

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. 76399

APPLICATION FOR TRANSFER OF WATER RIGHT PART 1

Name of Applicant(s) P4 Production, LLC, c/o Mine Superintendent Phone 208-547-4300Mailing address P.O. BOX 816, SODA SPRINGS, IDAHO 83276 Email _____

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No RepresentativeName of Representative Randall C. Budge, Attorney, Racine Law Office Phone 208-232-6101Mailing address P.O. Box 1391, Pocatello, Idaho 83204-1391 Email rcb@racinelaw.net

- ☐ Send all correspondence for this application to the representative and not to the applicant.
- OR ☒ Send original correspondence to the applicant and copies to the representative.
- ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.
- OR ☒ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

RECEIVED

MAR 26 2010

Department of Water Resources
Eastern Region

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

Randall C. Budge

Signature of Applicant or Authorized Representative

Randall C. Budge, Attorney
for Applicant

Print Name and Title if applicable

3-25-10

Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2. See attached Supplemental Information.**

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	27-07452	.30 cfs 16.80	Mining	3/1 to 10/1	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.30 cfs and/or 16.80 ac-ft

2. Total amount of water proposed to be transferred or changed 0.30 cubic feet per second and/or 16.80 acre-feet per annum.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed-the following chart is therefore not completed. (Proceed to #4.)
☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
 Label it **Attachment #5**.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
Yes		NW	NE		36	6S	43E	Caribou	Ground Water	

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed-the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
6S	43E	36		M	M	M	M	M		M					M	M			
6S	43E	26	M	M	M	M	M								M				
6S	43E	23											M	M					
6S	43E	22										M	M	M			M	M	
6S	43E	25									M	M		M					
6S	43E	21													M				

Total Acres (for irrigation use) _____

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**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

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**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued**

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future: See attached Supplemental Information.

- b. Who owns the property at the point(s) of diversion? State of Idaho

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: _____
Applicant is in possession of property with right to use this water right pursuant to Idaho State Lease No. I-7958, copy attached.

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?
If yes, ☐ Attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: N/A

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer: N/A

- e. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use: Water Right No. 27-07121

- f. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- | | | |
|--------------------------|-------------------------------------|---|
| ☐ | ☒ | undergone a period of five or more consecutive years of non-use, |
| ☐ | ☒ | currently leased to the Water Supply Bank, |
| ☐ | ☒ | currently used in a mitigation plan limiting the use of water under the right, or |
| ☐ | ☒ | currently enrolled in a Federal set-aside program limiting the use of water under the rights? |

If yes, describe: _____

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APPLICATION FOR TRANSFER OF WATER RIGHT

PART 2

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Insert Part 2A reports into the application following Part 1.

☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the **Part 2B** form can be obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/>, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

[illegible][illegible]

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**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

Transfer No. 76399

**MINIMUM REQUIREMENTS CHECKLIST
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER**

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at <http://www.idwr.idaho.gov/>.

Check whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.

Yes N/A

* Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application. Part 2B forms are available on the Department's website at: http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/PDFs_09/WaterRight_TransferApp_Part2B.pdf.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-9.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☐ ☒ #2a Water Right ownership documentation if Dept. records do not show the transfer applicant as the current water right owner.
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s).
- ☐ ☒ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☒ ☐ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/wrt_default.htm.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☐ ☒ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.)
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Other. Please describe: _____

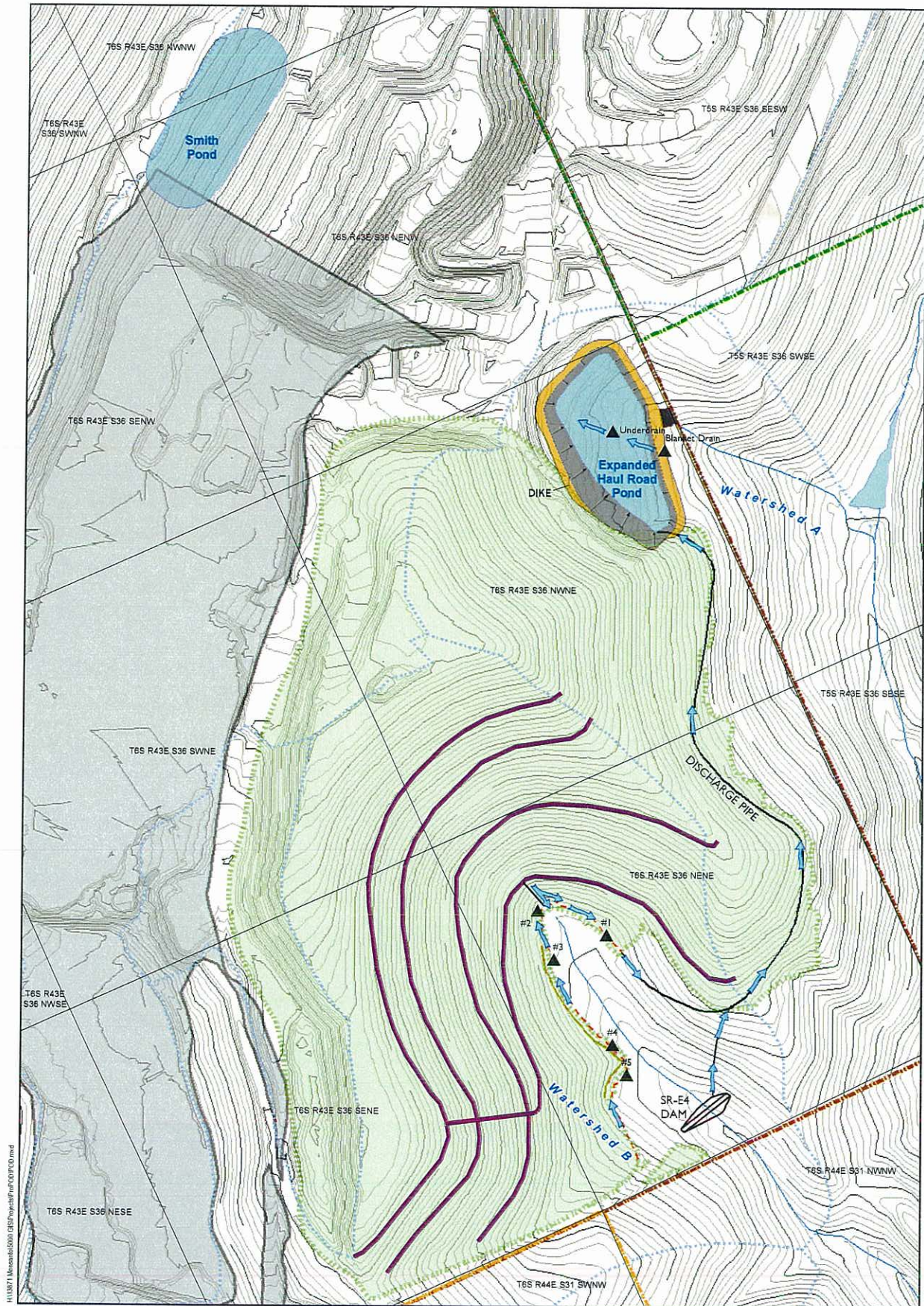
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MAR 25 2010

Department of Water Resources
Eastern Region

76399

Attachments



\\10371\mssand\5001\GIS\Project\SR-E4\POPPED.mxd

0 Feet 300
 AMEC Geomatrix

Water flow direction
 in system

Point of Diversion

Horseshoe Overburden Area

Existing Toe Drain

Groundwater Interception Trench and Sumps

Agrilum - ID-0437

P4 - ML#7958

P4 ID-23658

Active Pit

Runoff Collection System

Proposed Points of Diversion
 South Rasmussen Mine
 Caribou County, Idaho
 ATTACHMENT 7A

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STATE OF IDAHO
DEPARTMENT OF LANDS
Boise, Idaho
MINERAL LEASE - PHOSPHATE

Lease No. 7958

THIS INDENTURE made this 1st day of March, 2008, by and between the STATE OF IDAHO, acting by and through the State Board of Land Commissioners, hereinafter called the Lessor, and P4 Productions LLC, hereinafter called the LESSEE, whose mailing address is PO Box 816, Soda Springs ID 83276, under and pursuant to Idaho Code title 47, chapter 7, as amended.

This lease will terminate the 28th day of February 2018.

WITNESS: That for and in consideration of the rents and royalties to be paid and the conditions and covenants to be observed by the Lessee, as hereinafter set forth, the Lessor does hereby lease and demise unto the Lessee exclusive right and privilege to mine and dispose of all phosphate and phosphate rock and associated and related minerals (hereinafter referred to as "leased deposits") in, upon or under the following described tracts (hereinafter referred to as "leased land") situated in the County of Caribou, State of Idaho, to-wit:
Section: 36, All, Township 6 South, Range 43 East, B. M., containing 640 acres more or less, Public School lands.

COUNTERSIGNED

STATE BOARD OF LAND COMMISSIONERS

Benny Yursa
Secretary of the State of Idaho
George B. Bacon
Director, Department of Lands
Butch Otter
Governor of the State of Idaho and
President of the State Board of Land Commissioners
Bruce E. Palante

State of Idaho)
County of Ada)

On this 26 day of Feb, 2008, before me, a Notary Public in and for said state, personally appeared C. L. "BUTCH" OTTER, known to me to be the Governor of the State of Idaho and President of the State Board of Land Commissioners, and BEN YURSA, known to me to be the Secretary of State of the State of Idaho and GEORGE B. BACON, known to me to be the Director of the Department of Lands of the State of Idaho, that executed the said instrument and acknowledged to me that such State Board of Land Commissioners and State of Idaho executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last written above.

Peggy Hamilton
Notary Public
Residing at: Boise ID
My Bond Expires: 08/30/2013

STATE OF Idaho)
COUNTY OF Caribou) ss

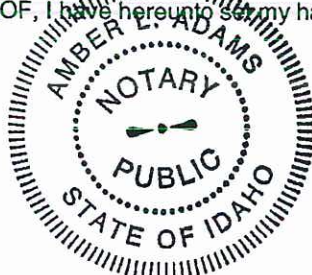
On this 20 day of February, 2008, before me, a notary public in and for said state, personally appeared Bruce E. Palante, known to me to be the person

(INDIVIDUAL - Strike out if not applicable)
whose name is subscribed to the said instrument, and acknowledged to me that he executed the same.

(PARTNERSHIP - Strike out if not applicable)
one of the partners in the partnership of P4 Productions LLC, and acknowledged to me that he executed the same in said partnership name.

(CORPORATION - Strike out if not applicable)
of the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Amber L. Adams
Notary Public
Residing at: 1853 Hwy 31 Soda Springs, ID
My Bond Expires: 4/7/11 83276

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Section 1. Right of Use and Occupancy/Renewal: The lessee shall have the right to occupy and use so much of the surface of the leased land as may be required for all purposes reasonably incident to the mining and removal of such deposits there from, including the right to construct and maintain thereon all works, buildings, plants, waterways, roads, communication lines, reservoirs, tanks, or other structures necessary to the full enjoyment thereon for the purpose of the lease for a term of ten (10) years from the date of this lease, with preferential right in the Lessee to renew this lease at the end of said ten (10) year term and in accord with section 47-704, Idaho Code, and thereafter at the end of each renewal term during the continuation of this lease, and upon such readjustment of the terms and conditions of this lease as Lessor may determine to be necessary in the interest of the Lessor, unless otherwise provided by law at the time of expiration of said initial ten (10) year term or any subsequent renewal term of this lease.

Section 2. RENTAL: To pay the Lessor a minimum annual rental of one hundred sixty dollars (\$160.00) for any area up to 160 acres, and one dollar (\$1.00) thereafter for each additional acre up to a maximum of one section or 640 acres. The annual rental shall be due and payable in advance each year on March 1, with the annual rental being SIX HUNDRED AND FORTY dollars (\$640.00). The rental paid for any rental year shall be credited against production royalties on the leased deposits as they accrue under this lease during the rental year for which the rental has been paid.

Section 3. ROYALTIES:

(a) PRODUCTION ROYALTIES - Lessee shall pay Lessor a production royalty of five percent (5%) of the value of the phosphate at the mine, but not less than twenty-five cents (\$0.25) per short ton, whichever is greater. Such production royalty is due the last day of the month following the month in which the minerals are sold or removed from the area of the surface mining operation encompassing these leased lands. It is expressly understood that the Lessor may establish a reasonable value for the purpose of computing royalty on any of the leased deposits, due consideration being given to the prices paid for the production (in whole or in part) of like quality products from the same general area, the price received by the Lessee, and posted prices, with preference being given to the Department of the Interior value as established in accordance with 46 Federal Register 9210 (January 28, 1981) or subsequent amendments.

(b) PROCESSING OR REFINING MATERIALS - The Lessee may use deposits of silica, limestone, or other rock in the processing or refining of the phosphates, phosphate rock and associated or related minerals mined from the lease lands upon payments of royalty of twenty-five cents (\$0.25) per short ton.

(c) MINIMUM ANNUAL PRODUCTION AND MINIMUM ROYALTY - Beginning with the execution of this lease, Lessee shall either produce on an annual basis a minimum amount of twelve (12) tons per acre or fraction thereof, or pay annually in advance a minimum royalty of three dollars (\$3.00) per acre or fraction thereof, except when production is interrupted by strike, the elements, or casualties not attributable to the Lessee. Lessor may permit suspension of operations under the lease when marketing conditions are such that the lease cannot be operated except at a loss. Minimum royalty payments shall be credited to production royalty for that year.

Section 4. PLAN OF OPERATION:

(a) EXPLORATION ACTIVITIES - Exploration activities of the Lessee shall be conducted in accordance with the applicable provisions of Idaho Code title 47, chapter 13, as amended, (Idaho Dredge and Placer Mining Protection Act) or Idaho Code title 47, chapter 15, as amended, (Idaho Surface Mining Act). Exploration requiring motorized earth-moving equipment and/or mining activities are expressly prohibited on lands covered by this lease until written approval has been received from the Department of Lands.

(b) MINING PLAN - Before mining operations may begin, the Lessee shall submit a mining plan with respect to the above described tract(s) only which includes: A description and location of support facilities that may be constructed in conjunction with mining operations; type of equipment to be utilized; outline of mine panels and sequence in which each will be mined; location for placement of topsoil, overburden, and stockpiles; location of all roads on mine site along with other topographic features such as streams which may be impacted by the mining operation. The Lessee may include the mining plan for the above described tract(s) only as an integral part of the reclamation plan required under part 4(c) of this lease.

(c) RECLAMATION PLAN - Before mining operations may begin, the Lessee or its agent(s) shall submit a Reclamation Plan in compliance with the applicable provisions of Idaho Code title 47, chapters 13 or 15, as amended, and any stipulations attached hereto or incorporated in this lease. Upon approval from the Department of Lands, the Lessee or its operator may initiate mining operations, and the plan, as may be amended in conjunction with the stipulations contained in this lease, shall govern such mining operations under this lease.

Section 5. INSPECTION:

(a) To afford any duly authorized officer of the Lessor, at all reasonable hours, access to the leased premises and to all workings, structures and improvements thereon or connected therewith and to all books and records of the Lessee relevant to tonnage and grade of phosphate ore to verify the Lessee's compliance with the terms and conditions of this lease.

(b) To afford any duly authorized officer of the Lessor, at all reasonable hours, access to the leased premises and to all workings, structures, and improvements thereon or connected therewith and to all books and records of the Lessee relevant to the tonnage of processing or refining materials described in Section 3(b) of this lease.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
IDAHO STATE OFFICE
3380 AMERICANA TERRACE
BOISE, IDAHO 83706



IN REPLY REFER TO:

I-23658
PHOS (921 JP)

October 2, 1989

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

DECISION

Monsanto Company
P. O. Box 816
Soda Springs, ID 83276

Phosphate - Fringe Acreage Lease

LEASE ISSUED

CORRECTION OF LEASE TERMS

Phosphate lease I-23658 is hereby issued effective November 1, 1989.

The first sentence of Part II, Terms and Conditions, Section 2(b) of the lease entitled, "Minimum Annual Production and Minimum Royalty," is hereby corrected to read as follows:

Beginning with the sixth year of this lease, lessee shall either produce on an annual basis a minimum amount of 12 tons of phosphate per acre or fraction thereof or pay annually in advance a minimum royalty of \$3.00 per acre or fraction thereof except when production is interrupted by strike, the elements, or casualties not attributable to the lessee.

This correction is made in accordance with 43 CFR 3503.2-2(a). Your copy of the lease (enclosed) has been corrected to conform to the above wording.

Peter Oberlindacher, Chief
Branch of Solid and Fluid Minerals

Enclosure
lease

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PHOSPHATE LEASE

Serial Number

I-23658

PART I. LEASE RIGHTS GRANTED.

This ☒ Lease ☐ Lease Renewal entered into by and between the UNITED STATES OF AMERICA, through the Bureau of Land Management, hereinafter called lessor, and (Name and Address) MONSANTO COMPANY,
P. O. Box 816, Soda Springs, ID 83276

hereinafter called lessee, is effective (date) November 1, 1989, for a period of 20 years,

Sodium, Sulphur, Hardrock -

☐ with preferential right in the lessee to renew for successive periods of years under such terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the expiration of any period.

~~Potassium, Phosphate, Gilsonite~~ or Phosphate Rock and Associated or Related Minerals

☒ and for so long thereafter as lessee complies with the terms and conditions of this lease which are subject to readjustment at the end of each 20 year period, unless otherwise provided by law.

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

☒ Mineral Leasing Act of 1920, as amended, and supplemented, 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;

☐ Reorganization Plan No. 3 of 1946, 60 Stat. 1099 and 43 U.S.C. 1201;

☐ (Other)

; and

to the regulations and general mining orders of the Secretary of the Interior in force on the date this lease issued.

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 explore for, drill for, mine, extract, remove, beneficiate, concentrate, or otherwise process and dispose of the Phosphate deposits and associated or related minerals hereinafter referred to as "leased deposits," in, upon, or under the following described lands:

T. 6 S., R. 44 E., B.M., Idaho
Sec. 31, Lots 2,3, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$.

containing 160.72 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.

Phosphate -

☒ In accordance with Section 11 of the Act (30 U.S.C. 213), lessee may use deposits of silica, limestone, or other rock in the processing or refining of the phosphates, phosphate rock, and associated or related minerals mined from the leased lands or other lands upon payments of royalty as set forth on the attachment to this lease. (Phosphate leases only.)

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 indicated below:

Sulphur, Gilsonite -

☐ 50 cents for the first lease year and each succeeding lease year;

Hardrock -

☐ \$1 for the first lease year and \$1 for each succeeding lease year;

Phosphate -

☒ 25 cents for the first lease year, 50 cents for the second and third lease years, and \$1 for each and every lease year thereafter;

Potassium, Sodium -

☐ 25 cents for the first calendar year or fraction thereof, 50 cents for the second, third, fourth, and fifth calendar years respectively, and \$1 for the sixth and each succeeding calendar year; or

Sodium, Sulphur, Asphalt, and Hardrock Renewal Leases -
☐ \$ for each lease year;

(b) RENTAL CREDITS - The rental for any year will be credited against the first royalties as they accrue under the lease during the year for which rental was paid.

~~Sec. 2. (a) PRODUCTION ROYALTIES - Lessee shall pay lessor a production royalty in accordance with the attached schedule. Such production royalty is due the last day of the month next following the month in which the minerals are sold or removed from the leased lands.~~

~~(b) MINIMUM ANNUAL PRODUCTION AND MINIMUM ROYALTY - (1) Lessee shall produce on an annual basis a minimum amount of , except when production is interrupted by strikes, the elements, or casualties not attributable to the lessee. Lessor may permit suspension of operations under the lease when marketing conditions are such that the lease cannot be operated except at a loss. (2) At the request of the lessee, made prior to initiation of the lease year, the authorized officer may allow in writing the payment of a \$3.00 per acre or fraction thereof minimum royalty in lieu of production for any particular lease year. Minimum royalty payments shall be credited to production royalties for that year.~~
See Sec. 2 below.

Sec. 3. REDUCTION AND SUSPENSION - In accordance with Section 39 of the Mineral Leasing Act, 30 U.S.C. 209, the lessor reserves the authority to waive, suspend or reduce rental or minimum royalty, or to reduce royalty, and reserves the authority to assent to or order the suspension of this lease.

Sec. 4. BONDS - Lessee shall maintain in the proper office a lease bond in the amount of \$5,000.00 , or in lieu thereof, an acceptable statewide or nationwide bond. The authorized officer may require an increase in this amount when additional coverage is determined appropriate.

Sec. 5. DOCUMENTS, EVIDENCE AND INSPECTION - At such times and in such form as lessor may prescribe, lessee

shall furnish detailed statements showing the amounts and quality of all products removed and sold from the lease, the proceeds therefrom, and the amount used for production purposes or unavoidably lost.

Lessee 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, work, 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 either submit or provide 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. 6. DAMAGES TO PROPERTY AND CONDUCT OF OPERATIONS - Lessee shall exercise reasonable diligence, skill, and care in the operation of the property, and 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 of waste or damage to any water or mineral deposits.

Lessee shall not conduct exploration or operations, other than casual use, prior to receipt of necessary permits or approval of plans of operations by lessor.

Lessee shall carry on all operations in accordance with approved methods and practices as provided in the operating regulations, and the approved mining plans in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, minerals, and other resources, and to other land uses or users. Lessee shall take measures deemed necessary by lessor to accomplish the intent of this lease term. Such measures may include, but are not limited to, modification to proposed siting 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 or the approval of 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. 7. 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 least 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. 8. (a) TRANSFERS - This lease may be transferred in whole or in part to any person, association or corporation qualified to hold such lease interest.

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

Sec. 9. DELIVERY OF PREMISES, REMOVAL OF MACHINERY, EQUIPMENT, ETC. - At such time as all or portions of this lease are returned to lessor, lessee shall deliver up to lessor the land leased, underground timbering, and such other supports and structures necessary for the preservation of the mine workings on the leased premises or deposits and place all wells in condition for suspension or abandonment. Within 180 days thereof, lessee shall remove from the premises all other structures, machinery, equipment, tools, and materials that it elects to or as required by the authorized officer. Any such structures, machinery, equipment, tools, and materials remaining on the leased lands beyond 180 days, or approved extension thereof, shall become the property of the lessor, but lessee shall either remove any or all such property or shall continue to be liable for the cost of removal and disposal in the amount actually incurred by the lessor. If the surface is owned by third parties, lessor shall waive the requirement for removal, provided the third parties do not object to such

Sec. 14. SPECIAL STIPULATIONS -

Prior to conducting any surface disturbing activities on the lease, a cultural resource inventory will be performed by lessee.

Stipulation for Lands of the National Forest System Under Jurisdiction of Department of Agriculture is attached to and made a part of this lease.

Sec. 2. (a) PRODUCTION ROYALTIES - Lessee shall pay lessor a minimum production royalty of 5 percent of the value of the phosphate at the mine, but not less than 25 cents per dry ton of 2000 pounds. Such production royalty is due the last day of the month following the month in which the minerals are sold or removed from the leased lands. It is expressly understood that the Secretary of the Interior may establish reasonable values for the purpose of computing royalty on any of the leased deposits due consideration being given to the prices paid for the production (in whole or in part) of like quality products from the same general area, the price received by the lessee, posted prices, minimum costs, and other relevant matters.

(b) MINIMUM ANNUAL PRODUCTION AND MINIMUM ROYALTY - Beginning with the ~~sixth~~ sixth year of this lease, lessee shall either produce on an annual basis a minimum amount of 12 tons of phosphate per acre or fraction thereof or pay annually in advance a minimum royalty of \$3.00 per acre or fraction thereof except when production is interrupted by strike, the elements, or casualties not attributable to the lessee. Lessor may permit suspension of operations under the lease when marketing conditions are such that the lease cannot be operated except at a loss. Minimum royalty payments shall be credited to production royalty for that year.

waiver. Lessee shall, prior to the termination of bond liability or at any other time when required and in accordance with all applicable laws and regulations, reclaim all lands the surface of which has been disturbed, dispose of all debris or solid waste, repair the offsite and onsite damage caused by lessee's activity or activities on the leased lands, and reclaim access roads or trails.

Sec. 10. PROCEEDINGS IN CASE OF DEFAULT - If lessee fails to comply with applicable laws, now existing regulations, or the terms, conditions and stipulations of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation by the lessor only by judicial proceedings. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time.

Sec. 11. HEIRS AND SUCCESSORS-IN-INTEREST - Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 12. INDEMNIFICATION - Lessee shall indemnify and hold harmless the United States from any and all claims arising out of the lessee's activities and operations under this lease.

Sec. 13. SPECIAL STATUTES - This lease is subject to the Federal Water Pollution Control Act (33 U.S.C. 1151-1175), the Clean Air Act (42 U.S.C. 1857 et seq.), and to all other applicable laws pertaining to exploration activities, mining operations and reclamation.

Sec. 14. SPECIAL STIPULATIONS - (Cont.)

THE UNITED STATES OF AMERICA

MONSANTO COMPANY

Company or Lessee Name

C. F. Fitzgerald
A. F. Fitzgerald, *(Signature of Lessee)*
Vice President & General Manager, Detergents &
Phosphates Division, Monsanto Chemical Co., an
operating unit of Monsanto Company

8/14/89
(Date)

By

John O. Hildacher

(Signing Officer)

Chief, Br. of Solid & Fluid Minerals

(Title)

OCT 02 1989

(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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NOTICE

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provides that you be furnished the following information in connection with information required under the terms of this lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 43 CFR 3500.

PRINCIPAL PURPOSE: The information will be used to verify your compliance with the lease terms and in calculating royalty payments.

ROUTINE USES: (1) Evaluation of the effects of the operations on the environment. (2) Statistical reports to Congress. (3)(4) and (5) Information from the record and/or the record may be released or transferred to appropriate Federal, State or local agencies in allocating mineral revenue, for investigations of energy programs; and when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Disclosure of this information is mandatory only if the lessee elects to mine, extract, remove and/or dispose of the leased deposits.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected for use in calculating royalty payments and in verification of compliance with lease terms. Response to this request is mandatory only if the lessee elects to mine, extract, remove and/or dispose of the leased deposits.

(2/1/88)

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE**

The licensee/permittee/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 license/prospecting permit/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 the 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 the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed

to: Forest Supervisor

at: Caribou National Forest
Federal Building, Suite 294
250 South Fourth Avenue
Pocatello, ID 83201

telephone: (208) 236-6703

who is the authorized representative of the Secretary of Agriculture.

NOTICE TO PHOSPHATE LESSEE

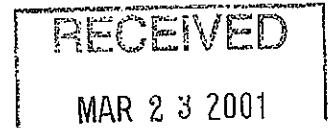
The following items are brought to the lessee's attention and are to be considered in preparation of exploration and mine plans prior to their submittal to the Federal agencies for review and approval. Failure to consider the following items may result in delays in plan approval:

1. The lessee may be required to monitor the flow rate and quality of water in streams that operational activities might impact. The extent and intensity of water flow and water quality monitoring will be mutually determined by the lessee and authorized officer prior to the approval of exploration or mining plans. Monitoring prior to mining activity must be in sufficient detail, and with sufficient frequency, to establish baseline data to assess the impacts of mining. Continued monitoring may be required concurrent with mining to assess compliance with Federal or State water quality standards.
2. Sediment catchment basins and other structures for the control of water, sediment, and erosion may be required to minimize sediment reaching streams and drainage ways leaving the area of active operations. Temporary water structures (structures which will be removed or purposefully eliminated prior to abandonment of mining operations and relinquishment of the lease) shall be designed to provide at least 24 hours theoretical detention time for flow which would result from a 10-year, 24-hour precipitation event. Temporary water impoundments shall be provided with an emergency spillway and/or outlet, which individually, or in combination, shall provide for safe discharge of the runoff expected from the 25-year, 24-hour precipitation event, unless otherwise approved. All permanent structures (structures proposed to be left functioning after abandonment and relinquishment of the lease) shall be designed to provide at least 24 hours theoretical detention time for flows which would result from a 100-year, 24-hour precipitation event. Consideration may be given on a case-by-case basis to reduce design criteria, smaller intensity design storm, etc., where the method of mining would eliminate or reduce erosion potential and consequent need for sediment control.
3. Permanent impoundments and channels are to be designed and built to provide for erosion resistant passage of water and adequate energy dissipation prior to entry into the natural drainage below the impounding structure or channel.
4. The lessee may be required to design surface disturbing activities to meet Federal surface management agency requirements for visual resource protection. Modification of activities or plans may be required to reduce visual impacts. Unavoidable impacts will be mitigated by reclamation efforts which are designed to restore visual quality to disturbed areas.

Authorization ID SSC2
Contact ID P4
Expiration Date: 12/31/2019

FS-2700-4c (8/99)
OMB No. 0596-0082

U. S. DEPARTMENT OF AGRICULTURE
Forest Service
PRIVATE ROAD SPECIAL USE PERMIT
Act of October 21, 1976
(PL94-579); 36 CFR 251.50, et seq.



P4 PRODUCTIONS L.L.C. of P4 Productions L.L.C. P. O. Box 816 Soda Springs, ID 83276-0816 (hereafter called the Holder) is hereby authorized to use National Forest lands for the construction, reconstruction, maintenance, and use of a road within the Caribou National Forest for the following purposes:

Hauling ore and miscellaneous equipment used in mining phosphate ore.

The lands covered by this permit are located in the County of Caribou, State of Idaho and are described as follows:

Portions of Sections 22, 23, 25, and 26, in T6S, R43E, B.M. (See exhibit A)

This permit covers a right-of-way 2.9 miles in length, 150 to 200 feet in width, containing approximately 59 acres, and is located upon the ground according to the survey line, figures, measurements, widths, and other references shown on the map or plat attached hereto and made a part hereof.

This permit is made subject to the following terms, provisions, and conditions:

1. This permit is subject to all existing easements and valid rights existing on this date.
2. The Holder in exercising the privileges granted by this permit shall comply with all applicable State and Federal laws, Executive Orders, and Federal rules and regulations, and shall comply with all State standards for public health and safety, environmental protection, and siting construction, operation, maintenance of or for rights-of-way for similar purposes if those standards are more stringent than applicable Federal standards.
3. The Holder shall cut no timber except as authorized by construction stipulations or maintenance agreements.
4. The Holder shall provide maintenance so that no damage occurs on adjacent National Forest land. The Holder shall construct and maintain lead-off drainage and water barriers as necessary to prevent erosion.
5. Holder shall pay the United States for all injury, loss, or damage, including fire suppression costs, in accordance with Federal and State laws.
6. Holder shall indemnify the United States for any and all injury, loss, or damage, including fire suppression costs the United States may suffer as a result of claims, demands, losses, or judgments caused by the Holder's use or occupancy under this permit.
7. Holder shall pay annually in advance a sum determined by the Forest Service to be the fair market value of the use authorized by this permit. The initial payment is set at \$1256.00 for the remainder of the calendar year. Payments for each subsequent calendar year shall be the amount of \$1256.00 adjusted using the Implicit Price Deflator-Gross National Product index (IPD-GNP), or other factor selected by the Forest Service, to reflect more nearly the current fairmarket value of the use. At intervals to be determined by certain changes in the indexes used to establish the linear rights-of-way fee schedule, the fee shall be reviewed and adjusted as necessary to assure that it is commensurate with the value of the rights and privileges authorized. Failure of the Holder to pay the annual payment, late charges, or other fees or charges shall cause the permit to terminate.
8. Pursuant to 31 U.S.C. 3717, et seq., interest shall be charged on any fee amount not paid within 30 days from the date the fee or fee calculation financial statement specified in this authorization becomes due. The rate of interest assessed shall be the higher of the rate of the current value of funds to the U.S. Treasury (i.e., Treasury tax and loan account rate), as prescribed and published by the Secretary of the Treasury in the Federal Register

and the Treasury Fiscal Requirements Manual Bulletins annually or quarterly or at the Prompt Payment Act rate. Interest on the principal shall accrue from the date the fee or fee calculation financial statement is due.

In the event the account becomes delinquent, administrative costs to cover processing and handling of the delinquency will be assessed.

A penalty of 6 percent per annum shall be assessed on the total amount delinquent in excess of 90 days and shall accrue from the same date on which interest charges begin to accrue.

Payments will be credited on the date received by the designated collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or the appeal decision.

If the fees become delinquent, the Forest Service will:

Liquidate any security or collateral provided by the authorization.

If no security or collateral is provided, the authorization will terminate and the holder will be responsible for delinquent fees as well as any other costs of restoring the site to its original condition including hazardous waste cleanup.

Upon termination or revocation of the authorization, delinquent fees and other charges associated with the authorization will be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* Delinquencies may be subject to any or all of the following conditions:

Administrative offset of payments due the holder from the Forest Service.

Delinquencies in excess of 60 days shall be referred to United States Department of Treasury for appropriate collection action as provided by 31 U.S.C. 3711 (g), (1).

The Secretary of the Treasury may offset an amount due the debtor for any delinquency as provided by 31 U.S.C. 3720, *et seq.*)

9. All construction or reconstruction of the road shall be in accordance with plans, specifications, and written stipulations approved by the Forest Service prior to beginning such construction or reconstruction.

10. The Holder shall repair fully all damage to National Forest roads and trails caused by the exercise of the privileges granted by this permit.

11. The United States may use the roads without cost for all purposes deemed necessary or desirable in connection with the protection and administration of the lands or resources of the United States, provided that it will use the road for commercial hauling purposes, other than the removal of timber cut in construction or maintenance of the road or other occasional incidental use, only after arranging to pay or perform its pro rata share of road maintenance.

12. The Forest Service alone may extend rights and privileges for use of the road constructed on the premises to other non-Federal users provided that such users shall pay a fair share of the current replacement cost less depreciation of the road to the permittee, and reconstruct the road as necessary to accommodate their use.

13. The Forest Service retains the right to occupy and use the right-of-way and to issue or grant rights-of-way for land uses, for other than road purposes, upon, over, under, and through the permit area provided that the occupancy and use do not interfere unreasonably with the rights granted herein.

14. The Forest Service shall have the right to cross and recross the premises and road at any place by any reasonable means and for any purpose in such manner as does not interfere unreasonably with use of the road.

15. The Holder shall maintain the right-of-way clearing by means of chemicals only after the Forest Supervisor has given specific written approval. Application for such approval must be in writing and must specify the time, method, chemicals, and the exact portion of the right-of-way to be chemically treated.

16. Unless sooner terminated, or revoked by the Regional Forester, this permit shall continue as long as needed for access to the road.

17. This permit may be terminated or suspended upon breach of any of the conditions herein, or revoked at the discretion of the Issuing Officer.

18. Upon termination or revocation of this special-use authorization, the Holder shall remove within a reasonable time the structures and improvements and shall restore the site to a condition satisfactory to the authorized officer, unless otherwise waived in writing or in the authorization. If the Holder fails to remove the structures or improvements within a reasonable period, as determined by the authorized officer, they shall become the property of the United States, but this does not relieve the Holder from liability for the removal and site restoration costs.

19. Nonexclusive Use and Public Access. Unless expressly provided for in additional terms, use of the permit area is not exclusive. The Forest Service reserves the right to use or allow others to use any part of the permit area, including roads, for any purpose, provided, such use does not materially interfere with the holder's authorized use. A final determination of conflicting uses is reserved to the Forest Service.

20. Forest Service Right of Entry and Inspection. The Forest Service has the right of unrestricted access of the permitted area or facility to ensure compliance with laws, regulations, and ordinances and the terms and conditions of this permit.

21. Liability. For purposes of this section, "holder" includes the holder's heirs, assigns, agents, employees, and contractors.

A. The holder assumes all risk of loss to the authorized improvements.

B. The holder shall indemnify, defend, and hold the United States harmless for any violations incurred under any such laws and regulations or for judgments, claims, or demands assessed against the United States in connection with the holder's use or occupancy of the property. The holder's indemnification of the United States shall include any loss by personal injury, loss of life or damage to property in connection with the occupancy or use of the property during the term of this permit. Indemnification shall include, but is not limited to, the value of resources damaged or destroyed; the costs of restoration, cleanup, or other mitigation; fire suppression or other types of abatement costs; third party claims and judgments; and all administrative, interest, and other legal costs. This paragraph shall survive the termination or revocation of this authorization, regardless of cause.

C. The holder has an affirmative duty to protect from damage the land, property, and interests of the United States.

D. In the event of any breach of the conditions of this authorization by the holder, the Authorized Officer may, on reasonable notice, cure the breach for the account at the expense of the holder. If the Forest Service at any time pays any sum of money or does any act which will require payment of money, or incurs any expense, including reasonable attorney's fees, in instituting, prosecuting, and/or defending any action or proceeding to enforce the United States rights hereunder, the sum or sums so paid by the United States, with all interests, costs and damages shall, at the election of the Forest Service, be deemed to be additional fees hereunder and shall be due from the holder to the Forest Service on the first day of the month following such election.

E. With respect to roads, the holder shall be proportionally liable for damages to all roads and trails of the United States open to public use caused by the holder's use to the same extent as provided above, except that liability shall not include reasonable and ordinary wear and tear.

F. The Forest Service has no duty to inspect the permit area or to warn of hazards and, if the Forest Service does inspect the permit area, it shall incur no additional duty nor liability for identified or non-identified hazards. This covenant may be enforced by the United States in a court of competent jurisdiction.

22. Members of Congress. No Member of or Delegate to Congress or Resident Commissioner shall benefit from this permit either directly or indirectly, except when the authorized use provides a general benefit to a corporation.

23. Appeals and Remedies. Any discretionary decisions or determinations by the authorized officer are subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.

24. Assignability. This authorization is not assignable or transferable. If Holder, through death, voluntary transfer, enforcement of contract, foreclosure, or other valid legal proceeding shall cease to be owner of the above-described real property accessed by the authorized road, this authorization will terminate.

25. Superior Clauses. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses shall control.

26. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES: (B1):

During the performance of this authorization, the holder agrees:

1. In connection with the performance of work under this authorization, including construction, maintenance, and operation of the facility, the holder shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, or disability. (Ref. Title VII of the Civil Rights Act of 1964, as amended).

2. The holder and employees shall not discriminate by segregation or otherwise against any person on the basis of race, color, religion, sex national origin, age, or disability, by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally. (Ref. Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973; Title IX of the Education Amendments, and the Age Discrimination Act of 1975).

3. The holder shall include and require compliance with the above nondiscrimination provisions in any subcontract made with respect to the operations under this authorization.

4. When furnished by the Forest Service, signs setting forth this policy of non discrimination will be conspicuously displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.

5. The Forest Service shall have the right to enforce the foregoing nondiscrimination provisions by suit for specific performance or by any other available remedy under the laws of the United States of the State in which the breach or violation occurs.

27. BONDING (C3): As a further guarantee of the faithful performance of the provisions of terms condition n/a of this and conditions n/a of this authorization, the holder agrees to deliver and maintain a surety bond or other acceptable security in the amount of \$40,350.00. Should the sureties or the bonds delivered under this authorization become unsatisfactory to the Forest Service, the holder shall, within thirty (30) days of demand, furnish a new bond with surety, solvent and satisfactory to the Forest Service. In lieu of surety bond, the holder may deposit into a Federal depository, as directed by the Forest Service, and maintain therein, cash in the amounts provided for above, or negotiable securities of the United States having a market value at time of deposit of not less than the dollar amounts provided above.

The holder's surety bond shall be released, or deposits in lieu of bond, shall be returned thirty (30) days after certification by the Forest Service that priority installations under the development plan are complete, and upon furnishing by the holder of proof satisfactory to the Forest Service that all claim for labor and material on said installations have been paid or released and satisfied. The holder agrees that all moneys deposited under this authorization may, upon failure on his or her part to fulfill all and singular the requirements herein set forth or made a part hereof, be retained by United States to be applied to satisfy obligations assumed here under, without prejudice whatever to any rights and remedies of the United States.

Prior to undertaking additional construction or alteration work not provided for in the terms and conditions or when the improvements are to be removed and the area restored, the holder shall deliver and maintain a surety bond in an amount set by the Forest Service, which amount shall not be in excess of the estimated loss which the Government would suffer upon default in performance of this work.

27 . SURVEYS, LAND CORNERS (D4): The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges permitted by this authorization, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at 18 U.S.C. 1858.

28 . REMOVAL AND PLANTING OF VEGETATION AND OTHER RESOURCES (D5): The holder shall obtain prior written approval from the authorized officer before removing or altering vegetation or other resources. The holder shall obtain prior written approval from the authorized officer before planting trees, shrubs, or other vegetation within the authorized area.

29 . REVEGETATION OF GROUND COVER AND SURFACE RESTORATION (D9): The holder shall be responsible for prevention and control of soil erosion and gullying on lands covered by this authorization and adjacent thereto, resulting from construction, operation, maintenance, and termination of the authorized use. The holder shall so construct permitted improvements to avoid the accumulation of excessive heads of water and to avoid encroachment on streams. The holder shall revegetate or otherwise stabilize all ground where the soil has been exposed as a result of the holder's construction, maintenance, operation, or termination of the authorized use and shall construct and maintain necessary preventive measures to supplement the vegetation.

30 . TIMBER PAYMENT (D17): All National Forest timber cut or destroyed in the construction of the permitted improvements shall be paid for at current stumpage rates for similar timber in the National Forest. Young-growth timber below merchantable size will be paid for at current damage-appraisal value; and all slash and debris resulting from the cutting or destruction of such timber shall be disposed of as necessary or as the Forest Service may direct.

31 . PESTICIDE USE (D23): Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, etc., without the prior written approval of the Forest Service. A request for approval of planned uses of pesticides will be submitted annually by the holder on the due date established by the authorized officer. The report will cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review will be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests require control measures which were not anticipated at the time an annual report was submitted.

Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned will be considered for use on National Forest System lands. Label instructions will be strictly followed in the application of pesticides and disposal of excess materials and containers.

32 . FIRE EQUIPMENT (F7): The holder shall install fire extinguishers and firefighting apparatus of types, of capacities, in numbers, and at locations approved by the authorized officer. This equipment shall be in readiness at all times for immediate use, and shall be tested each year, at such times as may be required by the authorized officer.

33 . FIRE-CONTROL PLAN (F20): The holder shall prepare a fire plan for approval by the authorized officer which shall set forth in detail the plan for prevention, reporting, control, and extinguishing of fires on the authorized areas and within the holder's area of responsibility defined on an attached map. Such plans shall be reviewed and revised at intervals of not more than three (3) years.

34 . SECONDARY USE (G1):

1. All construction or reconstruction of the road shall be in accordance with plans, specifications, and written stipulations previously approved by the authorized officer.
2. Only the authorized officer may extend rights and privileges for use of the road constructed on the premises to other non-Federal users on the condition that such users shall pay a fair share of the current replacement cost less depreciation of the road and any reconstruction costs necessary to accommodate its use.
3. The Forest Service retains the right to occupy and use the right-of-way. It also may issue other uses including rights-of-way, on and through the authorized area, provided that the occupancy and use does not unreasonably interfere with the rights granted herein.

35 . ARCHAEOLOGICAL-PALEONTOLOGICAL DISCOVERIES (X17): The holder shall immediately notify the authorized officer of any and all antiquities or other objects of historic or scientific interest. These include, but are not limited to, historic or prehistoric ruins, fossils, or artifacts discovered as the result of operations under this authorization, and shall leave such discoveries intact until authorized to proceed by the authorized officer. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the holder.

36 . CORPORATION STATUS NOTIFICATION (X46): The holder shall furnish the authorized officer with the names and addresses of shareholders owning three (3) percent or more of the shares, and number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote. In addition, the holder shall notify the authorized officer within fifteen (15) days of the following changes:

1. Names of officers appointed or terminated.
2. Names of stockholders who acquire stock shares causing their ownership to exceed 50 percent of shares issued or who otherwise acquire controlling interest in the corporation.
3. A copy of the articles of incorporation and bylaws.
4. An authenticated copy of a resolution of the board of directors specifically authorizing a certain individual or individuals to represent the holder in dealing with the Forest Service.
5. A list of officers and directors of the corporation and their addresses.
6. Upon request, a certified list of stockholders and amount of stock owned by each.
7. The authorized officer may, when necessary, require the holder to furnish additional information as set forth in 36 CFR 251.54 (e)(1)(iv).

37 . PERFORMANCE BY HOLDER, SUCCESSORS, OR ASSIGNS (X68): Notwithstanding the expiration or any renewal of this authorization or its earlier relinquishment, abandonment, or other termination, the provisions of this authorization, to the extent applicable, shall continue in effect and shall be binding on the holder, successors, or assigns, until they have fully performed their respective obligations and liabilities accruing before or on account of the expiration, or prior termination, of the authorization.

38 . PERFORMANCE BY OTHER THAN HOLDER (X69): The acquisition or assumption by another party under an agreement with the holder of any right or obligation of the holder under this authorization shall be ineffective as to the Forest Service unless and until approved by the authorized Forest officer. A subsequent acquisition or assumption shall not:

1. Operate to relieve the holder of the responsibilities or liabilities they have assumed hereunder, or
2. Be given unless such other party (1) is acceptable to the Forest Service as a holder, and assumes in writing all of the obligations to the Forest Service under the terms of this authorization as to the incomplete portion thereof, or (2) acquires the rights in trust as security and subject to such conditions as may be necessary for the protection of the public interests.

39 . WATER RIGHTS (X74): This authorization does not convey any legal interest in water rights as defined by applicable State law.

40 . DISPUTES (X96): Appeal of any provisions of this authorization or any requirements thereof shall be subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.

In Witness Whereof, the parties hereto have caused this permit to be duly executed on this 21st day of March.

Holder

by:

P4 PRODUCTIONS L.L.C.

Sam W. Jammal R

USDA - Forest Service

by:

Jerry B. Reese

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Forest Supervisor

Caribou National Forest

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

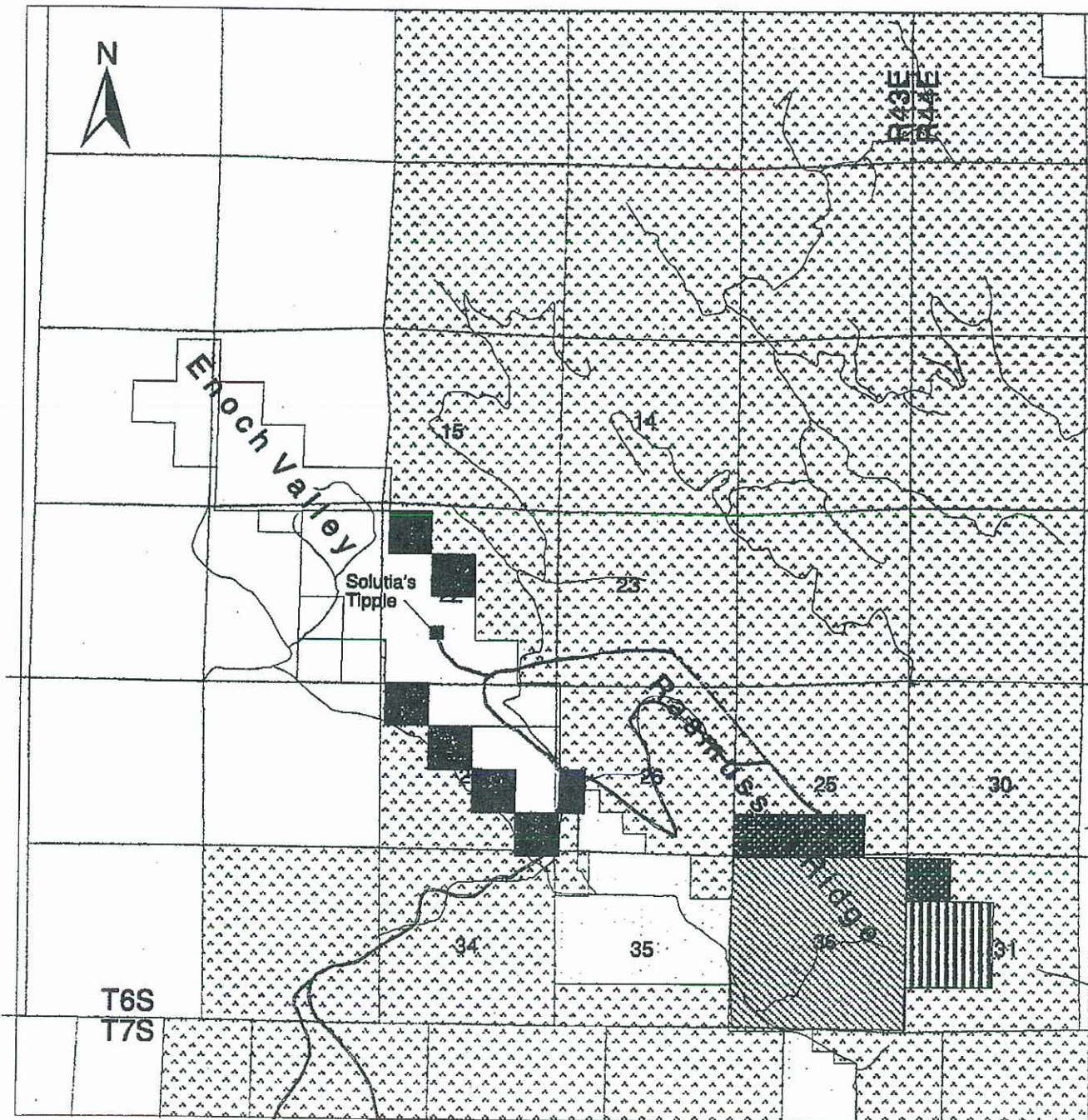
This information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1897 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Public reporting burden for this collection of information, if requested, is estimated to average 1 hour per response for annual financial information; average 1 hour per response to prepare or update operation and/or maintenance plan; average 1 hour per response for inspection reports; and an average of 1 hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

EXHIBIT A

Location Description	Description	Haul Road Dimensions (feet)	Estimated Acres	Proposed Use
New Haul Road Construction				
T6S, R 43E, Sec 25	SE ¼, SW ¼	200x1700	7.8	Haulage road, water control and ancillary facilities
T6S, R 43E, Sec 25	NE ¼, SW ¼	200x650	3.0	Haulage road, water control and ancillary facilities
T6S, R 43E, Sec 25	NW ¼, SW ¼	200x1750	8.0	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 26	NE ¼, SE ¼	200x550	2.5	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 26	SE ¼, NE ¼	200x350	1.6	Haulage road, water control and ancillary facilities
Total New Construction		200x5000	23.0	Haulage road, water control and ancillary facilities
Existing haulage road				
T6S, R43E, Sec 22	SE ¼ SE ¼	150x1700	5.9	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 22	NE ¼ SE ¼	150x1050	3.6	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 23	SE ¼ SW ¼	150x1400	4.8	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 23	SW ¼ SE ¼	150x250	0.9	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 23	NE ¼ SW ¼	150x1000	3.4	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 23	NW ¼ SW ¼	150x1550	5.3	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 23	SW ¼ NW ¼	150x150	0.5	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 26	NE ¼ NE ¼	150x600	2.1	Haulage road, water control and ancillary facilities
T6S, R43E, Sec26	NW ¼ NE ¼	150x1500	5.2	Haulage road, water control and ancillary facilities
T6S, R43E, Sec 26	SE ¼ NE ¼	150x1100	3.8	Haulage road, water control and ancillary facilities
Total Agrium Existing Rd		150x10,300	35.5	Haulage road, water control and ancillary facilities



Legend

- | | |
|--|--------------------------------------|
| Federal Leases I-015033, I-015122, I-011683, and State Easements | Agrum's Haul Road |
| Enoch Valley Special Use Area | Joint Haul Road (with mixed traffic) |
| Federal Lease I-23658 South Rasmussen Ridge Special Use Area | Public Roads |
| State Lease 7958 | National Forest System Lands |
| | Private Land |

5000 0 5000 Feet

P4 Production LLC's
South Rasmussen Ridge Leases
and
Special Use Areas

76399

United States Department of Agriculture
Forest Service

D. 2

SPECIAL USE PERMIT

Act of June 4, 1897

This permit is revocable and nontransferable

a. Record no.(1-2)	70 --	b. Region(3-4)	FOUR 04 --	c. Forest(5-6)	CARIBOU 05 --
d. District(7-8)	SODA SPRINGS 02 --	e. User number(9-12)	4013-01 ----	f. Kind of use (13-15)	STOCKPILE SITE 522 ---
g. State(16-17)	IDAHO 16 --	h. County(18-20)	CARIBOU 029 ---	k. Card no.(21)	1 -

Permission is hereby granted to Monsanto Companyof P. O. Box 816, Soda Springs, ID 83276

hereinafter called the permittee, to use subject to the conditions set out below,

the following described lands or improvements: ALL areas in T6S R43E, BM

Section 22: SE1/4NW1/4, Section 22: SE1/4NW1/4, Section 27: NW1/4NW1/4,

Section 27: SE1/4NW1/4, Section 27: NW1/4SE1/4, Section 27: SE1/4SE1/4,

Section 26: W1/2NW1/4SW1/4. See memo dated March 5, 1990.

This permit covers 83 acres and/or miles and is issued for the purpose of:

Stock piling overburden material from base site.

1. Construction or occupancy and use under this permit shall begin within N/A months, and construction, if any, shall be completed within months, from the date of the permit. This use shall be actually exercised at least 365 days each year, unless otherwise authorized in writing.

2. In consideration for this use, the permittee shall pay to the Forest Service, U.S. Department of Agriculture, the sum of Two Thousand Nine Hundred and Five dollars.

(\$ 2905.00) for the period from April 15 1990, to December 31, 1990, and thereafter annually on January 1 The amount as determined by the number of acres permitted. Dollars (\$): Provided, however, Charges for this use may be made or readjusted whenever necessary to place the charges on a basis commensurate with the value of use authorized by this permit.

3. This permit is accepted subject to the conditions set forth herein, and to conditions 4 to 41 attached hereto and made a part of this permit.

PERMITTEE	name of permittee MONSANTO Co.	*signature of authorized officer <i>Daniel W. Fawcett</i>	date 5/2/90
ISSUING OFFICER	name and signature <i>Bruce Padilla</i>	TITLE SUPERINTENDENT, MINING <i>Acting Forest Supervisor</i>	date 5/10/90

2700-4 (7/71)

4. Development plans; lay-out plans; construction, reconstruction, or alteration of improvements; or revision of lay-out or construction plans for this area must be approved in advance and in writing by the forest supervisor. Trees or shrubbery on the permitted area may be removed or destroyed only after the forest officer in charge has approved, and has marked or otherwise designated that which may be removed or destroyed. Timber cut or destroyed will be paid for by the permittee as follows: Merchantable timber at appraised value; young-growth timber below merchantable size at current damage appraisal value: provided that the Forest Service reserves the right to dispose of the merchantable timber to others than the permittee at no stumpage cost to the permittee. Trees, shrubs, and other plants may be planted in such manner and in such places about the premises as may be approved by the forest officer in charge.
5. The permittee shall maintain the improvements and premises to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the forest officer in charge.
6. This permit is subject to all valid claims.
7. The permittee, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county, and municipal laws, ordinances, or regulations which are applicable to the area or operations covered by this permit.
8. The permittee shall take all reasonable precautions to prevent and suppress forest fires. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a written permit from the forest officer in charge or his authorized agent.
9. The permittee shall exercise diligence in protecting from damage the land and property of the United States covered by and used in connection with this permit, and shall pay the United States for any damage resulting from negligence or from the violation of the terms of this permit or of any law or regulation applicable to the National Forests by the permittee, or by any agents or employees of the permittee acting within the scope of their agency or employment.
10. The permittee shall fully repair all damage, other than ordinary wear and tear, to national forest roads and trails caused by the permittee in the exercise of the privilege granted by this permit.
11. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom unless it is made with a corporation for its general benefit.
12. Upon abandonment, termination, revocation, or cancellation of this permit, the permittee shall remove within a reasonable time all structures and improvements except those owned by the United States, and shall restore the site, unless otherwise agreed upon in writing or in this permit. If the permittee fails to remove all such structures or improvements within a reasonable period, they shall become the property of the United States, but that will not relieve the permittee of liability for the cost of their removal and restoration of the site.
13. This permit is not transferable. If the permittee through voluntary sale or transfer, or through enforcement of contract, foreclosure, tax sale, or other valid legal proceeding shall cease to be the owner of the physical improvements other than those owned by the United States situated on the land described in this permit and is unable to furnish adequate proof of ability to redeem or otherwise reestablish title

to said improvements, this permit shall be subject to cancellation. But if the person to whom title to said improvements shall have been transferred in either manner provided is qualified as a permittee and is willing that his future occupancy of the premises shall be subject to such new conditions and stipulations as existing or prospective circumstances may warrant, his continued occupancy of the premises may be authorized by permit to him if, in the opinion of the issuing officer or his successor, issuance of a permit is desirable and in the public interest.

14. In case of change of address, the permittee shall immediately notify the forest supervisor.

15. The temporary use and occupancy of the premises and improvements herein described may be sublet by the permittee to third parties only with the prior written approval of the forest supervisor but the permittee shall continue to be responsible for compliance with all conditions of this permit by persons to whom such premises may be sublet.

16. This permit may be terminated upon breach of any of the conditions herein or at the discretion of the regional forester or the Chief, Forest Service.

17. In the event of any conflict between any of the preceding printed clauses or any provisions thereof and any of the following clauses or any provisions thereof, the following clauses will control.

18. (A-6) Pursuant to the Federal Claims Collection Act of 1966, as amended, 31 USC 3101, et seq., and regulations at 7 CFR Part 3, Subpart B, an interest charge shall be assessed on any payment not made by the payment due date. Interest shall be assessed using the most current rate prescribed by the United States Department of the Treasury's Fiscal Manual (TFM-6-8025.20). Interest shall accrue from the date the fee payment was due. In addition, certain processing and handling administrative costs may be assessed in the event the account becomes delinquent and added to the amounts due.

A penalty of 6 percent per year shall be assessed on any payment overdue in excess of 90 days from the payment due date.

Payments will be credited on the date received by the designated collection officer or deposit location. If the payment due date(s) falls on a nonworkday, the interest and penalty charges shall not apply until the close of business of the next workday.

19. (B-1) In connection with the performance of work under this permit, the holder agrees as follows:

1. The holder will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The holder will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. The holder agrees to post in conspicuous places,

available to employees and applicants for employment, notices to be provided by the Forest Service setting forth the provisions of the nondiscrimination clause.

2. The holder will, in all solicitations or advertisements for employees placed by or on behalf of the holder, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3. The holder will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Forest Service, advising the labor union or workers' representative of the holder's commitments under this clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The holder will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 31, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. The holder will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Forest Service and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the holder's noncompliance with the nondiscrimination clauses of this permit or with any of such rules, regulations, or orders, this permit may be canceled or terminated in whole or in part and the holder may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor or as otherwise provided by law.

7. The holder will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The holder will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the holder becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Forest Service, the holder may request the United States to enter into such litigation to protect the interests of the United States.

20. (B-8) The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of National Forest lands under this permit.

21. (B-24) Avalanches, rising waters, high winds, falling limbs or trees, and other hazards are natural phenomena in the Forest that present risks which the holder assumes. The holder has responsibility of inspecting the site, lot, right-of-way, and immediate adjoining area for dangerous trees, hanging limbs, and other evidence of hazardous conditions and, after securing permission from the Forest Service, of removing such hazards.

22. (B-31) The permitted area will be maintained to present a clean, neat, and orderly appearance. Trash, debris, unusable machinery, improvements, etc., will be disposed of currently. Building materials, firewood, etc., will be neatly stacked.

23. (C-18) A bond acceptable to the Forest Service shall be furnished by the holder on (June 1, 1990) in the amount of Seventy Thousand dollars (\$70,000) to ensure removal of the improvements and cleanup of the site at the time the permit is terminated.

24. (D-1) The holder shall pack out or otherwise remove from National Forest lands and waters all refuse resulting from operations under this permit.

25. (D-2) No waste or byproduct shall be discharged into water if it contains any substance in concentrations which will result in harm to fish and wildlife, or to human water supplies.

Storage facilities for materials capable of causing water pollution, if accidentally discharged, shall be located so as to prevent any spillage into waters or channels leading into water, that would result in harm to fish and wildlife or to human water supplies.

26. (D-3) The holder shall protect the scenic esthetic values of the area under this permit, and the adjacent land, as far as possible with the authorized use, during construction, operation, and maintenance of the improvements.

27. (D-4) The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges authorized by this permit, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at 18 U.S.C. 1858.

28. (D-5) The holder will take reasonable measures to prevent and discourage vandalism or disorderly conduct, and when necessary, will call in the appropriate law enforcement officer.

29. (D-9) Holder shall be responsible for prevention and control of soil erosion and gullyng on lands covered by this permit and adjacent thereto, resulting from construction, operation, maintenance, and termination of the permitted use. Holder shall so construct permitted improvements to avoid the accumulation of excessive heads of water and to avoid encroachment on streams. Holder shall revegetate or otherwise stabilize all ground where the soil has been exposed and shall construct and maintain necessary preventive measures to supplement the vegetation.

30. (D-10) Topsoil shall be stripped from the permitted area and be deposited in storage piles apart from other excavated material. After the desired amount of material has been removed, and the resulting pit has been trimmed and smoothed as required, the stored topsoil shall be evenly spread over exposed subsoil to the extent that may be practicable, and shall be revegetated.

31. (D-11) Seeding or planting will be done at a time of the year, in a manner, and with species which the District Ranger considers offer the best chance of success and will be repeated annually until such areas are accepted in writing by the District Ranger as satisfactorily revegetated and stabilized.

32. (D-15) The holder shall take reasonable precautions to prevent pollution of or deterioration of lands or waters which may result from the exercise of the privileges extended by this permit. In particular, the holder shall at all times comply with applicable local, State, and Federal requirements for pollution abatement. Failure of the holder to so comply may result in termination or suspension of this authorization.

33. (D-17) All National Forest timber cut or destroyed in the construction of the permitted improvements shall be paid for at current stumpage rates for similar timber in the National Forest. Young-growth timber below merchantable size will be paid for at current damage-appraisal value; and all slash and debris resulting from the cutting or destruction of such timber shall be disposed of as necessary or as the Forest Service may direct.

34. (E-2) Unless sooner terminated or revoked by the authorized officer, in accordance with the provisions of the authorization, this authorization shall expire and become void on December 31, 2000, but a new special-use authorization to occupy and use the same National Forest System land may be granted provided the holder will comply with the then-existing laws and regulations governing the occupancy and use of National Forest lands and shall have notified the authorized officer not less than 1 YEAR prior to said date that such new authorization is desired.

35. (G-1)

1. All construction or reconstruction of the road shall be in accordance with plans, specifications, and written stipulations previously approved by the Forest Service.

2. The holder, in exercising the privileges granted by this authorization, shall comply with all applicable State and Federal laws, Orders, and rules and regulations, and shall comply with all State standards for public health and safety, environmental protection, and siting construction, operation, maintenance if in the opinion of the authorized officer those State standards are more stringent than Federal standards, and promulgation of State standards precede the date of this special-use authorization.

3. The holder shall cut no timber except as authorized by construction stipulations or maintenance agreements.

4. The holder shall provide maintenance so that no damage occurs on adjacent National Forest land. The holder shall construct and maintain lead-off drainage and water barriers as necessary to prevent erosion.

5. The United States may use the roads without cost for all purposes, including the removal of timber cut in construction or maintenance of the road or other incidental use, deemed necessary or desirable in connection with the protection and administration of the lands or resources of the United States; provided that the road only will be used for commercial hauling purposes, only after payment by the United States of its pro rata share of road maintenance costs.

6. Only the Forest Service may extend rights and privileges for use of the road constructed on the premises to other nonfederal users on the condition that such users shall pay a fair share of the current replacement cost less depreciation of the road and any reconstruction costs necessary to accommodate their use.

7. The Forest Service retains the right to occupy and use the right-of-way. It also may issue other uses including rights-of-way, on and through the permitted area provided that the occupancy and use does not unreasonably interfere with the rights granted herein.

8. The Forest Service shall have the right to cross and recross the premises and road at any place by any reasonable means and for any purpose in such manner as does not unreasonably interfere with use of the road.

9. The holder shall maintain the right-of-way clearing by means of chemicals only after the Forest Supervisor has given specific written approval. Application for such approval must be in writing and must specify the time, method, chemicals and the exact portion of the right-of-way to be chemically treated.

36. (H-2) The holder shall construct and maintain gates and cattle guards at such points as may be designated by the District Ranger.

37. (X-3) Nothing in this permit shall be construed to imply permission to build or maintain any structure not specifically named on the face of this permit, or approved by the authorized officer in the form of a new permit or permit amendment.

38. (X-17) If, prior to or during excavation work, items of archaeological, paleontological, or historic value are reported or discovered, or an unknown deposit of such items is disturbed, the holder will immediately cease excavation in the area so affected. Holder will then notify the Forest Service and will not resume excavation until written approval is given by the authorized officer.

If it deems it necessary or desirable, the Forest Service may require the holder to have performed recovery, excavation, and preservation of the site and its artifacts at the holder's expense. At the option of the Forest Service, this authorization may be terminated at no liability by the United States when such termination is deemed necessary or desirable to preserve or protect archaeological, paleontological, or historic sites and artifacts.

39. (X-49) This permit is not exclusive; that is, the Forest Service reserves the right to use or permit others to use any part of the permitted area for any purpose, provided such use does not interfere with the rights and privileges hereby authorized.

40. (X-68) Notwithstanding the expiration or any renewal of this permit or its earlier relinquishment, abandonment, or other termination, the provisions of this permit, to the extent applicable, shall continue in effect and shall be binding on the holder, successors, or assigns, until they have fully performed their respective obligations and liabilities accruing before or on account of the expiration, or prior termination, of the permit.

41. (X-96) Appeal of any provisions of this authorization or any requirements thereof shall be subject to the appeal regulations at 36 CFR 251, Subpart C (54 FR 3362, January 23, 1989), or revisions thereto.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
IDAHO STATE OFFICE
3380 AMERICANA TERRACE
BOISE, IDAHO 83706

JUN 22 1990



IN REPLY REFER TO:
I-011683
PHOS (921 JP)

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

DECISION

JUN 20 1990

Assignor:

J. R. Simplot Company
P. O. Box 27
Boise, ID 83707

Assignee:

✓Monsanto Company
P. O. Box 816
Soda Springs, ID 83276

Phosphate Lease

ASSIGNMENT APPROVED

Assignment of 100 percent record title interest in phosphate lease I-011683 to Monsanto Company is hereby approved effective June 1, 1990.

Acceptable evidence of the qualifications and holdings of the assignee under the Mineral Leasing Act, as amended, has been filed.

No overriding royalty interest is reserved to the assignor in this assignment.

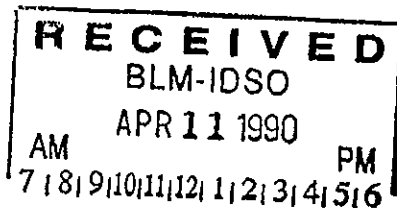
In the approval of this assignment, there is neither expressed nor implied approval of any terms therein which would negate or modify the terms of the lease.

Peter Oberlindacher, Chief
Branch of Solid and Fluid Minerals

Distribution

J. R. Simplot Co w/copy of executed assignment
Monsanto Company w/copy of executed assignment

Note: As requested, Simplot's copy of assignment mailed to: Bob Black, Smoky Canyon Mine, P. O. Box 1290, Afton, WY 83110 via certified mail.



RECEIVED
JUN 22 1990

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C.

PHOSPHATE LEASE
IDAHO SERIAL 011683
J.R. SIMPLOT COMPANY
LESSEE

ASSIGNMENT

THIS AGREEMENT, dated as of the 1st day of March, 1990, by and between J.R. Simplot Company, a Nevada corporation (hereinafter called "Simplot"), as Assignor, and MONSANTO COMPANY, a Delaware corporation whose address is 800 North Lindbergh Boulevard, St. Louis, MO 63167 (hereinafter called "MONSANTO"), as Assignee.

WITNESSETH

WHEREAS, a "lease of Phosphate Lands under the act of February 25, 1920, as Amended" Idaho Serial 011683 (hereinafter called "Phosphate Lease"), was, under date of May 1, 1963 issued by the United States of America, as lessor, covering the following described lands in the County of Caribou, State of Idaho, to-wit:

Township 6 South, Range 43 East, B.M.

Section 27: S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

(containing 120 acres, more or less)

hereinafter referred to as the "Leased Lands", and

WHEREAS, Simplot is the lessee and owner of 100 percent record title interest in said Phosphate Lease.

NOW THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration from MONSANTO to Simplot, receipt of which is hereby acknowledged, Simplot does hereby grant, bargain, sell, transfer, assign and set over to MONSANTO the said Phosphate Lease and all of the rights and obligations of

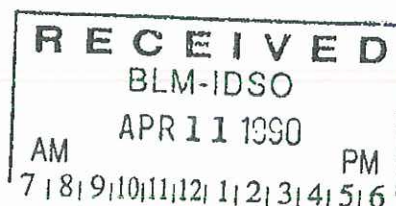
Simplot therein and thereunder (specifically including, but not limited to, Simplot's 100 percent record title interest in and to said Phosphate Lease) as well as all of the rights and obligations of Simplot in and to the Leased Lands.

1. Simplot represents and warrants that Simplot is the lessee under said Phosphate Lease; that Simplot is not in default of its obligations to pay any rentals or royalties pursuant to such lease; that said Phosphate Lease has not been terminated, cancelled or surrendered by either party thereto; and that Simplot's rights thereunder are not subject to any assignment, agreement, encumbrance, burden, restriction or obligation created by any act or instrument of Simplot other than those imposed by the terms of such Phosphate Lease and the Phosphate Lease Exchange Agreement between Simplot and MONSANTO dated as of March 1, 1990, and that it has the right to make this Assignment, subject to governmental approval.

2. There are no overriding royalties or production payments retained or reserved by Simplot relative to the Phosphate Lease.

3. It is expressly agreed that the provisions of this Agreement shall be binding upon Monsanto and the successors or assigns of Monsanto's interests in the Leased Lands. Monsanto further agrees that it will comply with all of Simplot's obligations under the Phosphate Lease for matters occurring on and subsequent to the effective date of this Assignment (referred to in Section 4 hereof).

4. If Simplot has, prior to the effective date of this Assignment, paid royalties or rentals under said Phosphate Lease to the United States Department of the Interior, Bureau of Land Management, ("BLM") for a period which extends beyond such effective date, the amount of such royalty or rental payment shall be apportioned between Monsanto and Simplot as of the effective date set forth in Section 5 hereof.



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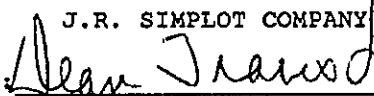
5. It is mutually recognized that this Assignment is subject to approval by the Secretary of the Interior in accordance with the provisions of said Phosphate Lease and applicable law and regulations. If such approval is not obtained by December 31, 1990, this Assignment shall be void and of no force and effect; and the rights and interests of Simplot in this Phosphate Lease existing prior to this Assignment shall revert to Simplot and this Phosphate Lease shall be restored to its status prior to the execution of this Assignment. If such approval is obtained before December 31, 1990, this Assignment shall be effective on the first day of the month of final approval by the BLM.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives.

(SEAL)

ATTEST:

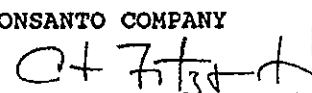

Assistant Secretary

J.R. SIMPLOT COMPANY
By: 
Senior Vice President

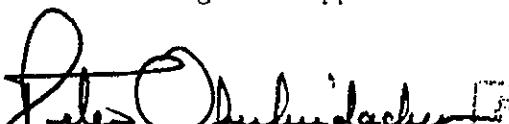
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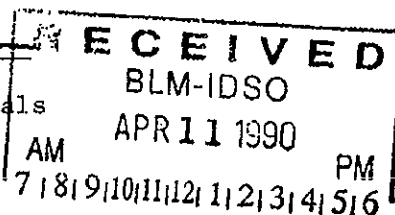
ATTEST:


Assistant Secretary

MONSANTO COMPANY
By: 
A.F. Fitzgerald
Vice President and General
Manager
Detergents & Phosphates
Division
Monsanto Chemical Company
an operating unit of
Monsanto Company

Assignment Approved Effective:


Peter Oberlindacher, Chief
Branch of Solid & Fluid Minerals



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STATE OF IDAHO)
) SS
COUNTY OF Bannock)

On this 12th day of March, 1990, before me, the undersigned Notary Public in and for said County and State, personally appeared Dean Travis Jr., known to me to be the Senior Vice President of J.R. Simplot Company who executed this Assignment on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year first above written.

Carol Lisk
Notary Public

My Commission Expires:

1-12-91

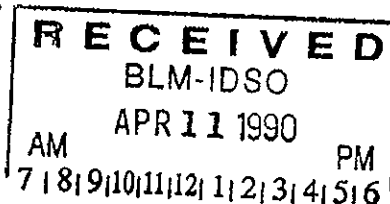
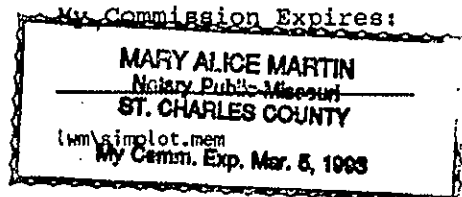
STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

On this 1st day of March, 1990, before me, the undersigned Notary Public in and for said County and State, personally appeared A.F. Fitzgerald, known to me to be the Vice President and General Manager, Detergents & Phosphates Division, Monsanto Chemical Company, an operating unit of Monsanto Company who executed this Assignment on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year first above written.

Mary Alice Martin
Notary Public

My Commission Expires:



Page 4 of 4

76399

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PHOSPHATE LEASE

Act of February 25, 1920 (41 Stat. 437)

Land Office

Boise, Idaho

Serial Number

Idaho 011683

This lease, entered into as of the first day of May, 1963, by the United States of America, the lessor, through the Bureau of Land Management, and the Ruby Company

the lessee, pursuant and subject to the terms and provisions of the act of February 25, 1920 (41 Stat. 437), as amended, hereinafter referred to as the act, and to all reasonable regulations of the Secretary of the Interior now in force which are made a part hereof.

Witnesseth:

Section 1. Rights of lessee. That the lessor, in consideration of rents and royalties to be paid, and the conditions and covenants to be observed as herein set forth, does hereby grant and lease to the lessee the exclusive right and privilege to mine and dispose of all the phosphate and phosphate rock and associated and related minerals hereinafter referred to as leased deposits in, upon, or under the following-described tracts of lands situated in the State of Idaho.

T. 6 S., R. 43 E., B.M., Idaho
Sec. 27: S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

containing 120 acres, more or less, together with the right to construct all such works, buildings, plants, structures, and appliances as may be necessary and convenient for the mining and preparation of the leased deposits for market, the manufacture of products thereof, the housing and welfare of employees, and, subject to the conditions herein provided, including the royalties set forth in section 2(b) hereof, to use any deposit of silica, limestone, or other rock situated on the leased lands as may be utilized in the processing or refining of the leased deposits and so much of the surface of the lands as may reasonably be required in the exercise of the rights and privileges granted.

Sec. 2. In consideration of the foregoing, the lessee hereby agrees:

(a) **Bond.** To maintain the bond furnished upon the issuance of the lease, which bond is conditioned upon compliance with the terms and provisions of this lease, or to furnish such other bond as may be required.

(b) **Royalty.** To pay the lessor a royalty of 5 percent of the gross value of the output of leased deposits at the mine, which royalty shall be not less than 25 cents per ton of 2,000 pounds. In addition to the other royalties and rentals provided in this lease, the lessee shall also pay to the lessor a royalty of 10c per ton for so much of any deposit of silica or limestone or other rock situated on the leased lands as may be utilized in the processing or refining of the leased deposits or of deposits from other lands. It is expressly understood that the Secretary of the Interior may establish reasonable minimum values for the purpose of computing royalty on any of the leased deposits, due consideration being given to the highest price paid for a part or a majority of the production of like quality products from the same general area, the price received by the lessee, posted prices and other relevant matters. Royalties shall be payable monthly within 30 days from the expiration of each month in which the leased deposits are mined and transported from the leased land.

(c) **Rental.** To pay the lessor annually, in advance, for each acre or part thereof, beginning with the date of the execution of this lease, the following rentals: 25 cents per acre for the first year, 50 cents per acre for the second and third years, respectively, and \$1 per acre for the fourth and each succeeding year during the continuance of the lease, such rental for any year to be credited against the royalties on the leased deposits as they accrue under the lease during the year for which the rental was paid.

(d) **Minimum production.** To prospect diligently the leased lands and beginning with the fourth year of the lease, except when operations are interrupted by strikes, the elements, or casualties not attributable to the lessee, or unless operations are suspended as provided in section 39 of the act, to mine each year the leased deposits and pay a royalty thereon to a value of \$1 an acre or fraction thereof, or in lieu thereof, pay a minimum royalty of \$1 an acre or fraction thereof. The lessee may, at any time prior to the end of the thirtieth month of this lease, file a petition with the Mining Supervisor to have the minimum production specified herein changed to a lesser figure, supporting such petition by the required showing and if the lessor finds that the facts warrant such action, he will change the requirement to a lesser figure.

(e) **Payments.** To make rental payments to the Manager of the appropriate Land Office, except that when this lease becomes productive the rentals and royalties shall be paid to the appropriate Regional Mining Supervisor of the United States Geological Survey, with whom all reports concerning operations under the lease shall be filed. All remittances to the Manager of the Land Office shall be made payable to the

Bureau of Land Management, those to the Geological Survey shall be made payable to the United States Geological Survey.

(f) **Plats, reports, maps.** At such times and in such form as the lessor may prescribe, to furnish a plat showing development work and improvements on the leased lands and a report with respect to stockholders, investment, depreciation, and costs. To furnish in such form as the lessor may prescribe, within 30 days from the expiration of each month, a report covering such month, certified by the superintendent of the mine, or by such other agent having personal knowledge of the facts as may be designated by the lessee for such purpose, showing the amount of leased deposits and silica, limestone or other rock mined during the month, the character and quality thereof, amount of its products and byproducts disposed of and price received therefor, and amount in storage or held for sale. To keep and prepare maps of the leased lands in accordance with the regulations in 30 CFR, part 231.

(g) **Weights.** To determine accurately the weight or quantity and quality of all leased deposits and silica, limestone or other rock mined, and to enter accurately the weight or quantity and quality thereof in due form in books to be kept and preserved by the lessee for such purposes.

(h) **Inspection.** To permit at all reasonable times (1) inspection by any duly authorized officer of the Department of the leased premises and all surface and underground improvements, works, machinery, equipment, and all books, and records pertaining to operations and surveys or investigations under this lease; and (2) the lessor to make copies of and extracts from any or all books and records pertaining to operations under this lease, if desired.

(i) **Assignment.** To file for approval in the appropriate Land Office within 90 days from the date of execution, any assignment or transfer made of this lease, whether by direct assignment, operating agreement, working or royalty interest, or otherwise. Such instrument will take effect the first day of the month following its approval by the Bureau of Land Management, or if the assignee requests, the first day of the month of approval. The showing required to be made with an assignment or transfer is set forth in the regulations, 43 CFR 196.13.

(j) **Non-discrimination.** In connection with the performance of work under this lease, the lessee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. The lessee also agrees to post hereafter in conspicuous places, available for employees, and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause. The lessee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

(k) Lands patented with phosphate deposits reserved to the United States. To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of phosphate therein, subject to such conditions as are or may hereafter be provided by the laws reserving such phosphate.

(l) Operations, wages, freedom of purchase. To exercise reasonable diligence, skill and care in the operation of the property, and 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 of waste or damage to any water or mineral deposits; to pay all wages due miners and employees, both above and below ground, at least twice each month in lawful money of the United States; to accord all miners and employees complete freedom of purchase; to restrict the workday to not exceeding eight hours in any one day for underground workers, except in cases of emergency; to employ no boy under the age of 16 and no girl or woman, without regard to age, in any mine below the surface; unless the laws of the State otherwise provide, in which case the State laws control.

(m) Taxes. To pay when due, all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, output of mines, or other rights, property, or assets of the lessee.

(n) Delivery of premises in case of forfeiture. To deliver up to the lessor in good order and condition the land leased, including all buildings, and underground timbering and such other supports and structures as are necessary for the preservation of the mine.

Sec. 3. The lessor expressly reserves:

(a) Rights reserved. The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the land leased, occupied, or used as may be necessary or appropriate to the working of the same or other lands containing the deposits described in the act, and the treatment and shipment of the products thereof by or under authority of the Government, its lessees, or permittees, and for other public purposes.

(b) Disposition of surface. The right to lease, sell, or otherwise dispose of the surface of any of the lands embraced within this lease which are owned by the United States under existing law or laws hereafter enacted, insofar as said surface is not necessary for the use of the lessee in the mining and removal of the leased deposits, associated, and related minerals, and to lease other mineral deposits in the lands.

(c) Monopoly and fair prices. Full power and authority to promulgate and enforce all orders necessary to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interest of the United States, to prevent monopoly, and to safeguard the public welfare.

(d) Readjustment of terms. The right reasonably to readjust and fix the royalties payable hereunder and other terms and conditions, including amount of minimum annual production, at the end of 20 years from the date hereof, and thereafter at the end of each succeeding 20-year period during the continuance of this lease unless otherwise provided by law at the time of the expiration of any such period, but in case the lessee be dissatisfied with the rate of royalty or other terms and conditions so fixed, he shall be entitled to surrender this lease in the manner and under the conditions provided in sections 4 and 5 hereof.

(e) Waiver of conditions. The right to waive any breach of the covenants and conditions contained herein except such as are required by the act, but any such waiver shall extend only to the particular breach so waived and shall not limit

the rights of the lessor with respect to any future breach; nor shall the waiver of a particular cause of forfeiture prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

Sec. 4. Relinquishment of lease. Upon a satisfactory showing that the public interest will not be impaired, the lessee may surrender the entire lease or any legal subdivision thereof. A relinquishment must be filed in duplicate in the appropriate Land Office. Upon its acceptance it shall be effective as of the date it is filed, subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to provide for the preservation of any mines or productive works or permanent improvements on the leased lands in accordance with the regulations and terms of the lease.

Sec. 5. Removal of equipment, etc., on termination of lease. That on termination of this lease, by surrender or forfeiture, the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools and materials, other than underground timbering placed by the lessee in or on the leased lands, which are not necessary for the preservation of the mine. Any materials, tools, appliances, machinery, structures, and equipment, subject to removal as above provided which are allowed to remain on the leased lands shall become the property of the lessor on expiration of the 90-day period or such extension thereof as may be granted because of adverse climatic conditions throughout said period, provided that the lessee shall remove any or all of such property where so directed by the lessor.

Sec. 6. Proceedings in case of default. If the lessee shall not comply with any of the provisions of the act or the regulations thereunder or default in the performance or observance of any of the terms, covenants, and stipulations hereof and such default shall continue for a period of 30 days after service of written notice thereof by the lessor, the lessor may institute appropriate proceedings in a court of competent jurisdiction for the forfeiture and cancellation of this lease as provided in section 31 of the act, provided, that if this lease has not been issued under competitive bidding, as to any default not corrected prior to the commencement of production, the lessor may cancel such lease without institution of such court proceedings. Furthermore, if the lessee fails to take prompt and necessary steps to prevent loss or damage to the mine, property, or premises, or danger to the employees, the lessor may enter on the premises and take such measures as may be deemed necessary to prevent such loss or damage or to correct the dangerous or unsafe condition of the mine or works thereof, which shall be at the expense of the lessee: Provided, that the lessee shall not be held responsible for delays or casualties occasioned by causes beyond the lessee's control.

Sec. 7. Heirs and successors in interest. Each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

Sec. 8. Unlawful interest. No Member of, or Delegate to, Congress or Resident Commissioner, after his election or appointment, or either before or after he has qualified and during his continuance in office, and no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of section 3741 of the Revised Statutes of the United States, as amended (41 USC sec. 22), and sections 431, 432, and 433, title 18 U. S. Code, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

IN WITNESS WHEREOF:

THE UNITED STATES OF AMERICA

By Michael T. Solan
Michael T. Solan (Signing Officer)

WITNESSES TO SIGNATURE OF LESSEE

Land Office Manager APR 3 1963
(Title) (Date)

RUBY COMPANY

(Signature of Lessee)

Attest:

Rain A. Thompson
Assistant Secretary

By

John M. Dahl
(Signature of Lessee) John M. Dahl
Vice Pres.

(Signature of Lessee)

ABB:bj 4-2-63
case file-Orig.

(If this lease is executed by a corporation, it must bear the corporate seal)

Lessee

USGS, SLC-2

F.S. Ogden - 1

GPO 357783

Phosphate Lease

Idaho 011683

ALSO, the following stipulations are included in the lease:

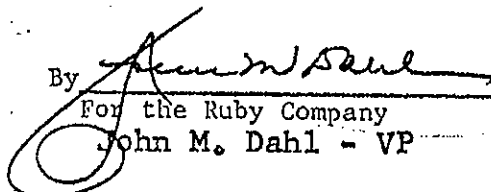
This lease does not authorize prospecting for or removal of any mineral deposits by stripping, rim cutting, open pit, or any other method involving the use of mechanical earth-moving equipment without the prior written approval of the Forest Supervisor. Such approval may be conditioned on stipulations for the protection of surface values and may require a bond to insure compliance.

The lessee will file a plan with the Forest Supervisor before any prospecting work other than by hand tools is undertaken showing the area to be worked and the methods of prospecting to be employed. No work other than with hand tools will be undertaken until approved in writing by the Forest Supervisor.

Accepted

Dated

By


For the Ruby Company

John M. Dahl - VP

March 1963

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RECEIVED
MAY 20 1963

STIPULATION FOR LANDS UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE*

The lands embraced in this lease or permit being under the jurisdiction of the Secretary of Agriculture, the lessee or permittee hereby agrees:

- (1) To conduct all operations authorized by this lease or permit with due regard for good land management, not to cut or destroy timber without first obtaining permission from the authorized representative of the Secretary of Agriculture, and to pay for all such timber cut or destroyed at the rates prescribed by such representative; to avoid unnecessary damage to improvements, timber, crops, or other cover; unless otherwise authorized by the Secretary of Agriculture, not to drill any well, carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the lands within 200 feet of any building standing on the lands and whenever required, in writing, by the authorized representative of the Secretary of Agriculture to fence or fill all sump holes, ditches, and other excavations, remove or cover all debris, and so far as reasonably possible, restore the surface of the lands to their former condition, including the removal of structures as and if required, and when required by such representative to bury all pipelines below plow depth.
- (2) To do all in his power to prevent and suppress forest, brush, or grass fires on the lands and in their vicinity, and to require his employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. Unless prevented by circumstances over which he has no control, the lessee or permittee shall place his employees, contractors, subcontractors, and employees of contractors and subcontractors employed on the lands at the disposal of any authorized officer of the Department of Agriculture for the purpose of fighting forest, brush, or grass fires on or originating on the lands or on adjacent areas or caused by the negligence of the lessee or permittee or his employees, contractors, subcontractors and employees of contractors and subcontractors, with the understanding that payment for

such services shall be made at rates to be determined by the authorized representative of the Secretary of Agriculture, which rates shall not be less than the current rates of pay prevailing in the vicinity for services of a similar character: *Provided*, that if the lessee or permittee, his employees, contractors, subcontractors, or employees of contractors or subcontractors, caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered.

During periods of serious fire danger to forest, brush, or grass, as may be specified by the authorized representative of the Secretary of Agriculture, the lessee or permittee shall prohibit smoking and the building of camp and lunch fires by his employees, contractors, subcontractors, and employees of contractors or subcontractors within the area involved except at established camps, and shall enforce this prohibition by all means within his power: *Provided*, that the authorized representative of the Secretary of Agriculture may designate safe places where, after all inflammable material has been cleared away, campfires may be built for the purpose of heating lunches and where, at the option of the lessee or permittee, smoking may be permitted.

The lessee or permittee shall not burn rubbish, trash, or other inflammable materials *except* with the consent of the authorized representative of the Secretary of Agriculture and shall not use explosives in such a manner as to scatter inflammable materials on the surface of the lands during the forest, brush, or grass fire season, *except* as authorized to do so or on areas approved by such representative.

*This form of stipulation may be used in connection with leases and permits issued under the acts of February 25, 1920, as amended (30 U.S.C. 181 et seq.); August 7, 1947 (30 U.S.C. 351 et seq.); February 7, 1927, as amended (30 U.S.C. 281 et seq.); April 17, 1926, as amended (30 U.S.C. 271 et seq.); October 20, 1914, as

amended (48 U.S.C. 432 et seq.); June 28, 1944 (58 Stat. 463 et seq.); September 1, 1949 (30 U.S.C. 192c); June 30, 1950 (16 U.S.C. 508b); or under the authority of any of the acts cited in section 402 of the President's Reorganization Plan No. 3 of 1946 (5 U.S.C. 133y-16, Note).

The lessee or permittee shall build or construct such fire lines or do such clearing on the lands as the authorized representative of the Secretary of Agriculture decides is essential for forest, brush, and grass fire prevention which is or may be necessitated by the exercise of the privileges authorized by this lease or permit, and shall maintain such fire tools at his headquarters or at the appropriate location on the lands as are deemed necessary by such representative.

(3) In the location, design, construction and maintenance of all authorized works, buildings, plants, waterways, roads, telegraph or telephone lines, pipelines, reservoirs, tanks, pumping stations, or other structures or clearance, the lessee or permittee shall do all things reasonably necessary to prevent or reduce to the fullest extent scarring and erosion of the lands, pollution of the water resources and any damage to the watershed. Where construction, operation, or maintenance of any of the facilities on or connected with this lease or permit causes damage to the watershed or pollution of the water resources, the lessee or permittee agrees to repair such damage and to take such corrective measures to prevent further pollution or damage to the watershed as are deemed necessary by the authorized representative of the Secretary of Agriculture.

(4) To pay the lessor or permitter or his tenant or the surface owner or his tenant, as the case may be, for any and all damage to or destruction of property caused by the lessee's or permittee's operations hereunder; to save and hold the lessor or permitter or the surface owner or their tenants harmless from all damage or claims for damage to persons or property resulting from the lessee's or permittee's operations under this lease or permit.

(5) To recognize existing uses and commitments, in the form of Department of Agriculture grazing, timber cutting, and special use permits, water developments, ditch, road, trail, pipeline, telephone line, and fence rights-of-way and other similar improvements, and to conduct his operations so as to interfere as little as possible with the rights and privileges granted by these permits or with other existing uses.

(6) To install and maintain cattle guards to prevent the passage of livestock in any openings

made in fences by the lessee or permittee or his contractors to provide access to the lands covered by this lease or permit for automotive and other equipment.

(7) If lessee or permittee shall construct any camp on the lands, such camp shall be located at a place approved by the authorized representative of the Secretary of Agriculture, and such representative shall have authority to require that such camp be kept in a neat and sanitary condition.

(8) To comply with all the rules and regulations of the Secretary of Agriculture governing the national forests or other lands under his jurisdiction which are embraced in this lease or permit.

(9) Unless otherwise authorized, prior to the beginning of operations to appoint and maintain at all times during the term of this lease or permit a local agent upon whom may be served written orders or notices respecting matters contained in this stipulation, and to inform the authorized representative of the Secretary of Agriculture, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessee or permittee shall immediately so inform the said representative.

(10) To address all matters relating to this stipulation to Forest Supervisor
Caribou National Forest
Post Office Building
at Pocatello, Idaho

who is the authorized representative of the Secretary of Agriculture, or to such other representative as may from time to time, be designated, provided that such designation shall be in writing and be delivered to the lessee or permittee or his agent.

(11) If all or any part of the lands lie within a municipal watershed, or are, in the opinion of the authorized representative of the Secretary of Agriculture, primarily valuable for watershed protection, the lessee or permittee shall reseed or otherwise restore the vegetative cover, as required by the authorized representative of the Secretary of Agriculture, for watershed protection and erosion prevention on any areas damaged because of the operation.

RUBY COMPANY

John M. Dahl (Lessee) Vice Pres.

99d 004342

[Close](#)IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

2/18/2010

WATER RIGHT NO. 27-7452

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	STATE OF IDAHO DEPT OF LANDS 300 N 6TH ST, STE 103 PO BOX 83720 BOISE, ID 83720-0050 (208)334-0200
Lessee	P4 PRODUCTION LLC MONSANTO CO. C/O MINE SUPERINTENDENT PO BOX 816 SODA SPRINGS, ID 83276 (208)547-4300
Original Owner	MONSANTO CO C/O MINE SUPERINTENDENT PO BOX 816 SODA SPRINGS, ID 83276

Priority Date: 01/06/1989

Basis: Decreed

Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MINING	03/01	10/01	0.3 CFS	16.8 AFA
Total Diversion			0.3 CFS	

76399

Location of Point(s) of Diversion:

GROUND WATER	SWSE	Sec. 21	Township 06S	Range 43E	CARIBOU County
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Place(s) of use:

Place of Use Legal Description: MINING CARIBOU County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
06S	43E	16		NENE			SWNE							
				NENW			NWNW			SWNW			SENE	
				NESW			NWSW			SWSW			SESW	
				NESE			NWSE			SWSE			SESE	
		21		NENE			NWNE			SWNE			SENE	
				NENW										
				SWSW			SESW							
				NESE			NWSE			SWSE				
		22		SWNW										
				NESW			NWSW			SWSW			SESW	
				SWSE										
		25		NWSW			SWSW			SESW				
		26		NWNE			SWNE			SENE				
				NESE			NWSE			SESE				
		27		NENE			NWNE			SWNE			SENE	
				NENW										
				NESE										
		32		NENE			NWNE			SWNE			SENE	
				NENW			NWNW			SWNW			SENE	
				NESW			NWSW			SWSW			SESW	
				NESE			NWSE			SWSE			SESE	

Conditions of Approval:

1.	C18	This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2.		The use of water for mining purposes is for dust abatement within the place of use described above, and for general mining purposes only within lease boundaries issued by the State of Idaho and the United States.
3.		P4 Production LLC is user of water right pursuant to written easement agreement with Department of Lands.

Dates:

Licensed Date:

Decreed Date: 03/14/2008

Permit Proof Due Date: 1/1/1992

Permit Proof Made Date: 1/2/1992

Permit Approved Date: 12/7/1989

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date: 01/05/1989

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number:

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False

76399