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State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Daniel L. Meyer, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



November 10, 2017

Jeff Johnson
Director, Environmental Compliance
Hi-Crush Augusta LLC
S11011 County Road M
Augusta, WI 54722

Subject: Welcome to Green Tier – Tier 1

Dear Mr. Johnson:

Congratulations! We are glad to welcome Hi-Crush's Industrial Sand facilities: Augusta, Blair, Whitehall, and Wyeville into Tier 1 of Green Tier. You join a select group of participants who are committed to superior environmental performance.

To recognize your environmental accomplishments and your commitment to future environmental performance, we will highlight your facilities' successes on the Department of Natural Resource's Green Tier website. This will help you document your progress overtime and highlight your environmental achievements.

Each Green Tier participant is matched with a single point of contact at DNR. Jarrod Nelson has been assigned as your single point of contact. He can be reached at 715-450-0708 or at Jarrod.Nelson@wisconsin.gov. Please contact him with any questions concerning communications, required approvals, or technical assistance you may need.

For your convenience, we have attached a Commitment Outline. This document identifies the benefits of being a Green Tier participant and outlines important dates that affect your participation.

Again, welcome to the Green Tier program. My staff and I are excited to embark on our new relationship with you. We look forward to assisting you with your commitment to continuous improvement and superior environmental performance.

Sincerely,

/s/ Daniel L. Meyer

Daniel L. Meyer
Secretary

Cc: Roberta Walls
Jarrod Nelson

Attachments: Green Tier Commitment Outline
Green Tier Logo Files and Guidance CD
Green Tier Annual Report Guidance

Green Tier Commitment Outline for Hi-Crush, LLC

Augusta, Blair, Whitehall, and Wyeville

Approval Date – November 10, 2017

Commitment Outline Updated: February 5, 2020

The updates since participation started are:

- Updated general content, format and links
- Change of SPOC

I. Environmental Management Systems (EMS) & Audit Requirements

Your EMS must either be ISO-certified, or you must demonstrate that it is functionally equivalent. For information on how to demonstrate the functional equivalency of your EMS, please see: <https://dnr.wi.gov/files/PDF/pubs/co/CO503.pdf>

You have demonstrated that your EMS is functionally equivalent, satisfying initial Green Tier EMS requirements.

To maintain good standing with Green Tier EMS requirements:

- A. On or before, **September 30, 2018** and every third year, this audit **must** be completed by a DNR-approved outside EMS auditor. The list of approved auditors can be found at: <https://dnr.wi.gov/topic/GreenTier/Auditors.html>

II. Provide an Annual Report

- A. **Annual Report Due Date** - We have mutually agreed that the deadline for your Green Tier annual report is **December 20, 2018** and annually thereafter. (Please feel free to discuss alternative reporting dates with your Project Coordinator, Roberta.Walls@Wisconsin.gov should your needs change.)

- B. **Reporting on Environmental Performance Commitments:** Your first report should follow the annual report instructions provided below and should provide data on your progress toward meeting your environmental performance commitments laid out in your Green Tier application or your previous year's Green Tier annual report.. In your application you identified the following environmental commitments:

- Air Impacts
- Land Use Impacts / Reclamation
- Wetland Impacts
- Community Awareness & Relationships

- C. **Annually**, you will need to report progress on the commitments that you have made. For more details about annual reports and metrics, see the annual report instructions provided on the website;

<https://dnr.wi.gov/topic/GreenTier/ReportInstructions.html>

- D. Please provide annual Green Tier Reports to both of these email addresses: GreenTier@Wisconsin.gov and to your Single Point of Contact, Roberta.Walls@Wisconsin.gov.

III. Work toward Superior Environmental Performance

Implement environmental improvements that aim to achieve Superior Environmental Performance as defined in Green Tier law. This means environmental performance that results in measurable or discernible improvement in the quality of the air, water, land, or natural resources, or in the protection of the environment, beyond that which is achieved under environmental requirements. More information on Superior Environmental Performance can be found here:

<https://dnr.wi.gov/topic/GreenTier/SuperiorEnvironmentalPerformance.html>

IV. Green Tier - Tier 1 – DNR Commitments

- A. **Single Point of Contact (SPOC):** Your single point of contact or SPOC is your liaison to the department, answering your questions or making connections within DNR or with other experts. Your SPOC is: Roberta Walls, Phone 608-785-9272, Cell 608-797-8510, Roberta.Walls@Wisconsin.gov.
- B. **Green Tier Logo:** Green Tier participants may use the Green Tier logo on stationery, promotional and educational materials related to your facility. Logo files as well as the Green Tier Style Guide with additional guidelines and information are available online at: <https://wi-dnr.widencollective.com/portals/nkc57xuv/GreenTierBranding>. Your Project Coordinator can provide you with the current access code.
- C. **Recognition:** Along with the certificate of recognition, the department will host a [participant web page](#) for easy reference. Participants should provide information and pictures on their environmental efforts to populate the webpage. We will also promote your successes throughout your tenure in Green Tier using a variety of DNR communication channels.
- D. **Project Coordinators:** You should also feel free to contact your Project Coordinator for Green Tier specific information. Project Coordinators provide support to SPOCs and participants providing reminders on Green Tier requirement dates and by promoting a participant's successes. Your project coordinator is: Roberta Walls, Phone 608-785-9272, Cell 608-797-8510, Roberta.Walls@Wisconsin.gov.
- E. **Minimum Inspection Frequency:** Because you have implemented an EMS, you are entitled to inspections at the lowest frequency permitted by the programs under law. The department will work with you to determine how this will work for you.
- F. **Deferred Civil Action:** You are entitled to Deferred Civil Enforcement as described in statutes (299.83(6m)(d)). If you discover a violation of an existing environmental requirement, you are entitled to protection from any civil penalties that the department might otherwise impose if you:
 - 1. Notify the department
 - 2. Provide a corrective action plan and documentation of your Environmental Management System (EMS) adjustments that ensure the violation will not happen again, and
 - 3. Correct the violations within 90 days

Notice: Collection of this information is authorized under s. 299.83 Wis. Stat. Participation in Green Tier and completion of this form are voluntary. Personal information collected on this form, including such data as your name, address, phone number, etc., will be used in the implementation of Green Tier and will be made broadly available under the Green Tier program. Information will also be made accessible to requesters under Wisconsin's Public Records Law (ss. 19.32 – 19.39, Wis. Stats.). If you need to request confidential treatment of any information in order to protect a trade secret, please contact a DNR representative *prior* to submitting this form. Applications must be considered complete by the DNR in order to be processed. For complete application instructions, see "Green Tier Application Instructions," publication number CO-501.

This application is for... (check one): Tier 1 Tier 2 (attach Letter of Intent to this form)

I. Applicant Information

Contact Name	Title		
Jeff Johnson	Director, Environmental Compliance		
Street Address	City	State	ZIP Code
S11011 County Road M	Augusta	WI	54722
Telephone Number	Fax Number	E-mail Address	
715-215-2566	715-286-2453	jjohnson@hicrush.com	

II. Facility Information

Facility Name	County		
Hi-Crush Augusta LLC	Eau Claire		
Street Address	City	State	ZIP Code
S11011 County Road M	Augusta	WI	54722
Mailing Address	City	State	ZIP Code
S11011 County Road M	Augusta	WI	54722

Please provide all DNR Facility Identification numbers (FID #) that apply to the covered facility or activity.

618102870, 642076820, 662067560, 662070970

III. Scope of Green Tier Participation (check one)

- This application covers all activities at the facility listed in Section II.
- This application covers all activities at more than one facility. For each facility to be covered under this application provide the information from Section II on a separate page labeled **Attachment 1**.
- This application **does not** cover all activities at every covered facility. Please describe the exact scope of activities and facilities to be covered in the program on a separate page labeled **Attachment 1**.

IV. Environmental Performance

Please provide the following information on a separate page labeled **Attachment 2**. Refer to the *Application Instructions* for definitions of environmental performance and superior environmental performance.

Tier 1 Applicants:

- Describe your past and current environmental performance with respect to each covered facility or activity included in this application. Within this attachment establish a baseline date against which future progress can be measured.
- Describe your future plans for enhancing the environment with respect to the same facilities/activities.

Tier 2 Applicants:

- Provide information demonstrating your record of superior environmental performance. Within this attachment establish a baseline date against which future progress can be measured.
- Describe the measures you propose to take to maintain and improve your superior environmental performance.

V. Environmental Management System (EMS)

- a. Have you implemented an EMS that is certified to the ISO 14001 standard? Yes No (select one)
- b. Have you implemented an EMS that is functionally equivalent to ISO 14001? Yes No (select one)

If you circled "No" for both questions, you are not eligible for Tier 2. Please proceed to Section VI only if you are applying for Tier 1.

If you circled "Yes" for either question, please provide a copy of the following documents labeled as **Attachment 3**:

- Proof of ISO 14001 certification OR functional equivalence (refer to *Application Instructions* for details)
- Environmental policy statement and scope statement
- Documented objectives and targets for the covered facilities/activities

VI. Public Involvement

Please provide in a separate document labeled **Attachment 4** a list of interested persons whom you know or expect will have a strong interest in your Green Tier application. Tier 2 applicants must provide additional information about interested person involvement in a Letter of Intent. Refer to *Application Instructions* for details.

VII. Enforcement Record

Please review the Enforcement Record requirements described in the *Application Instructions* very carefully, and then check the appropriate box:

- All enforcement record requirements relevant to this application are satisfied.
- All enforcement record requirements relevant to this application are **not** currently satisfied. A waiver of the enforcement record requirements is requested.

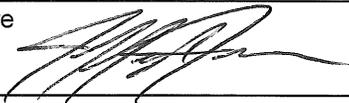
If a waiver is requested, please provide information describing any requirements not met and a justification for the waiver request on a separate page labeled **Attachment 5**. Note that waivers will be granted only in exceptional circumstances.

VIII. Tier 1 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- Implement, within one year of the date of this application, an EMS for each covered facility or activity that is certified to the ISO 14001 standard or is functionally equivalent to ISO 14001 as determined by DNR.
- Conduct annual EMS audits, with every 3rd EMS audit performed by a DNR-approved outside environmental auditor.
- Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- Submit to DNR an annual report on progress towards meeting objectives related to improved environmental performance for aspects regulated under chs. 29 to 31, 160, or 280 to 299, Wis. Stats., unregulated environmental aspects, or voluntary actions to restore, enhance, or preserve natural resources.

Applicant Signature



Date Signed

06/23/2017

IX. Tier 2 Applicant Statement of Commitments

I commit with my signature to the following statements and certify that all information provided in this application is true and correct under penalty of law:

- Conduct annual EMS audits performed by a DNR-approved outside environmental auditor.
- Conduct or have another person conduct an annual audit of compliance with environmental requirements that are applicable to the facilities and activities covered under Green Tier.
- Submit to DNR an annual report on each EMS audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.
- Submit to DNR an annual report on each compliance audit that is in compliance with s. 299.83(6m)(a), Wis. Stats.

Applicant Signature

Date Signed

X. For Department Use Only

Date Received	Initials of Reviewer	Status	Date Returned to Applicant for Additional Information	Date Denied	Date Approved



The application covers all activities at more than one facility. Facility Information (Section II of the application) is provided below for each facility to be covered under this application.

1. Hi-Crush Augusta LLC {618102870}

Facility Name		County	
Hi-Crush Augusta LLC		Eau Claire	
Street Address	City	State	Zip Code
S11011 County Road M	Augusta	WI	54722
Mailing Address	City	State	Zip Code
S11011 County Road M	Augusta	WI	54722
FID			
618102870			

2. Hi-Crush Proppants LLC (aka Wyeville) {642076820}

Facility Name		County	
Hi-Crush Proppants LLC		Monroe	
Street Address	City	State	Zip Code
8850 State Hwy 173	Tomah	WI	54660
Mailing Address	City	State	Zip Code
8850 State Hwy 173	Tomah	WI	54660
FID			
642076820			

3. Hi-Crush Whitehall LLC {662067560}

Facility Name		County	
Hi-Crush Whitehall LLC		Trempealeau	
Street Address	City	State	Zip Code
W20757 County Road Q	Whitehall	WI	54773
Mailing Address	City	State	Zip Code
W20757 County Road Q	Whitehall	WI	54773
FID			
662067560			

4. Hi-Crush Blair LLC {662070970}

Facility Name		County	
Hi-Crush Blair LLC		Trempealeau / Jackson	
Street Address	City	State	Zip Code
11203 South River Road	Taylor	WI	54659
Mailing Address	City	State	Zip Code
11203 South River Road	Taylor	WI	54659
FID			
662070970			



IV. Environmental Performance – Tier 1

Company Introduction

Hi-Crush Proppants (“Hi-Crush”) was formed in October 2010, and is a leading producer of premium monocrystalline sand, a specialized mineral that is used as a proppant to enhance the recovery rates of hydrocarbons from oil and natural gas wells. Hi-Crush owns, operates, acquires and develops proppant sand reserves and related processing and transportation facilities. Our reserves consist of Northern White sand, predominately found in Wisconsin and limited portions of the upper Midwest region of the United States, and is highly valued as a preferred proppant due to its favorable physical characteristics. Hi-Crush currently operates four open-pit industrial sand mining and processing facilities in Wisconsin; Augusta, Blair, Whitehall, and Wyeville.

Our business operations have been strategically designed to minimize impacts; unlike some competitors, our processing and rail loading facilities are located on-site, which reduces the cost of trucking sand between wet and dry plants. Operations utilize overland conveying systems to transport mined or processed materials, eliminating the need for trucking or hauling the material with heavy equipment or a fleet of diesel burning trucks over local roadways or highways like some competitors do.

Our equipment meets or exceeds all industry and regulatory standards, and our compliance program is a top priority for the management team’s responsibilities. Best industry practices and procedures are used throughout the operation as a result of our commitment to safe and environmentally sound sand operations.

Past and Current Environmental Performance

Air Quality Management

Each facility has air pollution impacts to the ambient air, and each has been issued and operates under air pollution control permits from WDNR. Activities are either controlled with best available control technologies (e.g. baghouses) or via a fugitive dust control plan (e.g. wet suppression). Our operations have less impact by utilizing conveying systems between the mines and wet plant and dry plant, not allowing for any truck traffic to haul raw materials between the plants on public roads. Furthermore, three of the four facilities (Augusta, Blair and Whitehall) have or are currently conducting ambient air monitoring for particulates of size 10 microns or less (PM₁₀). The Augusta facility concluded three years of monitoring, and demonstrated compliance with the PM₁₀ ambient air standard; with no single sampling day showing a level above the standard. The Blair and Whitehall monitoring has also demonstrated no single sampling day showing a level above the standard to date.

Water Management

- Groundwater & Wells

The Augusta and Blair facilities operate high capacity wells in accordance with WDNR issued permits; the Whitehall and Wyeville facilities do not operate high capacity wells. Additional low capacity wells are utilized as well for purposes of supplying drinking water

and/or water for wet suppression activities. To ensure impacts to groundwater are minimized, groundwater characteristics are routinely monitored from each well and from additional monitoring wells (non-production wells). In addition, the Augusta, Blair and Whitehall operations have in place a Groundwater Assurance Program, where potable wells within a ½ mile of the mining boundary are routinely sampled on an annual basis; at no cost to the neighbors.

- **Water Use & Conservation**

To further minimize potential impacts to groundwater from withdrawals, the Augusta, Blair and Whitehall facilities have the ability to operate a pump-back system, allowing for transfer of process and storm water from ponds on-site back to the wet plant for reuse.

- **Stormwater Runoff & Erosion Control**

Each facility operates under a general permit issued by the WDNR, along with permits from local agencies (e.g. County permits), for stormwater control. Stormwater (and or wastewater) discharged is routinely monitored in accordance with the permits. Again, where and when possible, collected stormwater and/or process wastewater is recycled for reuse to avoid or minimize discharges off-site. Erosion is controlled by utilizing best management practices in accordance with an erosion control plan and the stormwater pollution prevention plan (SWPPP). Hi-Crush contracts with a provider to conduct all erosion control projects, and erosion issues are monitored constantly. Best management practices are implemented wherever necessary to avoid erosion and resulting discharge of materials.

- **Wetlands**

Hi-Crush works with the WDNR, U.S. Army Corps of Engineers (USACE), and certified consultants, to identify wetlands, and avoid impacts to the greatest extent feasible. Where takings of wetland areas are not avoidable, Hi-Crush works to identify alternatives in mitigating, providing for restoration in near-by areas, mitigation credits, and/or placing into conservation. There have been a number of very small wetland areas that have been degraded by other activities from the past (e.g. agriculture), and Hi-Crush aims to work with WDNR on identifying ways to properly take those degraded wetlands and establish higher quality wetlands within the same boundaries or elsewhere. Impacts to wetlands are minimized through all other water-related permits and associated monitoring of discharges to or near those wetlands.

Mining, Land Use, and Reclamation

All mining operations are conducted in accordance with land use permits, conditional use permits, and/or agreements, issued by State and/or Local authorities. All facilities, except the Wyeville facility, utilize dry mining techniques, and may include blasting; the Wyeville facility currently utilizes a dredge system, wet mining. Blasting activities are conducted in accordance with State and Local standards to minimize impacts to the surrounding community.

Reclamation activities are conducted in accordance with the same permits, and current reclamation plans. Facilities work with land owners to establish the type of features the reclaimed land should meet upon transfer back to their ownership for future use. To the extent possible, Hi-Crush seeks to improve land use for reclaimed areas upon reclamation.

Prior to extending into new phases for mining purposes, the new phase is examined for potential environmental impacts. Tree clearing is done in accordance with any State and/or Local standards, and can include minimizing impacts to wildlife (bats) by clearing only during specified times of the year. In addition, existing structures that are to be demolished/removed, are inspected for asbestos, and properly mitigated when necessary.

Materials that would be destined for waste collection are often offered up to neighbors for free for reuse. Furthermore, it is possible past land use activities (farming/agriculture) have resulted in spills and/or ground contamination. Hi-Crush properly identifies such contaminated areas and performs proper cleanup of those areas/materials.

Finally, due to the amount of land owned/operated by Hi-Crush, there are times when local businesses or organizations have requested use of the property for various purposes. One example is when local law enforcement agencies utilized several abandoned structures on a large parcel to conduct tactical trainings. Hi-Crush is proud to be able to provide opportunities to utilize our resources for such activities.

Natural Resources

- ***Aesthetics***

Hi-Crush takes pride in engaging neighbors prior to, during and after construction of our operations. We look for ways to make our presence more appealing by blending in with the community where possible/feasible. For example, we constructed our office buildings in Blair and Whitehall to mimic farm barns. We have also planted numerous trees around our operations to provide reductions of light and noise pollution, while increasing the aesthetics of our properties near roadways and/or neighboring properties. To date, we have planted more than 100 trees at each facility in Whitehall and Blair.

- ***Community Support and Participation***

Hi-Crush routinely looks for ways to provide additional support to our local communities, and conducts, or participates in, environmental beneficial projects. A few examples highlight this commitment, including the Johnson Dam project (Augusta, WI), our participation in the Adopt-A-Highway program (Wyeville), and providing an annual food drive collection at all of our facilities for delivering goods to local food pantries. Hi-Crush helped fund and provide coordination with a construction company, to make necessary repairs to the Johnson Dam in Augusta; providing additional security to the community from flooding issues in the local area.

- ***Energy Conservation***

Hi-Crush continuously monitors our natural gas use at each facility. We strive to achieve the lowest natural gas use per ton of sand produced by operating our processes as most efficiently as possible. Routine maintenance is performed on the largest sources of energy use within the plants; for example, the fluid bed dryers. Furthermore, as previously highlighted, Hi-Crush utilizes long conveying systems so as to avoid the need for transporting materials with a fleet of diesel trucks.

- ***Waste and Materials Management & Recycling***

Hi-Crush commits to the reuse or recycling of what would otherwise be waste materials sent to local landfills. The recycling program implemented at each site offers the greatest extent possible of recycling of materials, from large operational equipment/parts, to office waste (plastics). We have established numerous relationships with businesses to take our used materials for reuse in other industries; and, at times, at no cost to the vendor taking the materials.

Baseline Date

December 31, 2016.

The baseline date provided is based upon the day prior to first implementation of the Hi-Crush EMS, which became effective January 1, 2017.

Future Environmental Enhancement Goals

Describe future plans for enhancing the environment from the same facility/activities, upon: Air, Water, Land, Natural Resources, and/or Human Health.

1. Air Impacts

Hi-Crush intends to convert all pressure drop monitoring gauges to wireless data feed devices, allowing for real-time monitoring of all air pollution control devices; integrated with a continuous monitoring data logging system. This will assist in ensuring all air pollution control devices are being monitored continuously, and allowing for quick identification of potential malfunctions which can lead to deviations and resulting ambient air impacts.

2. Land Use Impacts / Reclamation

Hi-Crush is beginning full-phase reclamation at some facilities. While reclamation is an ongoing process throughout mining and production, there may be opportunities to perform further restoration and reclamation of lands above standards. Hi-Crush intends to further explore reclamation practices and employ practices that go above and beyond requirements, establishing lands that exceed expectations of land owners (upon return of land to them, for example).

3. Wetland Impacts

There are several future phases for mining with existing degraded wetlands, or existing properties (non-mining) with degraded wetlands. There are many instances where the degraded wetlands exist as very small surface area coverage and/or are remote (non-contiguous). Hi-Crush intends to work with WDNR, and other responsible agencies, to explore ways to potentially take those wetlands (intended for mining operations) and establish soil characteristics upon restoration after the land use (mining) to prepare for higher quality wetland establishment, and to further extend or increase the footprint of the wetland areas.

4. Community Awareness & Relationships

Keeping our communities informed of our operations and environmental impacts is important to Hi-Crush. Hi-Crush intends to increase constituent awareness by improving our communication methods and information availability. This will be accomplished by establishing and maintaining a dedicated Environmental Health & Safety webpage on our Company's website.



**V. Environmental Management System (EMS)
Functionally Equivalent ISO 14001 EMS**

Functional Equivalence ISO 14001 EMS [Wis. Stats. §299.83(1)(dg)]

§299.83(1)(dg) "Functionally equivalent environmental management system" means an environmental management system that is appropriate to the nature, scale, and environmental impacts of an entity's activities, products, and services and that includes all of the following elements and any other elements that the department determines are essential elements of International Organization for Standardization standard 14001:

- 1. Adoption of an environmental policy that includes a commitment to compliance with environmental requirements, pollution prevention, and continual improvement in environmental performance and that is available to the public.**

This is completed in the appropriate section below, Environmental Policy Statement and Scope Statement.

- 2. An analysis of the environmental aspects and impacts of an entity's activities.**

This is contained in Attachment 2. Further detailed analysis is contained in the EMS Manual, and may be made available upon request.

- 3. Establishment and implementation of plans and procedures to achieve compliance with environmental requirements and to maintain that compliance.**

Each facility has a full time Environmental Specialist (part of the Environmental Team) that conducts all compliance related activities. Forms are utilized by staff to track or record operational or sampling data necessary to demonstrate compliance. Form data is tracked in an electronic tracking system and/or documents are retained on-site. Any updates to these plans or procedures are carefully considered, and rolled out via site specific training to all employees and management.

The operations and activities associated with identified significant environmental aspects require procedures to avoid deviations from the environmental policy, objectives and targets. Standard Operating Procedures (SOP) are established, implemented and maintained to control situations where the absence of such procedures could lead to deviation. The Environmental SOP is a section included in the EMS Manual.

- 4. Identification of all environmental requirements applicable to the entity.**

The Environmental Team maintains a database, in conjunction with the Environmental SOP, for each facility which contains each regulatory permit or requirement, by any jurisdiction (not just WDNR), and related compliance activities, sampling and reporting required by

each. The database file may be made available upon request. Regulatory identification and review are sections included in the EMS Manual.

5. A process for setting environmental objectives and developing appropriate action plans to meet the objectives.

The Director works with Executive Management Team on developing and approving a budget for Environmental Compliance efforts and objectives, each year. The budget process will include identifying key environmental performance objectives, and the necessary funding required to achieve them. Once approved, the Director will oversee implementation of any and all environmental improvement systems, controls and/or processes to achieve identified objectives for the year, with the Environmental Team.

The Environmental Team has an established routine weekly conference call, which are also joined by senior management (including more than the Director of Environmental Compliance). The calls set the stage for identifying any new actions or objectives the site may be subject to or desire to achieve, and how management will ensure proper plans are put in place and implemented. Additional communications are organized as necessary.

Environmental objective development and action planning, along with communication procedures and documentation (both internal and external) are sections included in the EMS Manual.

5m. Establishment, implementation, and maintenance of resources, roles, and responsibilities for establishing, implementing, maintaining, and improving the environmental management system.

Hi-Crush has, and continues to provide, dedicated resources to ensure appropriate, educated and highly skilled staff are hired and retained for purposes of environmental compliance. In addition, a Supervisor oversees individual site specialists, and a Director oversees all environmental compliance activities. Roles are clearly portrayed within this Environmental Team, and to management. It is the responsibility of the Director to plan, enforce and maintain the Environmental Management System; and that of the Executive Management Team to improving the EMS in coordination with the Director and the Environmental Team. The Board approves a budget annually for the Environmental Team in order to effectively and efficiently allow them to carry out activities necessary to ensure compliance.

Roles, responsibilities and resources, along with procedures for EMS improvements, are sections included in the EMS Manual.

6. Establishment of a structure for operational control and responsibility for environmental performance.

The Director of Environmental Compliance is ultimately responsible for environmental performance. The Director works closely with the Environmental Compliance Manager and site specific Environmental Specialists for site operations, including all environmental performance measures. The Specialist is the core lead on conducting and documenting all site specific environmental performance results, and tracks them as appropriate. Communications with regulatory bodies are completed by the Supervisor and/or Director,

unless specifically delegated to the Specialist. A responsibility matrix is included in a section within the EMS Manual.

7. Establishment, implementation, and maintenance of an employee training program to develop awareness of and competence to manage environmental issues.

A robust training program is in place and is administered by the Environmental Team. Awareness training is provided on an annual basis, at a minimum. In addition, job specific training is provided as needed, especially for new employees. The training plans are developed to incorporate all EMS elements, and identified Environmental SOP's. Training is also provided to the entire plant whenever any regulatory permit or authority is changed, modified or rescinded, and would include any modifications to the EMS.

The Environmental Specialist, with or without the assistance of the Environmental Compliance Manager and/or Director, coordinates and provides the employee training program. Maintenance of the training program is a group effort within the Environmental Team. The Training Plan is a section included in the EMS Manual.

8. A plan for taking actions to prevent environmental problems and for taking emergency response and corrective actions when environmental problems occur.

Proper procedures for contacts and follow-up actions necessary for any environmental problem or emergency response is established and implemented. The primary contact includes the Environmental Specialist, followed by the Environmental Compliance Manager, and finally the Director. Routine communications with plant personnel is provided whenever one or more of those individuals are not on site any given day.

A Nonconformance Corrective Preventive Action manual, and Emergency Preparedness and Prevention manual are sections included in the EMS Manual.

9. A communication plan for collaboration with employees, the public, and the department on the design of projects and activities to achieve continuous improvement in environmental performance.

An annual plant-wide meeting is held to describe and identify the key elements of the EMS, specifically those projects and activities targeted for improvement. In addition, an Environmental Health & Safety dedicated webpage will be established and maintained to publish key features, activities and successes for which the public can read and learn about at any time. Finally, annual audits of the EMS will be provided to the Department for review and consideration.

Communications and EMS Auditing are sections included in the EMS Manual.

10. Procedures for control of documents and for keeping records related to environmental performance.

The Environmental Specialist will control and keep all pertinent records related to environmental performance. The Specialist, with direct communication with the Environmental Compliance Manager and/or Director, updates all forms or other documents

utilized as necessary. A review of these forms and/or documents may be discussed during routine weekly Environmental Team calls.

Documentation Procedures, and the Documentation Control Index, are sections included in the EMS Manual.

10g. Establishment, implementation, and maintenance of procedures to monitor and measure, on a regular basis, key characteristics of an entity's operations that can have a significant environmental impact.

The operations and activities associated with identified significant environmental aspects require procedures to avoid deviations from the environmental policy, objectives and targets. The Environmental SOP is established, implemented and maintained to control situations where the absence of such procedures could lead to deviation, and describes the procedures to monitor and measure Hi-Crush's operations.

The Environmental Team maintains a database, in conjunction with the Environmental SOP, for each facility which contains each regulatory permit or requirement, by any jurisdiction (not just WDNR), and related compliance activities, sampling and reporting required by each.

Finally, annual environmental compliance auditing is conducted at each facility. Audit reports provide key findings of significant environmental impacts, and especially highlights potential nonconformances, with actions identified to mediate the nonconformances.

Significant environmental impact identification and review, the Environmental SOP, and Environmental Compliance auditing are sections included in the EMS Manual.

10r. Establishment, implementation, and maintenance of procedures for periodically evaluating compliance with applicable environmental requirements.

The Environmental Team maintains a database, in conjunction with the Environmental SOP, for each facility which contains each regulatory permit or requirement, by any jurisdiction (not just WDNR), and related compliance activities, sampling and reporting required by each.

Annual environmental compliance auditing is conducted at each facility. Audit reports provide key findings of compliance status, and especially highlights potential nonconformances, with actions identified to mediate the nonconformances.

The Environmental SOP and Environmental Compliance auditing are sections included in the EMS Manual.

11. Environmental management system audits.

The Director of Environmental Compliance along with Environmental Team members and Plant Management will conduct annual EMS audits, led by the Director. Every 3rd EMS audit shall be performed by a DNR-approved independent environmental auditor.

Hi-Crush will submit to DNR an annual report on progress towards meeting objectives related to improved environmental performance for aspects regulated under chs. 29 to 31, 160, or 280 to 299, Wis. Stats., unregulated environmental aspects, or voluntary actions to restore, enhance, or preserve natural resources.

The EMS auditing process and reporting is included in the EMS Manual.

12. A plan for continually improving environmental performance and provision for senior management review of the plan.

Procedures are identified with the EMS audit and Environmental Compliance audit manuals, to provide annual reports to Senior Management. In addition, the EMS establishes annual meetings with Senior Management, to further discuss environmental performance and sharing of ideas on how to improve.

The EMS audit, and the Environmental Compliance audit, and associated communication/reporting requirements are included in the EMS Manual.

Environmental Policy Statement and Scope Statement

Hi-Crush is a producer of premium monocrystalline sand, a specialized mineral that is used as a proppant to enhance the recovery rates of hydrocarbons from oil and natural gas wells. The company was formed, and managed by, several individuals who came together with a vision to create a sand production company that would surpass all others in quality, safety, community, and environmental superiority. Hi-Crush is fully committed to operating in an environmentally responsible manner and strives not only to meet, but to exceed, environmental regulatory requirements in the communities where we operate.

This policy pertains to all activities at each Hi-Crush mining and processing site. Environmental compliance is coordinated by the Hi-Crush Environmental Team, yet is the responsibility of all employees. Hi-Crush's Director of Environmental Compliance (a member of senior management) oversees the Environmental Team. The Director, or as delegated by the Director, has the responsibility and authority to plan, enforce and maintain the Environmental Management System.

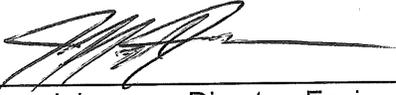
The Management Commitment Memorandum is included as [Attachment 3A](#). A distribution flyer of the EMS Policy is included as [Attachment 3B](#).

Documented Objectives and Targets for the Covered Facility/Activities

Current documented objects and targets for all facilities, or any individual facility as identified, for calendar year 2017 are included as [Attachment 3C](#); recognize that some objectives may extend beyond calendar year 2017.

Declaration

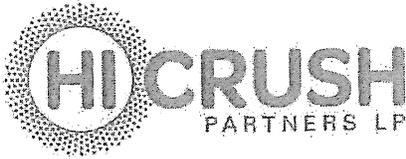
I have reviewed the information provided. I find that the information provided conforms to each of the 15 requirements in Wis. Stats. §299.83(1)(dg) as a functionally equivalent environmental management system.



Jeffery Johnson – Director, Environmental Compliance

06/23/2017

Date



MEMORANDUM

DATE: January 1, 2017

TO: Hi-Crush: Augusta LLC; Blair LLC; Operating LLC (Wyeville); and Whitehall LLC

From: Bob Rasmus, CEO; Mark Skolos, General Counsel; Jeremy Williamson, General Manager

Subject: Environmental Management System – Management Commitment to Implementation

Hi-Crush is fully committed to operating in an environmentally responsible manner and strives not only to meet, but to exceed, environmental regulatory requirements in the communities where we operate. Hi-Crush is committed to being a leader in environmental stewardship and superiority. We shall accomplish this vision by implementing an Environmental Management System (EMS) at our mining and processing sites. An EMS has been developed and shall be **effective January 1, 2017**. Hi-Crush's EMS is based on the following policy *CRUSH* principles:

- Compliance
- Reduction (Prevention)
- Understanding
- Sustainability
- Habitual (Continuous) Improvement

Implementation of the EMS will be conducted in accordance with the Hi-Crush EMS Manual.

The EMS Manual has been modeled after the ISO 14001 Standard. The EMS Manual will consist of a continual cycle of planning, implementing, reviewing and improving the processes and actions Hi-Crush will undertake to meet its environmental obligations, goals and targets. Responsibilities for implementing the EMS are contained within the Manual.

A handwritten signature in black ink, appearing to read "Robert Rasmus", written over a horizontal line.

Robert Rasmus, Chief Executive Officer

A handwritten signature in black ink, appearing to read "Mark Skolos", written over a horizontal line.

Mark Skolos, General Counsel

A handwritten signature in black ink, appearing to read "Jeremy Williamson", written over a horizontal line.

Jeremy Williamson, General Manager



HI-CRUSH EMS POLICY

Environmental Policy -

Hi-Crush is fully committed to operating in an environmentally responsible manner and strives not only to meet, but to exceed, environmental regulatory requirements in the communities where we operate. We shall accomplish this vision by adhering to the “CRUSH” principles.

Please direct any questions, comments or concerns to our Director of Environmental Compliance: 715-286-2079, or contact the facility and ask for the Environmental Specialist.

C – Compliance oriented

R – Reduction (prevention) driven

U – Understanding responsibilities (knowledge & training)

S – Sustainable practices

H – Habitual (continuous) improvement



**HI-CRUSH
PROPPANTS**

3 Riverway, Suite 1350
Houston, TX 77056
713-980-6200

www.hicrush.com

8:00 AM – 5:00 PM



Objectives & Targets

Calendar Year 2017

<p>Objective: ALL Facilities : Demonstrate initial (new facilities) and sustain (existing facilities) environmental compliance through each calendar year. {Completed through monitoring and tracking by environmental staff; elevating issues to management for corrective actions}</p>	<p>Target(s): Zero permit violations in calendar year 2017, at each facility. Verified by conducting annual environmental compliance audit(s) at each facility.</p>
<p>Objective: ALL Facilities : Install, operate, and maintain a datalogging system for all pressure drop reading devices by year end 2017, to reduce staff time in obtaining readings, and ensuring proper documentation of this compliance data. {Completed through replacing old technology (pressure drop monitors) and adding datalogging system integrated with internal IT systems}</p>	<p>Target(s): Identify remaining pressure drop gauges that need to be changed out to remote/electronic data feed. Replace identified gauges. Install datalogging system. Verify data capture, data accessibility and backup, and calibration/accuracy. Identify staff time reduction and increase in data quality control.</p>
<p>Objective: Company-wide : Increase public knowledge of Hi-Crush Environmental Stewardship through creation and implementation of company EH&S webpage by year end 2017. {Completed through proper and routine public outreach}</p>	<p>Target(s): Create, update and maintain a dedicated EH&S company webpage, including sustainability reporting.</p>
<p>Objective: EMS / ALL Facilities : Complete thorough review of all Environmental Aspects of each facility, revise and update EMS Appendix C01-A. {Completed by a semi-audit of environmental compliance and site review}</p>	<p>Target(s): Conduct a semi-audit of EMS and Environmental Compliance for each facility, with target to identify any/all significant environmental aspects utilizing Appendix C01-A. Complete and finalize an Appendix C01-A for each facility.</p>



VI. Public Involvement

A list of interested persons who are known or are expected to have a strong interest in this Green Tier application are identified below. The first list is applicable to all facilities, while the remaining lists are specific to each of the four facilities.

Stakeholders may include neighbors, customers, employees, environmental organizations, local governmental officials, or others.

All Facilities – Interested Persons:

- Gerke Excavating Inc., 15341 State Hwy 131, Tomah, WI 54660; cwg@gerkeexcavating.com.
- The Heartland Institute, Attn: Mark Krumenacher or Issac Orr, 3939 North Wilke Road, Arlington Heights, IL 60004.
- Long Island Engineering LLC, 201 Maple Ridge, Ashland, WI 54806; longislandengineeringllc@outlook.com.
- National Industrial Sand Association, 1200 18th Street NW, Suite 1150, Washington, DC 20036; darrellsmith@ima-na.org.
- SEH, 10 North Bridge Street, Chippewa Falls, WI 54729.
- Summit Envirosolutions, Inc., 1217 Bandana Boulevard North, Saint Paul, MN 55108; bgregg@summite.com.
- Wetlands and Waterways LLC, 5742 Warbonnet Lane, Hazelhurst, WI 54531; ann@wetlandsandwater.com.
- Weyandt, LLC, 65635 Shady Lane, Iron River, WI 54847; scott.weyandt@gmail.com.
- Wisconsin Industrial Sand Association, 2809 E. Hamilton Ave., #161, Eau Claire, WI 54701-6863; info@wisconsinsand.org.

Hi-Crush Augusta LLC – Interested Persons:

- City of Augusta, P.O. Box 475, 145 West Lincoln Street, Augusta, WI 54722.
- Eau Claire County Department of Planning and Development, Land Use Controls Division, Eau Claire County Courthouse, 721 Oxford Ave., Suite 1510, Eau Claire, WI 54703.
- Town of Bridge Creek, P.O. Box 464, Augusta, WI 54722.

Hi-Crush Blair LLC – Interested Persons:

- City of Blair – Blair City Hall, 122 S. Urberg Ave., P.O. Box 147, Blair, WI 54616.
- Jackson County Land Conservation Department, 307 Main Street, Black River Falls, WI 54615.

Hi-Crush Whitehall LLC – Interested Persons:

- City of Independence, 23688 Adams Street, Independence, WI 54747.

- City of Whitehall, 36295 Main Street, P.O. Box 155, Whitehall, WI 54773.

Hi-Crush Proppants LLC (aka Wyeville) – Interested Persons:

- Monroe County Land Conservation Department, 820 Industrial Drive, Suite 3, Sparta, WI 54656.



VII. Enforcement Record

Review of the Enforcement Record requirements described in the *Application Instructions*. Worksheet questions and answers provided below.

While all enforcement record requirements relevant to this application are satisfied, a description of prior enforcement actions, for each facility, are being provided.

- a. **Had a judgement of conviction entered against them for a criminal violation of an environmental regulation involving a covered facility or activity? If yes, please provide the date(s) of conviction and the nature of the violation(s).**
{Applicants convicted of a criminal violation within 60 months before the date of application for Tier 1 and 120 months for Tier 2 that resulted in substantial harm to public health or the environment or that presented an imminent threat to public health or the environment are ineligible for the program.}

NONE.

- b. **Had a civil judgment entered against them for a violation of an environmental regulation involving covered facility or activity? If yes, please provide the date(s) of the judgment and the nature of the violation(s).**
{Applicants with a civil judgment entered against them within 36 months before the date of application for Tier 1 and 60 months for Tier 2 that resulted in substantial harm to public health or the environment are ineligible for the program, unless the applicant requests a waiver of enforcement record requirements.}

1. Hi-Crush Augusta LLC: Judgement filed June 19, 2014, with the Clerk of Circuit Court, Eau Claire, County, WI. Installation and operation of two high capacity wells without first obtaining WDNR approval/permits. According to a letter from DOJ to Hi-Crush attorney representation for settlement purposes only, dated February 3, 2014, "Furthermore, although there was no discernible harm done by these violations, installing non-approved high capacity wells has the potential to severely impact surrounding surface and ground water. Hi-Crush was fortunate in this case that there were no discernible adverse effects of its actions."
{36 months from the date of filing is June 19, 2017}

- c. **Been referred to the Department of Justice for enforcement of an environmental regulation involving a covered facility or activity? If yes, please provide the date(s) of referral and the nature of the violation(s).**
{Applicants referred to the Department of Justice within 24 months before the date of application for Tier 1 and Tier 2 are ineligible for the program, unless the applicant requests a waiver of enforcement record requirements.}

1. Hi-Crush Augusta LLC: Referral filed to DOJ on September 20, 2013. , nature of violation. Installation and operation of two high capacity wells without first obtaining

WDNR approval/permits. According to a letter from DOJ to Hi-Crush attorney representation for settlement purposes only, dated February 3, 2014, "Furthermore, although there was no discernible harm done by these violations, installing non-approved high capacity wells has the potential to severely impact surrounding surface and ground water. Hi-Crush was fortunate in this case that there were no discernible adverse effects of its actions."

{24 months from the date of filing is September 20, 2015}

- d. Been issued an environmental citation by the Department of Natural Resources involving a covered facility or activity? If yes, please provide the date(s) of the citation and the nature of the violation(s).
{Applicants issued an environmental citation within 24 months before the date of application for Tier 1 and Tier 2 are ineligible for the program, unless the applicant requests a waiver of enforcement record requirements.}**

NONE.