

MASON COUNTY RURAL PRESERVATION SOCIETY (MCRPS)

September 2, 2015

Subject: MCRPS and the proposed Katemcy Sand Mine

As many of you may or may not know, Fairmount Mining (FML) has plans to build and operate a sand plant on RR1222 just east of highway 87 N. The Mason County Rural Preservation Society (MCRPS) was formed by members of the local Katemcy/Camp Air community to both oppose the construction of the sand mine and to preserve its rural way of life for future generations.

MCRPS's opposition to the sand mine started in the fall of 2011, when the local community heard that Proppant (a subsidiary of Frac Tech) had purchased the Katemcy property. From this point, the process of the sand mine acquiring their TCEQ air permit commenced. Signs were posted and a notice was put in the local newspaper to make the community aware that the owner was filing for an air permit that would allow them to start construction. Once the notices were posted, those in opposition or those having questions had 30 days to submit questions, comments, or requests for a contested case hearing. Many comments and requests for a hearing were submitted. This part of the process drug on through the summer of 2014. In July of 2014, MCRPS was granted a contested case hearing that would allow us to express our concerns and try to prove that the air modeling done by the owner was insufficient. Our contested case hearing was set for early 2015. In the mean time, the TCEQ requested that our group consider mediation with the sand mine owners. At this point, we did not have very high hopes for the mediation, but we agreed to try it because it allowed our group negotiation on all issues, not just air quality. On September 24, 2014, the MCRPS directors participated in mediation and after a long day of negotiations, we were able to come up with a contract that we felt would address all of our concerns and hold Fairmount Mining accountable. In the end, we felt a settlement was the best option. We considered going to a contested case hearing with the possibility that the air permit might be denied, but we decided against it since there had never been an air permit denied to the sand mining industry in the state of Texas. In addition, rarely had any TCEQ air permits been denied.

The contract that the MCRPS has with Fairmount Mining addresses the following areas of concern:

Nuisance Issues – Lights, Noise, Seismic activity

Safety Concerns – Traffic entering & exiting Hwy 87, truck traffic during school bus hours

Remediation – Both during the time of plant operation & after mining ceases

Protection of water – both ground water & surface water

Air Quality – Baseline monitoring for 1 yr prior to construction, during construction, during operation

Esthetics of proposed site - maintain existing trees & plant new trees, community input

Communication – regularly scheduled meeting to address issues & concerns

Charitable Contributions & Community Support – For Katemcy/Camp Air and the greater Mason Community

The initial baseline air quality monitoring has just recently begun and will go on for one year before any construction can commence. This requirement paired with the downturn in the oil & gas industry has pushed construction of the facility into late 2016 , but more likely 2017 or 2018. MCRPS continues to work with FML to become better partners and neighbors. We have also discovered that FML is easier to work with than the previous owners and we believe that they are working hard to be “Good Neighbors.”

Please see the attached copy of the contract between MCRPS and FML.

Contact Information for MCRPS

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