



October 14, 2016

Ruth Ann Olson
W5030 Erickas Way
Medford, WI 54451

RE: **Public Bidding Deferred – Cost Cap Approved**

PECFA # 54433-9753-97-A DNR BRRTS # 03-61-168823
Perry's Corners, N6097 State Hwy 73, Gilman

On October 10, 2016, the Wisconsin Department of Natural Resources (Department) received additional variance request costs for proposed well work at the Glenn Webster property needed in order to obtain potable water. The previous U&C and variance costs for well work were approved on September 13, 2016.

The Department has determined that the submitted variance is reasonable and **approves** the additional costs. This site will be deferred from the public bidding process at this time. The Department will contact you if this site will be bid in the future.

Deferment Cost Cap Approved: \$3,167.00

Be reminded that ch. NR 700 semi-annual progress reporting is required until this case is closed.

Note: Per the recently enacted State budget (Wisconsin Act 55), a claim for PECFA reimbursement must be submitted within 180 days of incurring costs (i.e., completing a task). If a claim for costs incurred is not submitted within this deadline, the costs will not be eligible for PECFA reimbursement. If you need assistance with filing your claim, please contact Tim Prosa at (608) 261-7715.

Usual and customary costs for activities included in this approval will only be reimbursed at a rate equal to or less than what is allowed on the Cost Schedule, and are reimbursed based upon the Cost Schedule that is in effect at the time the activity is performed. Costs for activities not included in this approval are not reimbursable without prior Department authorization.

Regulatory Correspondence (Task 7, Activity RC05), Claim Submittal (Task 27, Activity CS05) and Standardized Invoice (Task 28, Activity SI05) costs are not included in the cap approved above. These activities will be reimbursed according to the task specifications and with submittal of proper supporting documentation at claim review time.

The Department approves a variance from the Cost Schedule for additional costs need to fill existing the bore hole up with sand from 180 feet to 105 feet. Pump neat cement grout from 105 feet to 70 feet. Mob drill rig over well, in order to drill cement and sand out of well from 70 to 100 feet, then begin hydro-fracking procedure previously approved on September 13, 2016.

Do not include these costs (\$3,167.00) on the standardized invoice for usual and customary cost activities. Include these costs on a separate company invoice. When you submit the claim for these costs, please attach a copy of this letter and the attached worksheet for the claim reviewer's reference. The Department waives the commodity three-bid requirement with this variance approval.

The Department considers the consultant the primary controller of costs during these activities. This approval does not guarantee eligibility of any specific costs that have been incurred or that may be incurred in the future. Final determination regarding the eligibility of costs will be made by the claim reviewer when the entire claim, including all invoices and reports, is submitted for payment.

Thank you for your efforts to protect Wisconsin's environment. If you have any questions, please contact me in writing at the letterhead address or by telephone at (715) 365-8942.

Sincerely,

Carrie Stoltz
Hydrogeologist
Remediation and Redevelopment Program

Enclosure: Usual and Customary Cost Schedule Worksheet

cc: Scott Mc Curdy - Cedar Corporation