

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

24031

BOOK 489 PAGE 213

THIS INDENTURE OF LEASE AND AGREEMENT entered into in duplicate as of the 2nd day of October, 1967, by and between the STATE LAND BOARD and GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION, a Delaware corporation, 579 Fifth Avenue, New York, New York 10017, 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 Great Salt Lake which agreement shall hereinafter, 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, extract, process and/or dispose of all the minerals referred to in the caption hereof, from the surface of the following described lands in Weber and Box Elder Counties, State of Utah, to-wit:

SCHEDULE "A"

Beginning at a point 15.50 ch. East of the Southwest corner of Section 35, Township 7 North, Range 5 West, SIM, which point is the intersection of the South Boundary of the aforesaid Section and Township and the meander line as established by the survey, Plat dated October 21, 1885.

Thence North and Northwesterly along said meander line through Section 35, 34, 27, 22, 15 and 16 a distance of approximately 4.3 miles to the intersection of said meander line and the North line of Section 16:

Thence East 3.1 miles;
 Thence South 1/2 mile;

Thence East 3 miles;

Thence South 1 mile;

Thence West 3 miles;

Thence South 1/2 mile;

Thence West 1 mile;

Thence South 2 miles;

Thence West 64.50 ch. more or less to the point of beginning;

which lands, when surveyed, will probably be:

Township 7 North, Range 5 West, SIM

01-024-0042 ✓	Section 13:	All	640.00 acres
0043 ✓	Section 14:	All	640.00 acres
0044 ✓	Section 15:	That part eastward of meander line survey	554.29 acres
0055 ✓	Section 16:	That part eastward of meander line survey	3.07 acres
0045 ✓	Section 22:	That part eastward of meander line survey	414.62 acres
0046 ✓	Section 23:	All	640.00 acres
0047 ✓	Section 24:	All	640.00 acres
0049 ✓	Section 26:	All	640.00 acres

E# 1111790 BK1582 PG0846
 DOUG CROFTS, WEBER COUNTY RECORDER
 19-JUN-90 1234 PM FEE \$0.00 DEP MH
 REC FOR: U.S. TITLE

BOX ELDER COUNTY RECORDER
 31052 ✓

DEP. FILE 22.00
 1990 JUN 19 PM 2:18

Township 7 North, Range 5 West, SLM (Cont.)

01-024-0050 Section 27: That part eastward of
meander line survey
0051 Section 34: That part eastward of
meander line survey
0052 Section 35: That part eastward of
meander line survey

BOOK 489 PAGE 214

Township 7 North, Range 4 West, SLM

01-023-0038 Section 19: All 640.00 acres
0037 Section 20: All 640.00 acres
0040 Section 21: All 640.00 acres

containing 6,913.07 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 (20) year period succeeding the first day of the year in which this lease is issued, such readjustment of terms and 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 State Land Board 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 III

The Lessee agrees as follows:

FIRST: To pay to the Lessor:

(a) From date of issuance hereof until ten (10) years after January 1, next succeeding the date of issuance, as rental for the land covered by this lease, the sum of fifty cents (50¢) per acre per annum. All annual payments of rental shall be made in advance on or before the 1st 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 1st 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 fifty cents (50¢) 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, at 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

BOOK 489 PAGE 215

The Lessor hereby excepts 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 V

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 X

The Lessee shall determine accurately the weight or 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

BOOK 489 PAGE 216

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: Great Salt Lake Minerals & Chemicals Corporation, 579 Fifth Avenue, New York, New York 10017

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 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 and 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 commotion, 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 any rentals due to the State under this paragraph.

ARTICLE XV

The Great Salt Lake Authority is considering, and may possibly cause dikes or other construction to be built in or around the Great Salt Lake and Lessee shall have no recourse for damage sustained by reason of any reasonable fluctuation of the water level of the Great Salt Lake for any reason.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this 8th day of November, 1967, but as of the date first hereinabove written.

STATE OF UTAH, STATE LAND BOARD

By [Signature]
DIRECTOR LESSOR

GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION

Attest: [Signature] Secretary by [Signature] President

BOOK 489 PAGE 217

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

On the ^{NOV 8 1967} day of 1967, personally appeared before me ^{Lee E Young} ~~Charles R. Hansen~~ who being by me duly sworn did say that he is the Director of the State Land Board of the State of Utah and that said instrument was signed in behalf of said Board by resolution of the Board, and said ~~Charles R. Hansen~~ ^{Lee E Young} acknowledged to me that said Board executed the same in behalf of the State of Utah.

Given under my hand and seal this day of NOV 8 1967

My commission Expires: APR 10 1968

Lee E Young
Notary Public

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 6th day of November, A. D. 1967, personally appeared before me ~~HARRY D. FELTENSTEIN, JR~~ who, being by me duly sworn, did say that he is the President of GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION and that said instrument was signed in behalf of said corporation by resolution of its Board of Directors and said Harry D. Feltenstein, Jr. acknowledged to me that said corporation executed the same.

Joseph Prestifilippo
Notary Public residing at:

My commission expires:

JOSEPH PRESTIFILIPPO
NOTARY PUBLIC, State of New York
No. 41-3157740 Queens County
Commission Expires March 30, 1968

NOTICE
RECEIVED
1967

BOOK 489 PAGE 218

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

On the day of NOV 9 1967, personally appeared before me Lee F Young ~~Charles W. Bangen~~ who being by me duly sworn did say that he is the Director of the State Land Board of the State of Utah and that said instrument was signed in behalf of said Board by resolution of the Board, and said Lee F Young acknowledged to me that said Board executed the same in behalf of the State of Utah.

Given under my hand and seal this day of NOV 9 1967 1967

My commission Expires: APR 10 1968

Charles W. Bangen
Notary Public

STATE OF UTAH)
: ss.
COUNTY OF)

On the day of 1967, personally appeared before me _____ and that said instrument was signed in behalf of said corporation by resolution of its Board of Directors, and said _____ acknowledged to me that said corporation executed the same.

Given under my hand and seal this _____ day of 1967

My commission Expires:

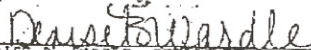
Notary Public

RECORDED
INDEXED
NOV 14 1967
SALT LAKE COUNTY

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 24631, 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, OFFICE TECHNICIAN