Standard Terms and Conditions

1. The Lessee is responsible for notifying the Authorized Officer of any change of mailing address.

2. The Lessee shall protect all survey monuments found within the Leased Lands. Survey monuments include, but are not limited to, General Land Office and Bureau of Land Management Cadastral Survey Corners, reference corners, witness points, U.S. coastal and Geodetic benchmarks and triangulation stations, military control monuments, and recognizable civil (both public and private) survey monuments. In the event of obliteration or disturbance of any of the above, the Lessee shall immediately report the incident, in writing, to the authorized officer and the respective installing authority if known. Where General Land Office or Bureau of Land Management right-of-way monuments or references are obliterated during operations, the Lessee shall secure the services of a registered land surveyor or a Bureau cadastral surveyor to restore the disturbed monuments and references using surveying procedures found in the *Manual of Surveying Instructions for the Survey of the Public Lands in the United States*, latest edition. The Lessee shall record such survey in the appropriate county and send a copy to the authorized officer. If the Bureau cadastral surveyors or other Federal surveyors are used to restore the disturbed survey monument, the Lessee shall be responsible for the survey cost.

3. No signs or advertising devices shall be placed on the Leased Lands or on adjacent public lands without prior written approval of the Authorized Officer. Appropriate Department of Transportation (DOT) approved safety signs may be posted to warn the general public or emergency personnel.

Hazardous Materials and Solid Waste

1. All areas authorized under this lease shall be maintained in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. 'Waste' means all discarded matter including, but not limited to, human waste, trash, spare or excess construction materials, refuse, oil drums, petroleum products, ashes, and equipment.

2. The Lessee(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the Lessee(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the lease or on facilities authorized under this lease. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal

agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. If the project involves oil or fuel usage, transfer, or storage, an adequate spill kit and shovels are required to be on site during project implementation. The project proponent will be responsible for adhering to all applicable local, State, and federal regulations in the event of a spill, which includes following the proper notification procedures in BLM's Spill Contingency Plan.

4. All local, State and Federal ordinances, regulations and laws governing the release of Hazardous Materials and wastes shall be implemented. Any and all reportable releases shall be reported to the BLM within 24 hours of discovery of the release, at (Insert Phone Number) and after hours or during weekends through the Federal Interagency Communication Center at (Insert Phone Number). An Initial Report shall be faxed to the Authorized Officer within 24 hours of release discovery at (Insert Phone Number). A comprehensive follow-up report must be received by the BLM within (7) seven calendar days of the incident's discovery.

Cultural/Pesticides/Weeds

1. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the Lessee, or their invitees, agents, or on public or Federal land shall be immediately reported to the authorized officer. The Lessee shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The Lessee will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the Lessee.

   If in connection with operations under this authorization, any human remains, funerary objects, sacred objects or objects of cultural patrimony as defined in the Native American Graves Protection and Repatriation Act (P.L. 101-601; 104 Stat. 3048; 25 U.S.C. 3001) are discovered, the Lessee shall stop operations in the immediate area of the discovery, protect the remains and objects, and immediately notify the authorized officer. The Lessee shall continue to protect the immediate area of the discovery until notified by the Authorized Officer that operations may resume.

2. Use of pesticides shall comply with the applicable Federal and state laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the Lessee shall obtain from the authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application,

location of storage and disposal of containers, and any other information deemed necessary by the authorized officer. Emergency use of pesticides shall be approved in writing by the authorized officer prior to such use.

Fire Prevention and Control

1. When performing construction and maintenance (including emergency repairs) activities during the "closed" fire season, or during any other closed fire season prescribed by the BLM Arizona State Director (or through an appropriate delegated authority), the Lessee, including any persons such as contractors, etc. working on their behalf, shall equip at least one on-site vehicle with firefighting equipment, including, but not limited to, fire suppression hand tools (i.e. shovels, rakes, Pulaski's, etc.), a 16-20 pound fire extinguisher, and a sufficient supply of water for initial attack, with a mechanism to effectively spray the water (i.e. backpack pumps, water sprayer, etc.).

2. During conditions of extreme fire danger or when the State of Arizona and/or the BLM Arizona State Director issues a fire restriction order, operations shall be limited or suspended in specific areas, or additional mitigation measures may be required by the BLM Authorized Officer.

3. Lessee shall maintain the condition of the origin area of the fire from further damage to enable the Fire Investigator to properly assess the origin area and cause of the fire. The Lessee shall report to the Fire Investigator or BLM Incident Commander and shall not enter into the origin area on fires unless given permission to do so.

4. The Lessee will cooperate with the BLM in its efforts to investigate, suppress and respond to all future fires. The duty to "cooperate" includes, but is not limited to, the following duties regardless of whether BLM is on the scene:

   i. The duty to provide the BLM (Authorized Officer or local fire dispatch *(enter phone number(s))* _____ with reasonable and timely notice concerning all fires involving the Lessee's facilities or discovered during routine operations.
   ii. The duty to share factual information with the BLM concerning fires, including but not limited to the names of Lessee's employees and/or contractors with knowledge of the incident; and to allow employees and/or contractors to be interviewed by BLM's investigators regarding factual information relating to a fire.
   iii. It is the duty of the Lessee to preserve the point of ignition, fire scene and reasonably account to the BLM for Lessees actions taken at the scene of a fire.
   iv. The duty to minimize disturbance of potential evidence located at the scene; to not engage in any evidence collection or destructive testing without BLM and or its counsel's express written consent; to properly handle and preserve any

evidence collected and to make all documents and evidence, including expert reports, available to the BLM in a rapid and timely manner upon request of BLM and/or its counsel.

v. The duty to not hamper the BLM investigation of origin and cause of the fire; and to reasonably assist BLM's investigation at the scene.

vi. The duty to provide information upon request of BLM and/or its counsel concerning the construction, monitoring, inspection, maintenance and/or repairs of any of Lessee's facilities located at or adjacent to a fire.

vii. The duty to provide information upon request of BLM and/or its counsel concerning the monitoring, inspection, and or alteration by the Lessee of any condition on public land, including but not limited to, public land adjacent to any of the Lessee's facilities.

viii. The duty, during BLM fire suppression efforts: to defer to and follow the instructions of the BLM's Incident Commander regarding activities within the boundaries of the fire and checking in and out of the fire; and to recognize BLM's primary authority over the incident scene.

Bonding

Sample Bonding Term and Condition Requiring the Lessee to Prepare Bond Estimate- use with NTP

The Lessee shall furnish a report to the BLM Authorized Officer estimating all costs for the BLM to fulfill the terms and conditions of the lease in the event that the Lessee was not able to do so. This estimate shall be prepared by an independent State certified engineer who is approved in advance by the authorized officer and shall include such information including but not limited to Davis-Bacon wages potentially incurred by the BLM. The report shall detail the estimated costs and shall be accompanied by the engineer's seal if appropriate. All costs of preparing and submitting this report shall be borne solely by the Lessee. This report, along with BLM administration costs and inflationary estimates, shall be the basis of a performance bond after review and approval by the BLM, and shall remain in effect until such time that the authorized officer determines that conditions warrant a review of the bond. The authorized officer may require the Lessee to submit a new estimate at any time during the term of the lease. The performance bond, in a form acceptable to the authorized officer, shall be furnished by the Lessee prior to any surface disturbing activities. The amount of the bond may be periodically adjusted by the authorized officer when, in his/her sole determination, conditions warrant such a change. Should the bond furnished under this authorization become unsatisfactory to the authorized officer, the Lessee shall within 30 days of demand, furnish a new bond satisfactory to the authorized officer.

Sample Bonding Term and Condition When the Amount of the Initial Bond is Known

A performance bond, acceptable to the authorized officer, shall be furnished by the Lessee in the amount of _____. This bond may be periodically adjusted by the authorized

officer when, in his/her sole determination, conditions warrant such a change. In addition, whenever requested by the authorized officer, the Lessee shall furnish a report within 90 days estimating all costs for the BLM to fulfill the terms and conditions of the lease in the event that the Lessee was not able to do so. This estimate report shall be prepared by an independent State certified engineer who is approved in advance by the BLM authorized officer and shall include such information including but not limited to administrative costs and Davis Bacon wages potentially incurred by the BLM. The report shall detail the estimated costs and shall be accompanied by the engineer's seal. All costs of preparing and submitting this report shall be borne solely by the Lessee. This report along with inflationary estimates shall be the basis of the bond and shall remain in effect until such time that the authorized officer determines that conditions warrant a review of the bond. Surface disturbing activities shall not commence until the BLM authorized officer has accepted the bond and issued a notice to proceed.

Sample Bonding Term and Condition When the Amount of the Initial Bond is Unknown

A performance bond is required for this authorization. The amount of the bond shall be determined as follows: the Lessee shall furnish a report within 90 days estimating all costs for the BLM to fulfill the terms and conditions of the lease in the event that the Lessee was not able to do so. This estimate shall be prepared by an independent State certified engineer who is approved in advance by the BLM authorized officer and shall include such information including but not limited to administrative costs and Davis Bacon wages potentially incurred by the BLM. The report shall detail the estimated costs and shall be accompanied by the engineer's seal. All costs of preparing and submitting this report shall be borne solely by the Lessee. This report along with inflationary estimates shall be the basis of the bond and shall remain in effect until such time that the authorized officer determines that conditions warrant a review of the bond. This bond may be periodically adjusted by the authorized officer in the method described above when, in his/her sole determination, conditions warrant a review of the bond. Surface disturbing activities shall not commence until the BLM authorized officer has accepted the bond and issued a notice to proceed.