Appendix 1-1

Lease Assignment

Revised 4/29/93

Feb. 10, 1988

Form 3400-12
(April 1984)
3520-11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COAL LEASE

Serial Number

U-54762

PART I. LEASE RIGHTS GRANTED

This lease, entered into by and between the UNITED STATES OF AMERICA, hereinafter called lessor, through the Bureau of Land Management, *(Name and Address)*

Genwal Coal Company
P.O. Box 1201
Huntington, Utah 84528

hereinafter called lessee, is effective *(date)* DEC 1 1986, for a period of 20 years and for so long thereafter as coal is produced in comme quantities from the leased lands, subject to readjustment of lease terms at the end of the 20th lease year and each 10-year period thereafter.

Sec. 1. This lease is issued pursuant and subject to the terms and provisions of the:

☑ Mineral Lands Leasing Act of 1920, Act of February 25, 1920, as amended, 41 Stat. 437, 30 U.S.C. 181-287, hereinafter referred to as the

☐ Mineral Leasing Act for Acquired Lands, Act of August 7, 1947, 61 Stat. 913, 30 U.S.C. 351-359;

and to the regulations and formal orders of the Secretary of the Interior which are now or hereafter in force, when not inconsistent with the ex and specific provisions herein.

Sec. 2. Lessor, in consideration of any bonuses, rents, and royalties to be paid, and the conditions and covenants to be observed as herein set hereby grants and leases to lessee the exclusive right and privilege to drill for, mine, extract, remove, or otherwise process and dispose of th deposits in, upon, or under the following described lands:

T. 15 S., R. 7 E., SLM, Utah
Sec. 31, SE¼SE¼;
Sec. 32, S½SW¼, SW¼SE¼.

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lots 2, 3, and 8.

containing 256.49 acres, more or less, together with the right to construct such works, buildings, plants, structures, equipment and appl and the right to use such on-lease rights-of-way which may be necessary and convenient in the exercise of the rights and privileges granted, sub the conditions herein provided.

PART II. TERMS AND CONDITIONS

Sec. 1. (a) RENTAL RATE - Lessee shall pay lessor rental annually and in advance for each acre or fraction thereof during the continuance of the lease at the rate of $ 3.00 for each lease year.

(b) RENTAL CREDITS - Rental shall not be credited against either production or advance royalties for any year.

Sec. 2. (a) PRODUCTION ROYALTIES - The royalty shall be 12½ & 8 percent of the value of the coal as set forth in the regulations. Royalties are due to lessor the final day of the month succeeding the calendar month in which the royalty obligation accrues.

(b) ADVANCE ROYALTIES - Upon request by the lessee, the authorized officer may accept, for a total of not more than 10 years, the payment of vance royalties in lieu of continued operation, consistent with the lations. The advance royalty shall be based on a percent of the of a minimum number of tons determined in the manner olished by the advance royalty regulations in effect at the time the lessee requests approval to pay advance royalties in lieu of continued operation.

Sec. 3. BONDS - Lessee shall maintain in the proper office a lease bond in the amount of $ 5,000 The authorized officer may require an increase in this amount when additional coverage is determined appropriate.

Sec. 4. DILIGENCE - This lease is subject to the conditions of d development and continued operation, except that these conditi excused when operations under the lease are interrupted by strik elements, or casualties not attributable to the lessee. The lessor, public interest, may suspend the condition of continued operation payment of advance royalties in accordance with the regulati existence at the time of the suspension. Lessee's failure to produ in commercial quantities at the end of 10 years shall termin lease. Lessee shall submit an operation and reclamation plan pu to Section 7 of the Act not later than 3 years after lease issuanc

The lessor reserves the power to assent to or order the suspension terms and conditions of this lease in accordance with, inte Section 39 of the Mineral Leasing Act, 30 U.S.C. 209.

Sec. 5. LOGICAL MINING UNIT (LMU) - Either upon approval lessor of the lessee's application or at the direction of the lesse lease shall become an LMU or part of an LMU, subject to the prov set forth in the regulations.

The stipulations established in an LMU approval in effect at the LMU approval will supersede the relevant inconsistent terms lease so long as the lease remains committed to the LMU. If the L which this lease is a part is dissolved, the lease shall then be sub the lease terms which would have been applied if the lease had n included in an LMU.

Sec. 6. DOCUMENTS, EVIDENCE AND INSPECTION - At such times and i· ·ch form as lessor may prescribe, lessee shall furnish detailed ·ents showing the amounts and quality of all products removed ·ld from the lease, the proceeds therefrom, and the amount used roduction purposes or unavoidably lost.

.essee shall keep open at all reasonable times for the inspection of any duly authorized officer of lessor, the leased premises and all surface and underground improvements, works, machinery, ore stockpiles, equipment, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or under the leased lands.

Lessee shall allow lessor access to and copying of documents reasonably necessary to verify lessee compliance with terms and conditions of the lease.

While this lease remains in effect, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 7. DAMAGES TO PROPERTY AND CONDUCT OF OPERATIONS - Lessee shall comply at its own expense with all reasonable orders of the Secretary, respecting diligent operations, prevention of waste, and protection of other resources.

Lessee shall not conduct exploration operations, other than casual use, without an approved exploration plan. All exploration plans prior to the commencement of mining operations within an approved mining permit area shall be submitted to the authorized officer.

Lessee shall carry on all operations in accordance with approved methods and practices as provided in the operating regulations, having due regard for the prevention of injury to life, health, or property, and prevention of waste, damage or degradation to any land, air, water, cultural, biological, visual, and other resources, including mineral deposits and formations of mineral deposits not leased hereunder, and r· ·er land uses or users. Lessee shall take measures deemed ·ry by lessor to accomplish the intent of this lease term. Such ·ures may include, but are not limited to, modification to proposed ·ting or design of facilities, timing of operations, and specification of interim and final reclamation procedures. Lessor reserves to itself the right to lease, sell, or otherwise dispose of the surface or other mineral deposits in the lands and the right to continue existing uses and to authorize future uses upon or in the leased lands, including issuing leases for mineral deposits not covered hereunder and approving easements or rights-of-way. Lessor shall condition such uses to prevent unnecessary or unreasonable interference with rights of lessee as may be consistent with concepts of multiple use and multiple mineral development.

Sec. 8. PROTECTION OF DIVERSE INTERESTS, AND EQUAL OPPORTUNITY - Lessee shall: pay when due all taxes legally assessed and levied under the laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at lease twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; restrict the workday to not more than 8 hours in any one day for underground workers, except in emergencies; and take measures necessary to protect the health and safety of the public. No person under the age of 16 years shall be employed in any mine below the surface. To the extent that laws of the State in which the lands are situated are more restrictive than the provisions in this paragraph, then the State laws apply.

Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 9. (a) TRANSFERS

☑ This lease may be transferred in whole or in part to any association or corporation qualified to hold such lease ir

☐ This lease may be transferred in whole or in part to · public body or to a person who will mine the coal on behal for the use of, the public body or to a person who for the purpose of creating a security interest in favor of a lende to be obligated to mine the coal on behalf of the public b

☐ This lease may only be transferred in whole or in part to · small business qualified under 13 CFR 121.

Transfers of record title, working or royalty interest approved in accordance with the regulations.

(b) RELINQUISHMENT - The lessee may relinquish in writing time all rights under this lease or any portion thereof as provide regulations. Upon lessor's acceptance of the relinquishment shall be relieved of all future obligations under the lease relinquished portion thereof, whichever is applicable.

Sec. 10. DELIVERY OF PREMISES, REMOVAL OF MACHINERY, MENT, ETC. - At such time as all portions of this lease are rett lessor, lessee shall deliver up to lessor the land leased, unde timbering, and such other supports and structures necessary preservation of the mine workings on the leased premises or and place all workings in condition for suspension or aband Within 180 days thereof, lessee shall remove from the premises structures, machinery, equipment, tools, and materials that it or as required by the authorized officer. Any such structu chinery, equipment, tools, and materials remaining on the leas beyond 180 days, or approved extension thereof, shall bec property of the lessor, but lessee shall either remove any or property or shall continue to be liable for the cost of remo disposal in the amount actually incurred by the lessor. If the s owned by third parties, lessor shall waive the requirement for r provided the third parties do not object to such waiver. Less prior to the termination of bond liability or at any other tin required and in accordance with all applicable laws and regu reclaim all lands the surface of which has been disturbed, disp debris or solid waste, repair the offsite and onsite damage co lessee's activity or activities incidental thereto, and reclain roads or trails.

Sec. 11. PROCEEDINGS IN CASE OF DEFAULT - If lessee fails to with applicable laws, existing regulations, or the terms, conditi stipulations of this lease, and the noncompliance continues for after written notice thereof, this lease shall be subject to cancell the lessor only by judicial proceedings. This provision shall construed to prevent the exercise by lessor of any other leg equitable remedy, including waiver of the default. Any such rem waiver shall not prevent later cancellation for the same occurring at any other time.

Sec. 12. HEIRS AND SUCCESSORS-IN-INTEREST - Each obliga this lease shall extend to and be binding upon, and every benefit shall inure to, the heirs, executors, administrators, success assigns of the respective parties hereto.

Sec. 13. INDEMNIFICATION - Lessee shall indemnify and hold ha the United States from any and all claims arising out of the activities and operations under this lease.

Sec. 14. SPECIAL STATUTES - This lease is subject to the Federa Pollution Control Act (33 U.S.C. 1151—1175), the Clean Air U.S.C. 1857 et. seq.), and to all other applicable laws pertai exploration activities, mining operations and reclamation, in the Surface Mining Control and Reclamation Act of 1977 (30 1201 et. seq.).

Sec. 15. SPECIAL STIPULATIONS -

See Attached Stipulations

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

201

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

COUNTY OF EMERY SS
FILED AND RECORDED FOR
'91 JUL 15 PM 4 07
IN BOOK 188
PAGE 201-205
COUNTY RECORDER

ASSIGNMENT OF FEDERAL COAL LEASE

Serial Number:
U-54762 (Crandall Canyon)

THIS ASSIGNMENT is made by and between GENWAL COAL CO., INC., previously known as Gent Flying Enterprises, Inc., a Virginia corporation with its principal offices at 195 North 100 West, P.O. Box 1201, Huntington, Utah 84528 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107, and NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada Corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 (the "Assignees").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain United States of America coal lease bearing the serial number U-54762, as presently modified and/or amended (the "Coal Lease"), covering and affecting the following

PTS 6081-RO

described tracts of land located in Emery County, State of Utah, to wit:

Coal Lease Serial Number U-54762 (Crandall Canyon):

Township 15 South, Range 7 East, Salt Lake Base and Meridian:

- Section 31: SE ¼ SE ¼;
- Section 32: S ½ SW ¼, SW ¼ SE ¼; and

Township 16 South, Range 7 East, Salt Lake Base and Meridian:

- Section 5: Lots 2, 3 and 8.

Containing 256.49 acres, more or less.

WHEREAS Assignor desires to assign to Assignees, and Assignees desire to acquire from Assignor, the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignees hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignees, their successors and assigns forever, EACH AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANTS IN COMMON in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the

Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.

2. Assignees hereby accept the assignment of the Coal Lease and agree hereafter to pay, keep and perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the Bureau of Land Management of the Department of the Interior of the United States.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignees.

The officers of Assignor and Assignees who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignees have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
GENWAL COAL CO., INC.

by: _____
Charlie F. Vaughn,
President

Agreed to and accepted by Assignees:

"Assignees"
INTERMOUNTAIN POWER AGENCY

by: _____
Reed T. Searle,
General Manager

NEVADA ELECTRIC INVESTMENT COMPANY

by: _____
Charlie F. Vaughn,
President

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Genwal Coal Co., Inc., a Virginia corporation.

_____
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

BLM Lease Assignm
Feb. 10, 1988

3453
SL-0
SL-0
(U-9

SEP 2 1 1990

DECISION

Assignors:

Venna May Sanders
Deon J. Sanders
Alice Maurine Beck
Robert DeReese Sanders
John Frank Sanders, Jr.
Dorthea Elinora Garlick
P. O. Box 54
Fairview, UT 84026

Assignee:

Gent Flying Enterprises
P. O. Box 330
Honaker, VA 24260

Coal
SL-050655, SL-062648

Change in Name of Lessee Recognized
Assignments Approved

A copy of the Order Approving First and Final Account and Widow's Allowance and for Decree of Final Distribution and Discharge in the matter of the John Frank Sanders Estate was filed in this office on April 24, 1980. As set forth in the decree, the estate was distributed as follows:

Venna May Sanders (Undivided 33-1/3%)
Deon J. Sanders (Undivided 13-1/3%)
Alice Maurine Beck (Undivided 13-1/3%)
Robert DeReese Sanders (Undivided 13-1/3%)
John Frank Sanders, Jr. (Undivided 13-1/3%)
Dorthea Elenora Garlick (Undivided 13-1/3%)

Satisfactory evidence of the qualifications and holdings of the heirs has been filed. Accordingly, the records of this office have been noted to show the above-named individuals as the lessees of record under coal leases Salt Lake 050655 and Salt Lake 062648.

On April 24, 1980, assignments of coal leases Salt Lake 050655 and Salt Lake 062648 were also filed in this office. The assignments were entered into on March 4, 1980 between the heirs of the John F. Sanders Estate, as assignors, and Gent Flying Enterprises, Inc., as assignee.

Satisfactory evidence of the qualifications and holdings of Gent Flying Enterprises, Inc. has been filed, and the lease accounts are in good standing. The assignments appear to meet the requirements of the regulations and are hereby approved effective October 1, 1980. Approval of the assignments does not constitute approval of any of the terms therein which may be in violation of the lease terms.

As required by the regulations in 43 CFR 3472.2(a), a lease bond (No. S838790) in the amount of $5,000 for coal lease Salt Lake 050655, and a lease bond (No. S838789) in the amount of $5,000 for coal lease Salt Lake 062648, with Gent Flying Enterprises as principal and Northwestern National Insurance Company as surety, have been filed in this office. The bonds are satisfactory and are accepted effective September 18, 1980.

/s/ E. Pollick

Chief, Minerals Section

cc: Area Mining Supervisor, Geological Survey
Gent Flying Enterprises, Inc., Box 38, Orangeville, UT 84737
Northwestern National Insurance Company, 525 E. 4500 S., Salt Lake City, U
Pruitt & Gushee, Attn: Tom Nelson, Suite 875 Beneficial Life Tower, Salt L
City, UT 84111

Utah State Office
University Club Building
136 East South Temple
Salt Lake City, Utah

3400
SL-0
SL-0
(U-9

MAR 1 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

SB/PR Rec'd APR 2 0

Genwal Coal Company
P. O. Box 1201
Huntington, Utah 84528

DECISION

Coal
SL-062648 and
SL-050655

Lease Modified
Lease Relinquishment Accepted

An application for modification of coal lease Salt Lake 062648 was received in this office on November 3, 1980. The requirements of the regulations have been met. Therefore, coal lease Salt Lake 062648 is hereby modified on March 1, 1984 to include lot 4 Sec. 5 and lot 1 Sec. 6, T. 16 S., R. 7 E., SLM, Utah totaling 75.23 acres.

A rider to the existing $5,000 lease bond No. SB39729 was filed on January 9, 198 The rider consents to the coverage of the additional modified lands by the existi coal lease bond. The rider has been examined, found to be satisfactory, and is hereby accepted effective the date of filing.

Finally a relinquishment of coal lease Salt Lake 050655, filed on January 9, 1984 is hereby accepted effective March 1, 1984, the date of approval of the modificat

Chief, Minerals
Adjudication Section

cc: Branch of Solid Minerals
Moab District
Royalty Management MMS, Denver

AFILMS Data Entry: 9/11/84
SL-050655 → 655 = 19840301
SL-062648 : 2154 = 19840301
2155 = 75.23
250 = 155.23
2156 = 3.
2157 =

GENWAL COAL COMPANY
P.O. BOX 1201
HUNTINGTON, UTAH 84523
(801)687-9813

December 22, 1983

United States Department of the Interior
Bureau Of Land Management
Utah State Office
136 E. South Temple
Salt Lake City, Utah 84111

Re: Western Federal Coal Lease Form

This is to certify that Genwal Coal Company, Inc. request that Lease #SL-050655 (conatining 80 acres) located in Huntington Canyon near Electric Lake be relinquished in exchange for 75.23 acres in Crandall Canyon off Huntington Canyon adjoining Lease #SL-062648. A property that Genwal Coal Company, Inc., Crandall Canyon Mine #1 is in the process of Developeing.

Sincerely,

Charles H. Gent, JR.

CHS/cs

Relinquishment accepted eff. MAR 1 1984
THE UNITED STATES OF AMERICA
By [illegible] MAR 1 1984
Chief, Minerals Section
Utah State Office, Bur. Land Mgmt.

UTAH STATE OFFICE
1984 JAN -9 PM 12:34
DEPT OF INTERIOR
BUR. OF LAND MGMT.

MAR 5 - 1984

Feb. 10, 1988

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial Numbe

SL-062648

MODIFIED COAL LEASE

This lease, is entered into on MAR 1 1984, by the United States of Amer lessor, through the Bureau of Land Management, and

Gent Flying Enterprises, Inc.
P. O. Box 38
Orangeville, Utah 84537

shall become effective on , (effective date), , the lessee

Sec. 1. STATUTES AND REGULATIONS--This lease is issued pursuant and subject to t terms and provisions of the Mineral Leasing Act of February 25, 1920, 41 Stat. 437 amended, 30 U.S.C. Sections 181-263, hereafter referred to as the Act; and of the Mining Control and Reclamation Act of 1977, 30 U.S.C. Section 1201, et seq., the F Coal Leasing Amendments Act of 1976, as amended, 90 Stat. 1083-1092, and, in the c acquired lands, the Mineral Leasing Act for Acquired Lands of September 7, 1947, a amended, 30 U.S.C. 351-359, et seq. This lease is also subject to all regulations Secretary of the Interior (including but not limited to, 30 CFR Part 211 and Chapt and 43 CFR Group 3400), and to all regulations which are now in force or (except a expressly limited herein) hereafter in force, and all of such regulations are made hereof.

WITNESSETH:

Sec. 2. RIGHTS OF LESSEE--The lessor, in consideration of any bonus paid (or to if deferred), rents and royalties and other conditions hereinafter set forth, here grants and leases to the lessee the exclusive right and privilege to mine and disp all coal in

Tract 1

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, SW¼NW¼;
Sec. 6, SE¼NE¼.

Containing 80.00 acres

Tract 2

T. 16 S., R. 7 E., SLM, Utah
Sec. 5, lot 4;
Sec. 6, lot 1.

Containing 75.23 acres

MAR 5 - 1981

containing 155.23 acres, more or less, and subject to the conditions, limita and prohibitions provided in this lease and in applicable acts and regulations, the to construct all works, buildings, structures, equipment, and appliances which may necessary and convenient for the mining and preparation of the coal for market, and subject to the conditions herein provided, to use so much of the surface as may rea ably be required in the exercise of the rights and privileges herein granted for a of 20 years and so long thereafter as the condition of continued operation is met.

Sec. 13. SPECIAL STATUTES--The lessee shall comply with the provisions of the Fec Water Pollution Control Act, 33 U.S.C. 1151-1175, and the Clean Air Act, 42 U.S.C. 7401, et seq.

Sec. 14. AUTHORIZATION OF OTHER USES AND DISPOSITION OF LEASED LANDS--(a) The les reserves the right to authorize other uses of the leased lands by regulation or by issuing, in addition to this lease, leases, licenses, permits, easements, or right of-way, including leases for the development of minerals other than coal under the The lessor may authorize any other uses of the leased lands that do not unreasonab interfere with the exploration and mining operations of the lessee, and the lessee shall make all reasonable efforts to avoid interference with such authorized uses.

(b) The lessor reserves the right: (i) to sell or otherwise dispose of the sur of the leased lands under existing law or laws hereafter enacted insofar as said su is not necessary for the use of the lessee in the extraction and removal of the coa therein, or (ii) to dispose of any resource in such lands if such disposal will not unreasonably interfere with the exploration and mining operations of the lessee.

(c) If the leased lands have been or shall hereafter be disposed of under laws reserving to the United States the deposits of coal therein, the lessee shall compl with all conditions as are or may hereafter be provided by the laws and regulations reserving such coal.

Sec. 15. EQUAL OPPORTUNITY CLAUSE--The lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and the rules, regulat and relevant orders of the Secretary of Labor.

Sec. 16. CERTIFICATION OF NONSEGREGATED FACILITIES--By entering into this lease, t lessee certifies that he does not and will not maintain or provide for his employee any segregated facilities at any of his establishments, and that he does not and wi not permit his employees to perform their services at any location under his contro where segregated facilities are maintained. The lessee agrees that a breach of thi certification is a violation of the Equal Opportunity clause of this lease. As use in this certification, the term "segregated facilities" means, but is not limited t any waiting rooms, work areas, restrooms and washrooms, restaurants and other eatin areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, becau of habit, local custom, or otherwise. Lessee further agrees that (except where les has obtained identical certifications from proposed contractors and subcontractors i specific time periods) lessee will obtain identical certifications from proposed cor tractors and subcontractors prior to award of contracts or subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that lessee will retain such certifications in lessee's files; and that lessee will forward the following notice to such proposed contractors and subcontractors (except where proposed contractor or subcontractor has submitted identical certifications fo specific time periods). Notice to prospective contractors and subcontractors of requirement for certification of nonsegregated facilities. A Certification of Non-segregated Facilities, as required by the May 9, 1967 order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be sub mitted prior to the award of a contract exceeding $10,000 which is not exempt from th provisions of the Equal Opportunity clause. Certification may be submitted either fo each contract and subcontract or for all contracts and subcontracts during a period (i.e., quarterly, semiannually, or annually).

Sec. 17. EMPLOYMENT PRACTICES--The lessee shall pay all wages due persons employed on the leased lands at least twice each month in lawful money of the United States. The lessee shall grant all miners and other employees complete freedom to purchase goods and service of their own choice. The lessee shall restrict the workday to not more than 8 hours in any one day for underground workers, except in case of emergency The lessee shall employ no person under the age of 16 years in any mine below the sur face. If the laws of the State in which the mine is situated prohibit the employment in a mine below the surface, of persons of an age greater than 16 years, the lessee shall comply with those laws.

Sec. 18. MONOPOLY AND FAIR PRACTICES--The lessor reserves full authority to promulgat and enforce orders and regulations under the provisions of Sections 30 and 32 of the

Sec. 19. TRANSFERS--

☐ This lease may be transferred in whole or in part to any person, association or corporation qualified under 43 CFR 3472.1-1 to hold a lease.

☐ This lease may only be transferred in whole or in part to another public body, or to a person who will mine the coal on behalf of and for the use of the public body, or to a person for the limited purpose of creating a security interest in favor of a lender who agrees to be obligated to mine the coal on behalf of the public body. The transferee must be qualified under 43 CFR 3472.

☐ This lease may only be transferred in whole or in part to other small businesses qualifying under 13 CFR 121 and 43 CFR 3472.2-2(c).

Any transfer of this lease in whole or in part is subject to the procedures and requi ments for approval in the relevant regulations in 43 CFR 3400. A transfer will becom effective on the first day of the month following its approval by the authorized offi or, if the transferee requests, the first day of the month of the approval.

Sec. 20. RELINQUISHMENT OF LEASE--The lessee may file a relinquishment of the entire lease, a legal subdivision or aliquot part thereof, but not less than 10 acres, or an bed of the coal deposits therein. The relinquishment shall be filed in triplicate wi the authorized officer. Upon the determination by the authorized officer that the pu interest shall not be impaired, that all accrued rentals and royalties have been paid that all of the obligations of the lessee under the regulations and the lease terms h been met, the relinquishment shall be accepted effective the date filed.

Sec. 21. NONCOMPLIANCE--Any failure to comply with the conditions of this lease, the approved exploration and mining and reclamation plans, the regulations, or applicable acts, shall be dealt with in accordance with the procedures set forth in the regulati

Sec. 22. WAIVER OF CONDITIONS--The lessor reserves the right to waive any breach of conditions contained in this lease, except the breach of such conditions as are requi by the Act, but any such waiver shall extend only to the particular breach so waived shall not limit the rights of the lessor with respect to any future breach; nor shall waiver of a particular breach prevent cancellation of this lease for any other cause, for the same cause occurring at another time.

Sec. 23. READJUSTMENT OF TERMS AND CONDITIONS--(a) The lease is subject to readjustme on the 20th year after the effective date and on each 10th year thereafter. In order that the lease may be readjusted as close as possible to the dates when it becomes sub to readjustment, the lessor may propose the terms of readjustment of any conditions of this lease, including rental and royalty rates, before the 20th year after the effecti date and before each 10-year interval thereafter. The authorized officer shall notify lessee whether he intends to readjust the terms and conditions of the lease and, if he intends to readjust, the nature of the readjustments in accordance with the regulations in 43 CFR 3451. Unless the lessee, within 60 days after receipt of the proposed readjusted terms, files with the lessor an objection to the proposed readjusted conditions or relinquishes the lease as of the effective date of the readjustment, the lessee shal be deemed conclusively to have agreed to such conditions.

(b) If the lessee files objections to the proposed readjusted conditions, the existi conditions shall remain in effect until there has been an agreement between the lessor and the lessee on the new conditions to be incorporated in the lease, or until the less has exhausted his rights of appeal under Section 31 of this lease, or until the lease i relinquished, except that the authorized officer may provide in the notice of readjuste lease terms that the readjustment or any part thereof is effective pending the outcome of the appeal. If the readjusted royalty provisions are subsequently rescinded or amended, the lessee shall be permitted to credit any excess royalty payments against royalties subsequently due to the lessor.

Sec. 24. DELIVERY OF PREMISES--Upon termination of this lease for any reason, or relinquishment of a part of this lease, the lessee shall deliver to the lessor in good order and condition all or the appropriate part of leased lands. Delivery of the leased land shall include underground timbering and such other supports and structures as are neces-

Sec. 25. PROPRIETARY INFORMATION--Geological and geophysical data and information, including maps, trade secrets, and commercial and financial information which the les obtains from the lessee shall be treated in accordance with 43 CFR Part 2, 30 CFR 211 and other applicable regulations. Total lease reserve figures developed from this in mation will not be confidential.

Sec. 26. LESSEE'S LIABILITY TO LESSOR--(a) The lessee shall be liable to the United States for any damage suffered by the United States in any way arising from or con nected with the lessee's activities and operations under this lease, except where damage is caused by employees of the United States acting within the scope of their authority.

(b) The lessee shall indemnify and hold harmless the United States from any and all claims arising from or connected with the lessee's activities and operations under thi lease.

(c) In any case where liability without fault is imposed on the lessee pursuant to this section, and the damages involved were caused by the action of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damages occurred.

Sec. 27. INSPECTIONS AND INVESTIGATIONS--(a) All books and records maintained by the lessee showing information required by this lease or regulations must be kept current and in such manner that the books and records can be readily checked at the mine, upon request, by the Regional Director or District Mining Supervisor or their representative

(b) The lessee shall permit any duly authorized officer or representative of the lessor at any reasonable time (1) to inspect or investigate the leased lands, the exploration and mining and reclamation operations, and all surface and underground improvements, works, machinery, and equipment, and all books and records pertaining to the lessee's obligations to the lessor under this lease and regulations and (2) to copy and make extracts from any such books and records.

Sec. 28. UNLAWFUL INTEREST--No member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, either before or after he has qualified and during his continuance in office, and no officer, or employee of the Departmen of the Interior, except as provided in 43 CFR 7.4(a)(3), shall hold any share or part i this lease or derive any benefit therefrom. The provisions of Section 3741 of the Revised Statutes, as amended, 41 U.S.C. Section 22, and the Act of June 25, 1948, 62 Stat. 702, as amended, 18 U.S.C. Sections 431-433, relating to contracts, enter into and form a part of this lease insofar as they may be applicable.

Sec. 29. APPEALS--The lessee shall have the right to appeal (a) under 43 CFR 3000.4 from an action or decision of any official of the Bureau of Land Management (b) under 30 CFR Part 290 from an action, order, or decision of any official of the United States Geological Survey, or (c) under applicable regulation from any action or decision of any other official of the Department of the Interior arising in connection with this lease, including any action or decision pursuant to Section 23 of this lease with respect to the readjustment of conditions.

Sec. 30. DEFERRED BONUS--This lease is issued subject to the payment of $ by the lessee as a deferred bonus. Payment of the deferred bonus by the lessee shall be made on a schedule specified in Section 31 (Special Stipulations) of this lease.

Sec. 31. SPECIAL STIPULATIONS--

The District Manager BLM shall mean the authorized representative of the Bureau of Land Management, the Regional Director shall mean the authorized representative of the Office of Surface Mining. The Authorized Officer of the Surface Management Agency shall mean the Forest Supervisor, Forest Service.

1. The Lessee will be responsible to comply with applicable Federal, State, and local laws and regulations.

2. The coal contained within the lease area and authorized for mining under this lease shall be extracted only by underground mining methods.

3. All support facilities, structures, equipment, and similar developments will be removed from the lease area within

4. (a) Before undertaking any activities that may disturb the surface of the leased lands, the Lessee may be required to conduct a cultural resource intensive field inventory in a manner specified by the Regional Director and the Authorized Officer of the surface managing agency on portions of the mine plan area and adjacent areas, or exploration plan area, that may be adversely affected by lease-related activities and which were not previously inventoried at such a level of intensity. The inventory shall be conducted by a qualified professional cultural resource specialist (i.e., archaeologist, historian, or historical architect, as appropriate), approved by the Authorized Officer of the surface managing agency and a report of the inventory and recommendations for protecting any cultural resources identified shall be submitted to the Regional Director (or the District Manager BLM if activities are associated with coal exploration outside an approved mining-permit area) and the Authorized Officer of the surface managing agency. The Lessee shall undertake measures, in accordance with instructions from the Regional Director (or the District Manager BLM if activities are associated with coal exploration outside an approved mining permit area), to protect cultural resources on the leased land. The Lessee shall not commence the surface disturbing activities until permission to proceed is given by the Regional Director or the District Manager BLM as appropriate.

(b) The Lessee shall protect all cultural resource properties within the lease area from lease-related activities until the cultural resource mitigation measures can be implemented as part of an approved mining and reclamation plan or exploration plan.

(c) The cost of conducting the inventory, preparing reports, and carrying out mitigation measures shall be borne by the Lessee.

(d) If cultural resources are discovered during operations under this lease, the Lessee shall immediately bring them to the attention of the Regional Director (or the District Manager, BLM, as appropriate), and the Authorized Officer, Surface Management Agency. The Lessee shall not disturb such resources except as may be subsequently authorized by the Regional Director (or the District Manager, BLM). Within two (2) working days of notification, the Regional Director (or the District Manager BLM, as appropriate) will evaluate or have evaluated any cultural resources discovered and will determine if any action may be required to protect or preserve such discoveries.

(e) All cultural resources shall remain under the jurisdiction of the United States until ownership is determined under applicable law.

5. Before undertaking any activities that may disturb the surface of the leased lands, the Lessee shall contact the Regional Director and Authorized Officer of the Surface Management Agency to determine whether the Lessee will be required to conduct a paleontological appraisal of the mine plan and adjacent areas, or exploration plan areas, that may be adversely affected by lease-related activities. If the Regional Director and Authorized Officer, Surface Management Agency, determines that one is necessary, the paleontological appraisal shall be conducted by a qualified paleontologist approved by the Authorized Officer of the Surface Management Agency, using the published literature and, where applicable, field appraisals for determining the possible existence of fossils of scientific significance. A report of the appraisal and recommendations for protecting any fossils of significant scientific interest on the leased lands so identified shall be submitted to and approved by the Regional Director and the Authorized Officer, Surface Management Agency. When necessary to protect and/or collect the fossils of significant scientific interest on the leased lands, the Lessee shall undertake the measures provided in the approval of the mining and reclamation plan or exploration plan.

(a) The Lessee shall not knowingly disturb, alter, destroy, or take any fossils of significant scientific interest, and shall protect all such fossils in conformance with the measures included in the approval of the mining and reclamation plan or exploration plan.

(b) The Lessee shall immediately bring any such fossils that might be altered or

(c) All such fossils of significant scientific interest shall remain under th jurisdiction of the United States until ownership is determined under applicable la Copies of all paleontological resource data generated as a result of the lease term requirements will be provided to the Regional Director or the District Mining Super as appropriate.

(d) These conditions apply to all such fossils of significant scientific inter discovered within the lease area whether discovered in the over-burden, interburden, or coal seam or seams. Fossils of significant scientific interest do not include those fossils commonly encountered during underground mining operations such as ferr and dinosaur tracks. Skeletal remains shall be considered significant.

6. The Lessee shall, prior to entry upon the lease, conduct an intensive fiel inventory for threatened and endangered plant and/or animal species, bald or golden eagles, or migratory species of high Federal interest on those areas to be disturbed and/or impacted including the access routes to the lease area. The inventory shall be conducted by a qualified specialist(s) approved by the Authorized Officer, Surfac Management Agency, and a report of the inventory and recommendation for the protection of these species submitted to and approved by the Authorized Officer, Surface Management Agency, and Regional Director or District Manager BLM, as appropriate. An acceptable report of any findings shall include the specific location, distribution, and habitat requirements of the species. The Lessee shall protect these species within the lease area from any activities associated with operations conducted under the terms of the lease and shall undertake such protective measures as may be required by the Authorized Officer, Surface Management Agency, and Regional Director, or District Manager BLM, as appropriate.

7. Powerlines used in conjunction with the mining of coal from this lease shall be constructed so as to conform with the publication Suggested Practices for Raptor Protection on Powerlines, The State of the Art 1981 (Raptor Research Report No. 4, Raptor Research Foundation c/o Dept. of Veterinary Biology; University of Minnesota).

8. The Lessee shall provide for the suppression and control of fugitive dust on all haul roads, and at coal hauling, transportation, and storage facilities. The migrati of road surfacing materials shall be controlled by watering, chemical treatment, or hard surfacing. Loss of gravel courses shall be periodically replaced.

9. In order to avoid surface disturbance on steep canyon slopes and the need for surface access, all surface breakouts for ventilation tunnels shall be constructed from inside the mine, except at specific locations approved by the Regional Director with the concurrence of the Authorized Officer, Surface Management Agency and the District Manager BLM.

10. Prior to mining, the Lessee shall perform a study to secure adequate baseline data to quantify the existing surface resources on and adjacent to the lease area. The study will be established in consultation with and approved by the Authorized Officer, Surface Management Agency, the Regional Director, and the District Manager BLM, and shall be adequate to locate, quantify, and demonstrate the interrelationship of the geology, topography, surface hydrology, vegetation, and wildlife. Baseline data will be established so that future programs or observation can be incorporat at regular intervals for comparison.

11. The Lessee shall establish a monitoring system to locate, measure, and quantify the progressive and final effects of underground mining activities on the topographic surface, underground and surface hydrology, and vegetation. The monitoring system shall utilize techniques which will provide a continuing record of change over time and an analytical method for location and measurement of a sufficient number of points over the lease area. The monitoring shall be an extension of the baseline data and shall be conducted by a method approved by the Regional Director in consultation with and concurrence by the Authorized Officer, Surface Management Agency and District

The Regional Director in consultation with and concurrence of the District Manager BL and Authorized Officer, Surface Management Agency, shall approve such measures and ma prescribe any additional measures to be employed such as mining methods, specify the amount of coal recovered, and determine any corrective measures considered necessary to assure that escarpment failure does not occur except at specifically approved locations, or that hazardous conditions are not created.

13. Existing surface improvements required for the surface uses of the lease area will need to be protected or maintained to provide for the post-mining continuance of the current land uses. Existing surface improvements whose utility may be lost or damaged as result of mining activities are to be replaced or restored.

14. The Lessee shall reclaim all areas disturbed as a result of mining and exploratio operations to a land use capable of supporting the pre-mining levels of livestock grazing, big game winter range, and other wildlife habitat.

15. At the conclusion of the mining operation, or at the request of the Authorized Officer of the Surface Managing Agency, all damaged, disturbed, or displaced land monuments, accessories, and appendages shall be replaced or restored in their original location (or at other locations that meet the needs of the land net, and as approved by the Authorized Officer of the Surface Managing Agency) and shall be done at the expense of the Lessee.

THE UNITED STATES OF AMERICA

By _____
(Signing Officer)

CHIEF, MINERALS SECTION
(Title)

MAR 1 1984
(Date)

WITNESS TO SIGNATURE OF LESSEE

_____

_____

_____

_____
(Signature of Lessee)

_____
(Signature of Lessee)

_____

Readjustment of Lease
Feb. 10, 1988

3451
SL-062648
(U-942)

JAN 17 1984

SR/PR Rec'd JAN 23 1984

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

DECISION

REC'D. MCO JA

Genwal Coal Company P. O. Box 1201 Huntington, Utah 84523	:	Coal SL-062648

Lease Readjusted Effective October 1, 1983

On July 14, 1983, Gent Flying Enterprises, Inc., later amended to Genwal Coal Company, was sent a Notice of Proposed Readjustment of Lease in connection with coal lease SL-062648. No objections to the terms as stated were filed within the 60-day period allowed. Therefore, coal lease SL-062648 is readjusted effective October 1, 1983, as stipulated in the decision and Coal Lease Readjustment.

The new rental rate goes into effect on January 3, 1984. The new royalty rate will be effective simultaneously with the effective date of this readjustment.

The $5,000 lease bond recommended for compliance with all the terms and conditions of the lease is currently on file. Therefore, further bonding is not required.

/s/ William D. Zaring

ACTING Chief, Minerals
Adjudication Section

cc: Chief, Branch of Solid Minerals
District Manager, Moab
Royalty Management, MMS, Solid Minerals Unit

18

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

296

STATE OF UTAH
COUNTY OF EMERY S.S.
FILED AND RECORDED FOR
'91 JUL 15 PM 4 09
IN BOOK 188
PAGE 206-210
COUNTY RECORDER

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

ASSIGNMENT OF FEDERAL COAL LEASE

Serial Number:
SL-062648 (Crandall Canyon)

THIS ASSIGNMENT is made by and between GENWAL COAL CO., INC., previously known as Gent Flying Enterprises, Inc., a Virginia corporation with its principal offices at 195 North 100 West, P.O. Box 1201, Huntington, Utah 84528 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107, and NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada Corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 (the "Assignees").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain United States of America coal lease bearing the serial number SL-062648, as presently modified and/or amended (the "Coal Lease"), covering and affecting the following

PTS 6681-RO

lescribed tracts of land located in Emery County, State of Utah, to wit:

Replacement page. to be re-recorded

Coal Lease Serial Number SL-062648 (Crandal

Tract 1:
Township 16 South, Range 7 East, Salt Lake Meridian:

Section 5: SW ¼ NW ¼; = Lot 6
Section 6: SE ¼ NE ¼;

Tract 2:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lot 5;
Section 6: Lot 1.

Containing 161.17 acres, more or less; and

WHEREAS Assignor desires to assign to Assignees, and Assignees desire to acquire from Assignor, the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignees hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignees, their successors and assigns forever, EACH AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS

TENANTS IN COMMON in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.

2. Assignees hereby accept the assignment of the Coal Lease and agree hereafter to pay, keep and perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the Bureau of Land Management of the Department of the Interior of the United States.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignees.

The officers of Assignor and Assignees who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignees have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
GENWAL COAL CO., INC.

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignees:

"Assignees"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Genwal Coal Co., Inc., a Virginia corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
324 South State, Suite 301
Salt Lake City, Utah 84111-2303

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:

3425
UTU-68082
(UT-942)

MAR 2 1994

CERTIFIED MAIL--Return Receipt Requested

DECISION

Novada Electric Investment Company 2835 South Jones Blvd. Las Vegas, NV 89102	:	Coal Lease UTU-68082
Intermountain Power Agency 480 East 6400 South, Suite 200 Murray, UT 84107	:	

Lease Issued

Pursuant to the Lease By Application Coal Sale held December 29, 1993, the bid of Nevada Electric Investment Company (50%) and Intermountain Power Agency (50%) for the Crandall Canyon Tract, assigned Serial No. UTU-68082, was determined the acceptable high bid. Satisfactory evidence of the qualifications and holdings of Nevada Electric Investment Company and Intermountain Power Agency have been filed; therefore, coal lease UTU-68082 is hereby issued effective March 1, 1994, as requested by the lessees.

Linda K. Sorenson
ACTING Chief, Minerals
Adjudication Section

Enclosure
Coal Lease UTU-68082

Post-it™ brand fax transmittal memo 7671 | # of pages ▸ 7

To Larry	From Denise
Co.	Co.
Dept.	Phone #
Fax #	Fax #

Form 3400-12
(April 1986)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COAL LEASE

Serial Number

UTU-68082

PART I. LEASE RIGHTS GRANTED

This lease, entered into by and between the UNITED STATES OF AMERICA, hereinafter called lessor, through the Bureau of Land Management, and *(Name and Address)*

Nevada Electric Investment Company (50%)
2835 South Jones Blvd.
Las Vegas, NV 89102

Intermountain Power Agency (50%)
~~c/o Los Angeles Department of Water and Power, Room 1107,~~
~~P.O. Box 111~~ 480 EAST 6400 SO., SUITE 200
~~Los Angeles, CA 90051~~ MURRAY, UTAH 84107

hereinafter called lessee, is effective *(date)* MAR 1 1994 for a period of 20 years and for so long thereafter as coal is produced in commercial quantities from the leased lands, subject to readjustment of lease terms at the end of the 20th lease year and each 10-year period thereafter.

Sec. 1. This lease is issued pursuant and subject to the terms and provisions of the:

☐ Mineral Lands Leasing Act of 1920, Act of February 25, 1920, as amended, 41 Stat. 437, 30 U.S.C. 181-287, hereinafter referred to as the Act.

☐ Mineral Leasing Act for Acquired Lands, Act of August 7, 1947, 61 Stat. 913, 30 U.S.C. 351-359;

and to the regulations and formal orders of the Secretary of the Interior which are now or hereafter in force, when not inconsistent with the express and specific provisions herein.

Sec. 2. Lessor, in consideration of any bonuses, rents, and royalties to be paid, and the conditions and covenants to be observed as herein set forth, hereby grants and leases to lessee the exclusive right and privilege to drill for, mine, extract, remove, or otherwise process and dispose of the coal deposits in, upon, or under the following described lands:

T. 15 S., R. 6 E., SLM, Utah
Sec. 25, S2;
Sec. 26, S2;
Sec. 35, all.
T. 15 S., R. 7 E., SLM, Utah
Sec. 30, lots 7-12, SE;
Sec. 31, lots 1-12, NE, N2SE, SWSE
T. 16 S., R. 6 E., SLM, Utah
Sec. 1, lots 1-12, SW.
T. 16 S., R. 7 E., SLM, Utah
Sec. 6, lots 2-4, SWNE

UTAH STATE OFFICE
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BUREAU OF LAND MGMT

containing 2,979.49 acres, more or less, together with the right to construct such works, buildings, plants, structures, equipment and appliances and the right to use such on-lease rights-of-way which may be necessary and convenient in the exercise of the rights and privileges granted, subject to the conditions herein provided.

PART II. TERMS AND CONDITIONS

Sec. 1. (a) RENTAL RATE - Lessee shall pay lessor rental annually and in advance for each acre or fraction thereof during the continuance of the lease at the rate of $3.00 for each lease year.

(b) RENTAL CREDITS - Rental shall not be credited against either production or advance royalties for any year.

Sec. 2. (a) PRODUCTION ROYALTIES - The royalty shall be 12½ & 8 percent of the value of the coal as set forth in the regulations. Royalties are due to lessor the final day of the month succeeding the calendar month in which the royalty obligation accrues.

(b) ADVANCE ROYALTIES - Upon request by the lessee, the authorized officer may accept, for a total of not more than 10 years, the payment of advance royalties in lieu of continued operation, consistent with the regulations. The advance royalty shall be based on a percent of the value of a minimum number of tons determined in the manner established by the advance royalty regulations in effect at the time the lessee requests approval to pay advance royalties in lieu of continued operation.

Sec. 3. BONDS - Lessee shall maintain in the proper office a lease bond in the amount of $3,057,000.00. The authorized officer may require an increase in this amount when additional coverage is determined appropriate.

Sec. 4. DILIGENCE - This lease is subject to the conditions of diligent development and continued operation, except that these conditions are excused when operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The lessor, in the public interest, may suspend the condition of continued operation upon payment of advance royalties in accordance with the regulations in existence at the time of the suspension. Lessee's failure to produce coal in commercial quantities at the end of 10 years shall terminate the lease. Lessee shall submit an operation and reclamation plan pursuant to Section 7 of the Act not later than 3 years after lease issuance.

The lessor reserves the power to assent to or order the suspension of the terms and conditions of this lease in accordance with, inter alia, Section 39 of the Mineral Leasing Act, 30 U.S.C. 209.

Sec. 5. LOGICAL MINING UNIT (LMU) - Either upon approval by the lessor of the lessee's application or at the direction of the lessor, this lease shall become an LMU or part of an LMU, subject to the provisions set forth in the regulations.

The stipulations established in an LMU approval in effect at the time of LMU approval will supersede the relevant inconsistent terms of this lease so long as the lease remains committed to the LMU. If the LMU of which this lease is a part is dissolved, the lease shall then be subject to the lease terms which would have been applied if the lease had not been included in an LMU.

Sec. 15. SPECIAL STIPULATIONS (Cont'd.)

SEE ATTACHED STIPULATIONS

UTAH STATE OFFICE
RECEIVED
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UNITED STATES
BUR OF LAND MGMT

Nevada Electric Investment Company
Company or Lessee Name

Richard L. Hawkins
(Signature of Lessee)

Vice-President
(Title)

FEB 23 1994
(Date)

THE UNITED STATES OF AMERICA

Intermountain Power Agency
Company or Lessee Name

Reed J. Searle
(Signature of Lessee)

General Manager
(Title)

February 4, 1994
(Date)

By Bureau of Land Management

Linda K. Sorenson
(Signing Officer)

ACTING Chief, Minerals Adjudication Secti
(Title)

March 2, 1994
(Date)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States a false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

This form does not constitute an information collection as defined by 44 U.S.C. 3502 and therefore does not require OMB approval.

The Regulatory Authority shall mean the State Regulatory Authority pursuant to a cooperative agreement approved under 30 CFR Part 745 or in the absence of a cooperative agreement, Office of Surface Mining. The authorized officer shall mean the State Director, Bureau of Land Management. The authorized officer of the Surface Management Agency shall mean the Forest Supervisor, Forest Service. Surface Management Agency for private surface is the Bureau of Land Management. For adjoining private lands with Federal minerals and which primarily involve National Forest Service issues, the Forest Service will have the lead for environmental analysis and, when necessary, documentation in an environmental assessment or environmental impact statement.

2. The authorized officers, of the Bureau of Land Management, Office of Surface Mining (Regulatory Authority), and the Surface Management Agency (Forest Service) respectively, shall coordinate, as practical, regulation of mining operations and associated activities on the lease area.

3. In accordance with Sec. 523(b) of the "Surface Mining Control and Reclamation Act of 1977," surface mining and reclamation operations conducted on this lease are to conform with the requirements of this Act and are subject to compliance with Office of Surface Mining Regulations, or as applicable, a Utah program equivalent approved under cooperative agreement in accordance with Sec. 523(c). The United States Government does not warrant that the entire tract will be susceptible to mining.

4. Federal Regulations 43 CFR 3400 pertaining to Coal Management make provisions for the Surface Management Agency, the surface of which is under the jurisdiction of any Federal agency other than the Department of Interior, to consent to leasing and to prescribe conditions to insure the use and protection of the lands. All or part of this lease contain lands the surface of which are managed by the United States Department of Agriculture, Forest Service Manti-LaSal National Forest.

The following stipulations pertain to the lessee responsibility for mining operations on the lease area and on adjacent areas as may be specifically designated on National Forest System lands.

5. Before undertaking activities that may disturb the surface of previously undisturbed leased lands, the lessee may be required to conduct a cultural resource inventory and a paleontological appraisal of the areas to be disturbed. These studies shall be conducted by qualified professional cultural resource specialists or qualified paleontologists, as appropriate, and a report prepared itemizing the findings. A plan will then be submitted making recommendations for the protection of, or measures to be taken to mitigate impacts for identified cultural or paleontological resources.

If cultural resources or paleontological remains (fossils) of significant scientific interest are discovered during operations under this lease, the lessee prior to disturbance shall, immediately bring them to the attention of the appropriate authorities. Paleontological remains of significant scientific interest do not include leaves, ferns, or dinosaur tracks commonly encountered during underground mining operations.

The cost of conducting the inventory, preparing reports, and carrying out mitigating measures shall be borne by the lessee.

6. If there is reason to believe that threatened or endangered (T&E) species of plants or animals, or migratory bird species of high Federal interest occur in the area the lessee shall be required to conduct an intensive field inventory of the area to be disturbed and/or impacted. The inventory shall be conducted by a qualified specialist and a report of findings will be prepared. A plan will be prepared making recommendations for the protection of these species or action necessary to mitigate the disturbance.

e cost of conducting the inventory, preparing reports, and carrying out mitigating measures shall be borne the lessee.

7. The lessee shall be required to perform a study to secure adequate baseline data to quantify the existing surface resources on and adjacent to the lease area. Existing data may be used if such data is adequate for the intended purposes. The study shall be adequate to locate, quantify, and demonstrate the inter-relationship of the geology, topography, surface hydrology, vegetation, and wildlife. Baseline data will be established so that future programs of observation can be incorporated at regular intervals for comparison.

8. Powerlines used in conjunction with the mining of coal from this lease shall be constructed so as to provide adequate protection for raptors and other large birds. When feasible, powerlines will be located at least 100 yards from public roads.

9. The limited area available for mine facilities at the coal outcrop, steep topography, adverse winter weather, and physical limitations on the size and design of the access road, are factors which will determine the ultimate size of the surface area utilized for the mine. A site specific environmental analysis will be prepared for each new mine site development and for major modifications to existing developments to examine alternatives and mitigate conflicts.

10. Consideration will be given to site selection to reduce adverse visual impacts. Where alternative sites are available, and each alternative is technically feasible, the alternative involving the least damage to the scenery and other resources shall be selected. Permanent structures and facilities will be designed, and reening techniques employed, to reduce visual impacts, and where possible achieve a final landscape mpatible with the natural surroundings. The creation of unusual, objectionable, or unnatural land forms and vegetative landscape features will be avoided.

11. The lessee shall be required to establish a monitoring system to locate, measure, and quantify the progressive and final effects of underground mining activities on the topographic surface, underground and surface hydrology and vegetation. The monitoring system shall utilize techniques which will provide a continuing record of change over time and an analytical method for location and measurement of a number of points over the lease area. The monitoring shall incorporate and be an extension of the baseline data.

12. The lessee shall provide for the suppression and control of fugitive dust on haul roads and at coal handling and storage facilities. On Forest Development Roads (FDR), lessees may perform their share of road maintenance by a commensurate share agreement if a significant degree of traffic is generated that is not related to their activities.

13. Except at specifically approved locations, underground mining operations shall be conducted in such a manner so as to prevent surface subsidence that would: (1) cause the creation of hazardous conditions such as potential escarpment failure and landslides, (2) cause damage to existing surface structures, or (3) damage or alter the flow of perennial streams. The lessee shall provide specific measures for the protection of escarpments, and determine corrective measures to assure that hazardous conditions are not created.

14. In order to avoid surface disturbance on steep canyon slopes and to preclude the need for surface cess, all surface breakouts for ventilation tunnels shall be constructed from inside the mine, except at specifically approved locations.

15. If removal of timber is required for clearing of construction sites, etc., such timber shall be removed in accordance with the regulations of the surface management agency.

16. The coal contained within, and authorized for mining under this lease shall be extracted only by underground mining methods.

17. Existing Forest Service owned or permitted surface improvements will need to be protected, restored, or replaced to provide for the continuance of current land uses.

18. In order to protect big game wintering areas, elk calving and deer fawning areas, sagegrouse strutting areas, and other critical wildlife habitat and/or activities, specific surface uses outside the mine development area may be curtailed during specific periods of the year.

19. Support facilities, structures, equipment, and similar developments will be removed from the lease area within 2 years after the final termination of use of such facilities. This provision shall apply unless the requirement of Section 10 of the lease form is applicable. Disturbed areas and those areas previously occupied by such facilities will be stabilized and rehabilitated, drainages reestablished, and the areas returned to a premining land use.

20. The lessee at the conclusion of the mining operations, or at other times as surface disturbance related to mining may occur, will replace all damaged, disturbed, or displaced corner monuments (section corners, quarter corners, etc.) their accessories and appendages (witness trees, bearing trees, etc.), or restore them to their original condition and location, or at other locations that meet the requirements of the rectangular surveying system. This work shall be conducted at the expense of the lessee, by a professional land surveyor registered in the State of Utah and to the standards and guidelines found in the manual of surveying instruction, U.S. Department of Interior.

21. The lessee at his expense will be responsible to replace any surface water identified for protection, that may be lost or adversely affected by mining operations, with water from an alternate source in sufficient quantity and quality to maintain existing riparian habitat, fishery habitat, livestock and wildlife use, or other land uses.

22. The lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of Interior, (2) uses of all existing improvements, such as Forest Development Roads, within and outside the area licensed, permitted or leased by the Secretary of Interior, and (3) use and occupancy of the NFS not authorized by a permit/operation plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor
Manti-LaSal National Forest
599 West Price River Drive
Price, Utah 84501
Telephone No.: 801-637-2817

who is the authorized representative of the Secretary of Agriculture.

23. The lessee/operator will be required to drill horizontally ahead of the advance of development workings to the west in the vicinity of the Joes Valley Fault zone to locate any faults and determine if they contain significant amounts of water. If significant water is encountered, the operator will be required to take appropriate measures, subject to approval of the Bureau of Land Management and Forest Service, to prevent diverting this water into the mine workings.

24. Except at specifically approved locations, mining that would cause subsidence will not be permitted within a zone along the Joes Valley Fault determined by projecting a 22 degree angle-of-draw (from vertical) eastward from the surface expression of the Joes Valley Fault, down to the top of the coal seam to be mined.

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

211

STATE OF UTAH
COUNTY OF EMERY S S
FILED AND RECORDED FOR
91 JUL 15 PM 4 10
BK 211 PAGE 211-214
COUNTY RECORDER

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

ASSIGNMENT OF UTAH STATE COAL LEASE

Mineral Lease Number:
ML-21568 (East Mountain)

THIS ASSIGNMENT is made by and between NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107 ("Assignee").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain State of Utah coal lease bearing the mineral lease number ML-21568 as presently modified and/or amended (the "Coal Lease"), covering and affecting the following described tracts of land located in Emery County, State of Utah, to wit:

PTS 6081-RO

Mineral Lease Number ML-21568 (East Mountain):

Township 16 South, Range 6 East, Salt Lake Base and Meridian:

Section 2: All

Containing 997.69 acres, more or less.

WHEREAS Assignor desires to assign to Assignee, and Assignee desires to acquire from Assignor, an undivided 50% interest in the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignee, its successors and assigns forever, AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANT IN COMMON WITH ASSIGNOR in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.
2. Assignee hereby accepts the assignment of the Coal Lease and agrees hereafter, together with Assignor, to pay, keep and

perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the State Lands and Forestry Division of the Department of Natural Resources and Energy of the State of Utah.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignee.

The officers of Assignor and Assignee who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignee have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignee:

"Assignee"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company, a Nevada corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency, a political subdivision of the State of Utah.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

12-24-1

Recorded at the request of:
Ronald L. Rencher
LeBoeuf, Lamb, Leiby & MacRae
1000 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Telephone: (801) 355-6900

Mail tax notices to:
CRANDALL CANYON PROJECT
2835 South Jones Boulevard, Suite 5
Las Vegas, Nevada 89102

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STATE OF UTAH
COUNTY OF EMERY SS
FILED AND RECORDED FOR
'91 JUL 15 PM 4 12
IN BOOK 188
PAGE 215-218
COUNTY RECORDER

ASSIGNMENT OF UTAH STATE COAL LEASE

Mineral Lease Number:
ML-21569 (East Mountain)

THIS ASSIGNMENT is made by and between NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation with its principal offices at 2835 South Jones Boulevard, Suite 5, Las Vegas, Nevada 89102 ("Assignor"), and INTERMOUNTAIN POWER AGENCY, a political subdivision of the State of Utah with its principal offices at 480 East 6400 South, Suite 200, Murray, Utah 84107 ("Assignee").

RECITALS

WHEREAS Assignor is the present owner of record title to an 100% interest in a certain State of Utah coal lease bearing the mineral lease number ML-21569 as presently modified and/or amended (the "Coal Lease"), covering and affecting the following described tracts of land located in Emery County, State of Utah, to wit:

7S 6E 8'-R.O

Mineral Lease Number ML-21569 (East Mountain):

Township 15 South, Range 6 East, Salt Lake Base and Meridian:

Section 36: All

Containing 640 acres, more or less.

WHEREAS Assignor desires to assign to Assignee, and Assignee desires to acquire from Assignor, an undivided 50% interest in the Coal Lease according to the terms and conditions set forth below;

NOW THEREFORE, for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

ASSIGNMENT

1. Assignor hereby BARGAINS, SELLS, ASSIGNS, TRANSFERS, CONVEYS AND WARRANTS unto Assignee, its successors and assigns forever, AN UNDIVIDED FIFTY PERCENT (50%) INTEREST AS TENANT IN COMMON WITH ASSIGNOR in all of Assignor's right, title and interest, now owned or hereafter acquired, in and to the Coal Lease and the lands covered thereby, including all water, mineral and other rights and all improvements, fixtures and accessions appurtenant thereto.
2. Assignee hereby accepts the assignment of the Coal Lease and agrees hereafter, together with Assignor, to pay, keep and

perform all of the Assignor's covenants and obligations pursuant to the Coal Lease.

3. This Assignment is subject to and contingent upon obtaining the approval of the State Lands and Forestry Division of the Department of Natural Resources and Energy of the State of Utah.

4. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of Assignor and Assignee.

The officers of Assignor and Assignee who execute this Assignment by signing below do each for his or her own corporation or agency hereby certify that this Assignment, and the transfer of real property interests represented herein, were authorized under resolutions that were duly adopted by their respective boards of directors.

IN WITNESS WHEREOF, Assignor and Assignee have caused their names to be hereunto affixed by their duly authorized officers as of this 11th day of July, 1991.

"Assignor"
NEVADA ELECTRIC INVESTMENT COMPANY

by: Charlie F. Vaughn
Charlie F. Vaughn,
President

Agreed to and accepted by Assignee:

"Assignee"
INTERMOUNTAIN POWER AGENCY

by: Reed T. Searle
Reed T. Searle,
General Manager

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Charlie F. Vaughn, President of Nevada Electric Investment Company, a Nevada corporation.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

STATE OF Nevada)
:ss.
COUNTY OF Clark)

The foregoing instrument was acknowledged before me this 11th day of July, 1991 by Reed T. Searle, General Manager of Intermountain Power Agency, a political subdivision of the State of Utah.

Andrea Bybee
Notary Public
Residing in Las Vegas, Nevada

My Commission Expires:

March 5, 1994

NOTARY PUBLIC
STATE OF NEVADA
County of Clark
ANDREA BYBEE
My Appointment Expires March 5th, 1994

ATTACHMENT "C"

DESCRIPTION OF PERMIT AREA

1. Coal Lease Serial Number SL-062648 (Crandall Canyon):

Tract 1:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: SW 1/4 NW 1/4;
Section 6: SE 1/4 NE 1/4;

Tract 2:
Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lot 5;
Section 6: Lot 1.

Containing 161.17 acres, more or less; and

2. Coal Lease Serial Number U-54762 (Crandall Canyon):

Township 15 South, Range 7 East, Salt Lake Base and Meridian:

Section 31: SE 1/4 SE 1/4;
Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4; and

Township 16 South, Range 7 East, Salt Lake Base and Meridian:

Section 5: Lots 2, 3 and 8.

Containing 256.49 acres, more or less.

3. Mineral Lease Number ML-21568 (East Mountain):

Township 16 South, Range 6 East, Salt Lake Base and Meridian:

Section 2: All

Containing 997.69 acres, more or less.

4. Mineral Lease Number ML-21569 (East Mountain):

Township 15 South, Range 6 East, Salt Lake Base and Meridian:

Section 36: All

Containing 640 acres, more or less.

5. Special Use Permit Description:

Township 15 South, Range 7 East, SLM
Section 31: Lots 10, 11 and 12

Approximate acreage: 111.5 acres

6. Beaver Creek Description:
(ARCO Lease)

Township 16 South, Range 7 East

Section 5: All that part of the N 1/2 NW 1/4 SW 1/4 lying North of Crandall Creek.

Approximate acreage: 1.7 acres