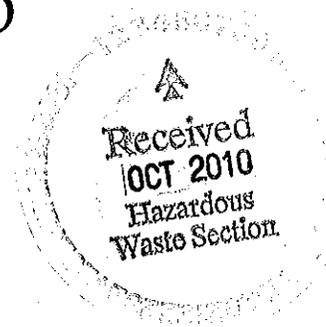




SMITH MOORE LEATHERWOOD

October 1, 2010



Mr. Vance Jackson
Unit Supervisor
Division of Waste Management
401 Oberlin Road
Raleigh, NC 27605

Re: Former Seaboard Chemical Corporation Site and Former City of High Point
Riverdale Drive Landfill
Declaration of Perpetual Land Use Restrictions for Crutchfield Property

Dear Vance:

Enclosed is a letter that I sent today to Mr. Jim Bryan, counsel for the Crutchfield family, summarizing the terms of an offer that I made verbally to him several weeks ago. The Crutchfields have met with Mr. Bryan about the offer, and Mr. Bryan reported that they are giving it further thought. The pace of these discussions is slower than DENR, Seaboard Group II or the City would like, but there is little that we can do to change that.

Seaboard Group II and the City of High Point respectfully request another 90-day extension of time to submit for the Division's approval a draft declaration of perpetual land use restrictions for the Crutchfield property located north and east of the Site and the Deep River. Pursuant to your letter of March 23, 2009 and Section B of the Statement of Work, we ask that you treat this request as a Technical Memorandum.

We will continue to work diligently toward reaching an agreement with the Crutchfield family and request an extension until December 31, 2010 to complete the negotiations.

Please give me a call if you have any questions.

Sincerely,

Stephen W. Earp

cc: Kathleen Waylett, Esq.
Wallace Finlator, Esq.
Nancy Scott, Esq.

Direct 336.378.5314 | Fax 336.433.7430 | steve.earp@smithmoorelaw.com

Smith Moore Leatherwood LLP ■ Attorneys at Law

PO Box 21927 (27420) 300 North Greene Street Suite 1400 Greensboro, NC 27401 ■ 336.378.5200 ■ www.smithmoorelaw.com
Atlanta, GA ■ Charlotte, NC ■ Greensboro, NC ■ Greenville, SC ■ Raleigh, NC ■ Wilmington, NC

Mr. Vance Jackson
October 1, 2010
Page 2

Amos Dawson, Esq.
Fred Baggett, Esq.
Mr. Gary Babb
Mr. Chris Thompson
Mr. Jeff Moore
Mr. James LaRue
Mr. Tom Wilson
Mr. Randy Smith



SMITH MOORE LEATHERWOOD

October 1, 2010

Via E-Mail and First Class Mail

Mr. Jim Bryan
Nexsen Pruet LLC
Post Office Box 3463
Greensboro, NC 27402

Re: Crutchfield Property

Dear Jim:

As you requested, this letter summarizes the offer that I conveyed to you verbally some time ago on behalf of the Seaboard Group II and the City of High Point (referred to in this letter as "our clients").

Our clients propose that the owners of the Crutchfield property (1) execute, and cooperate fully with our clients in recording, a Declaration of Perpetual Land Use Restrictions (DPLUR) and related documents, satisfactory to the North Carolina Department of Environment and Natural Resources (DENR), in the office of the Guilford County Register of Deeds; (2) grant to our clients a permanent easement to enter the Crutchfield property for the purpose of monitoring and maintaining groundwater monitoring wells on or accessible from that property; and (3) grant to our clients a release of all claims related to the recording of the land use restrictions.

In exchange, our clients would (a) pay all costs of preparing and recording the DPLUR and related documents; (b) take responsibility for submitting the annual updates as required by DENR; (c) pay to the owners of the Crutchfield property the sum of \$25,000.00; and (d) convey to the owners of the Crutchfield property, or their assignee, approximately one acre of contiguous property currently owned by the City of High Point and fronting on Vickrey Chapel Road, with the location to be agreed upon by the parties. The conveyance would be by limited warranty deed.

Direct 336.378.5314 | Fax 336.433.7430 | steve.earp@smithmoorelaw.com

Smith Moore Leatherwood LLP ■ Attorneys at Law

PO Box 21927 (27420) 300 North Greene Street Suite 1400 Greensboro, NC 27401 ■ 336.378.5200 ■ www.smithmoorelaw.com

Atlanta, GA ■ Charlotte, NC ■ Greensboro, NC ■ Greenville, SC ■ Raleigh, NC ■ Wilmington, NC

Mr. Jim Bryan
October 1, 2010
Page 2

Thanks very much. I look forward to your clients' prompt reply.

Sincerely,



Stephen W. Earp

cc: Mr. Amos Dawson
Mr. Fred Baggett
Mr. Chris Thompson