstances, it is difficult to understand the rationale for the County Board to reject this request and assert that it is compelled to take "timely action" on the Vista Sand application.

As we have stated in the past, a zoning project such as this one would have an incredibly positive impact on the economy of Dunn County. The facility will contribute between \$20 and \$25 million to the local economy and create roughly 100 jobs in the area. The facility would also serve several customers who are in need of an origin facility but lack the land and capital to do so; this will, in turn, help to spark business and productivity for these facilities as well.

Furthermore, we believe we have addressed all of Dunn County's main concerns with the project as they have been identified to us. We will operate a safe and efficient transload facility that includes added features to protect the environment and adjacent landowners. We are fully compliant with state and federal regulations and will incorporate new county standards and codes if necessary. We have also offered financial assistance to homeowners located near the site.

Lastly, as we have explained, access to sand is critical to achieving the national objective of obtaining energy independence. This site along with Union Pacific railroad is the only viable site in Dunn County to establish a transload facility for sand and other natural and agricultural resource commodities.

Notwithstanding the above, Vista Sand is withdrawing its pending Industrial zoning application. We are taking this to necessary action in order to assess our options in light of the PRD recommendation of denial, notwithstanding the support for the application by Menomonie Township's Board of Supervisors. We plan to resubmit our application at a later date following an economic study of the area and further consultation with the County and its residents.

We apologize to the County Board and residents for the last-minute timing of this withdrawal notice but feel compelled to take this action given the County's unwillingness to honor our request for a 60-day delay. Please confirm receipt of this request.

Sincerely,



R.J. Sikes
Vista Sand

Cc: Frank Bammert, Menomonie Township Board Chair
Peter J. Coyle, Esq.
Scott Cox, Esq.
Cleo Herrick