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UTAH STATE SURFACE LEASE FOR  
MINERAL SALTS, CHLORIDES, SULPHATES, CARBONATES,  
BORATES, SILICATES, OXIDES, NITRATES, AND  
ASSOCIATED MINERALS

BOOK **489** PAGE **205**

THIS INDENTURE OF LEASE AND AGREEMENT entered into in duplicate as of the 27th day of April, 19 87, by and between the BOARD OF STATE LANDS & FORESTRY, and Great Salt Lake Minerals & Chemicals Corporation hereinafter called the Lessee, under and pursuant to Title 65 Utah Code Annotated, 1953.

WITNESSETH:

WHEREAS the Lessor and Lessee have entered into an agreement for the payment of royalties on salts and other minerals extracted and recovered by Lessee and contained in solution or suspension in the waters of the Great Salt Lake which agreement shall herein, for convenience, be referred to as the "royalty agreement" and,

NOW THEREFORE, the Lessor in consideration of the rents and royalties to be paid and the covenants to be observed by the Lessee, as hereinafter set forth, does hereby grant and lease to the Lessee the exclusive right and privilege to explore for, mine, remove, and extract, process, and/or dispose of all the minerals referred to in the caption hereof, from the surface of the following-described lands in Box Elder County, State of Utah, TO WIT:

Township 6 North, Range 6 West, SL&M.

A part of the bed of the Great Salt Lake in Sec.'s 23, 25, 26, and 27 described as follows: Beg at a point 4846 ft. W and 754.7 ft. N 29000' W from the NE cor of the SE $\frac{1}{4}$  of Sec. 25; th N 19020' W 4800 ft.; th N 7000R' W 1500 ft.; th S 00048' E 2636 ft.; th S 2376 ft.; th W 7245 ft., m/1, to the E line of Sec. 28; th S along the E line of said Sec. 28, 1562.5 ft., m/1, to the northern boundary of the Southern Pacific Company right-of-way; th E along the northern boundary of said right-of-way 11,501.5 ft. to the surveyed meander line in Sec. 25; th N 280' W 2255.4 ft. to the pob.  
... conditions may be made as the Lessor may determine to be necessary in the interest of the State.

ARTICLE I

This lease is granted subject to the laws of the State of Utah, existing regulations of the Board of State Lands and Forestry, and such reasonable operating regulations as may hereafter be promulgated by said Board.

ARTICLE II

Lessee shall promptly notify Lessor of the discovery on the leased premises of any mineral other than those specified herein.

MADE G. KOSTH  
BOX ELDER COUNTY RECORDER

DEP MS FEE 16.00

31051

1990 JUN 19 PM 2:18

MINERAL LEASE APPLICATION NO. 43388

MINERAL LEASE NO. \_\_\_\_\_

UTAH STATE SURFACE LEASE FOR  
MINERAL SALTS, CHLORIDES, SULPHATES, CARBONATES,  
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BOOK **489** PAGE **206**

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day of April, 19 87, by and between the BOARD OF STATE LANDS & --  
FORESTRY, and Great Salt Lake Minerals & Chemicals Corporation hereinafter called  
the Lessee, under and pursuant to Title 65 Utah Code Annotated, 1953.

WITNESSETH:

WHEREAS the Lessor and Lessee have entered into an agreement for the payment of  
\_\_\_\_\_ to be estimated and accounted by Lessee and contained in

containing a total of 708.30 acres, more or less, together with the right to use  
and occupy so much of the surface of said land as may be required for all purposes  
reasonably incident to the exploration for, mining, removal, extraction, processing,  
and/or disposal of said minerals and/or minerals covered by royalty agreement, for a  
term beginning on the date stated above and ending upon the expiration of said royalty  
agreement, upon condition that at the end of each twenty-year (20) period succeeding the  
first day of the year in which this lease is issued, such readjustment of terms and con-  
ditions may be made as the Lessor may determine to be necessary in the interest of the  
State.

ARTICLE I

This lease is granted subject to the laws of the State of Utah, existing regulations of  
the Board of State Lands and Forestry, and such reasonable operating regulations as may  
hereafter be promulgated by said Board.

ARTICLE II

Lessee shall promptly notify Lessor of the discovery on the leased premises of any  
mineral other than those specified herein.

ARTICLE V

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All personal property of Lessee located within or upon the said lands, and all buildings, machinery, equipment, and tools shall be and remain the property of Lessee; and Lessee shall be entitled to and may within twelve (12) months after expiration, forfeiture, surrender, cancellation, or other termination of said lease, or within such extension of time as may be granted by Lessor, remove from the said lands such personal property and improvements.

ARTICLE VI

All of the terms, covenants, conditions, and obligations in this lease contained, shall be binding upon the heirs, executors, administrators, successors, and assigns of the Lessee.

ARTICLE VII

Lessee may surrender this lease as to all or any part of the leased lands, but not less than a quarter-quarter section or a surveyed lot, by filing with the Lessor a written relinquishment, which relinquishment shall be effective as to rental or royalty liability as of the date of filing; and thereupon Lessee shall be relieved from any liability thereafter to accrue as to the lands so surrendered, provided that such surrender shall not relieve Lessee from any rental or royalty obligations accruing prior to the date of such surrender; and provided further that such surrender shall not relieve the Lessee of any other obligation under the lease arising before the filing of the surrender instrument.

ARTICLE VIII

This lease is issued only under such title as the State of Utah may now hold or hereafter acquire during the term of this lease. Lessor shall not be liable for any damages sustained by the Lessee. Lessee shall not be entitled to or claim any refund of rentals, royalties, bonuses, or fees theretofore paid to the Lessor.

ARTICLE IX

Rock, tailings, and waste materials resulting from the operations of the Lessee on said lands or other lands shall be the absolute property of the Lessee whether stored on said lands or on other lands, until such time as title thereto is renounced in writing by the Lessee, provided, however, that title to any such rock, tailings, and waste material stored on the said lands which were produced from said lands or other State lands shall vest in the Lessor upon the expiration, surrender, cancellation, or termination of this lease. If at any time any of such rock, tailings, or waste materials, or any products thereof which were produced from said lands or other State lands are sold by Lessee, the royalty thereon shall be paid by Lessee to Lessor.

ARTICLE III

The Lessee agrees as follows:

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FIRST: To pay to the Lessor:

- (a) From date of issuance hereof until (10) years after January 1, next succeeding the date of issuance, as rental for the land covered by this lease, the sum of one dollar (\$1.00) per acre per annum. All annual payments of rental shall be made in advance on or before the First day of January of each year, except the rental for the year in which this lease is issued, which shall be payable on the application for this lease and which shall be prorated to January First next succeeding the date of issuance.
- (b) Ten (10) years after the 1st day of January next succeeding the date of issuance hereof, the basic rental as provided in paragraph (a) hereof and as additional rental for the land covered by this lease, an additional sum of one dollar (\$1.00) per acre per annum.
- (c) All rentals paid hereunder may be credited against actual tonnage royalties, if any, which may accrue on production from the leased lands during the year for which such rentals are paid.

SECOND: To pay royalties on products extracted and shipped from the leased lands at the rates, and the terms specified, and in accordance with all of the applicable provisions relating to royalties contained in said royalty agreement, and to make production reports to Lessor of the same character and at the times provided for in said royalty agreement.

THIRD: To keep clear, accurate, and detailed maps of Lessee's workings on the leased lands and to furnish to Lessor annually or upon demand copies of such maps and such written statements of operations as may be called for.

FOURTH: Not to assign this lease or any interest therein, or any of the rights and privileges herein granted, nor sublet any portion of the leased premises without the written consent of the Lessor being first had and obtained.

ARTICLE IV

The Lessor hereby accepts and reserves from the operation of this lease:

FIRST: The right to permit for joint or several use such easements or rights of way upon, through, or in the land hereby leased as may be necessary or appropriate to the development of these or any other lands belonging to or administered by the Lessor.

SECOND: Mineral deposits other than those hereby leased which may be contained in said lands.

ARTICLE X

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The Lessee shall determine accurately the weight of quantity and quality of all leased deposits mined and shall 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 and may thereafter freely commingle ores from said deposits with ores from other lands. The obligation of Lessee to maintain accurate records of production from the leased premises is of the essence of the agreement, and Lessee shall adopt such procedures for determining and accounting for production from the leased premises as Lessor may from time to time require.

ARTICLE XI

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if deposited in the United States mail, postage prepaid and registered, and addressed as follows: \_\_\_\_\_

or at such other address as Lessee may from time to time in writing designate by written notice to Lessor.

ARTICLE XII

Said lease and this agreement are made upon the condition that Lessee shall perform all the covenants and agreements herein set forth to be performed by it; and if at any time there shall be any default on the part of Lessee hereunder and if such default shall continue for a period of thirty (30) days after written notice of such default being given by Lessor to Lessee, then and in such event said lease and this agreement shall, at the option of the Lessor, be terminated; and the demised premises shall revert to Lessor.

ARTICLE XIII

The parties hereto agree that nothing herein contained shall be construed as being in any manner in derogation of the terms, conditions, or provisions of applicable law or any regulation promulgated thereunder; but, on the contrary, this agreement shall be deemed amenable to reformation to eliminate or modify any portion found to be in contravention of such law or regulation except as to such provisions, if any, so eliminated shall be and remain in force and effect according to its terms as so modified. The parties hereto further agree that this lease agreement may be modified and amended by the inclusion of additional leased lands, by addendum, the effect of which would be to make such so added lands subject to all of the terms and conditions hereof as fully and in all particulars as if such lands had been originally described herein.

ARTICLE XIV

Neither party shall be liable to the other for any loss or damage suffered or incurred, nor shall either party be in default under this agreement by reason or as a result of the fact that the performance of the terms and provisions of this agreement is delayed or prevented due to acts of God or the public enemy, war, revolution, civil commotions, blockage or embargo, or any act, law, order, proclamation, regulations demand or

requirement of the United States or its authorized officers or representatives, or by reason of fires explosions, cyclones, floods, breakdown of equipment, epidemics, quarantine restrictions, strikes, labor disputes, freight embargoes, failure of transportation facilities, failure of sources of supply of raw materials, labor, power, and supplies, provided, however, that nothing in this paragraph shall excuse Lessee from paying rentals due to the State under the paragraph.

ARTICLE XV

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IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 12<sup>th</sup> day of July, 1957, but as of the date first hereinabove written.

THE STATE OF UTAH, acting by and through the BOARD OF STATE LANDS & FORESTRY and DIVISION OF STATE LANDS & FORESTRY

PATRICK D. SPURGIN, DIRECTOR

APPROVED AS TO FORM  
DAVID L. WILKINSON  
ATTORNEY GENERAL

By

*David L. Wilkinson*

*Donald G. Prince*  
BY Donald G. Prince  
DONALD G. PRINCE, ASSISTANT DIRECTOR  
Division of State Lands & Forestry - LESSOR

*W. J. Reynolds*  
W. J. Reynolds  
VP Operation 7/15/57  
LESSEE

STATE OF UTAH )  
                  ) : ss.  
COUNTY OF SALT LAKE )

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On the 16th day of July, 1987, personally appeared before me DONALD G. PRINCE, who being by me duly sworn did say that he is the Assistant Director of the Division of State Lands and Forestry of the State of Utah and the signer of the above instrument, who duly acknowledged that he executed the same.

Given under my hand and seal this 16th day of July, 1987.

John Garcia  
Notary Public, residing at: SLE, UT

My Commission Expires: 5/31/88

STATE OF UTAH )  
                  ) : ss.  
COUNTY OF )

On the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, personally appeared before me \_\_\_\_\_, signer of the above instrument, who duly acknowledged to me that \_\_\_\_\_ executed the same.

Given under my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public, residing at:

My Commission Expires:

STATE OF UTAH )  
                  ) : ss.  
COUNTY OF Weber )

On the 15th day of July, 1987, personally appeared before me Max J. Reynolds, who being duly sworn did say that he is an officer of GSLM&CC and that said instrument was signed in behalf of GSLM&CC acknowledged to me that said corporation executed the same.

Given under my hand and seal this 15th day of July, 1987.

Nancy S. Acker  
NOTARY PUBLIC, residing at: Ugden, Utah

My Commission Expires: 9-20-90

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STATE OF UTAH            )  
                              : ss  
COUNTY OF SALT LAKE )

I, DENISE B. WARDLE, OFFICE TECHNICIAN, of the Division of State Lands and Forestry of the State of Utah, hereby certify that the foregoing is a full, true, and correct copy of A SALT LEASE, ML 44388, which is on file in the State Land Office, 355 West North Temple, 3 Triad Center, Suite 400, Salt Lake City, UT 84180.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the State Land Office this 18TH DAY of JUNE 1990.

*Denise B. Wardle*  
DENISE B. WARDLE, OFFICE TECHNICIAN