

**MODEL LEASE AGREEMENT - THIS DOCUMENT MUST BE
REVIEWED BY LEGAL COUNSEL BEFORE COMPLETING -
ANNOTATIONS SHOWN IN RED**

BETWEEN
_____ TRIBE(S)
AND

THIS LEASE is made and entered into in quintuplicate this __th day of _____, 200_, by and between the Tribes of the _____ Reservation, sovereign governments and federally recognized Indian tribes, whose address is _____ (hereinafter referred to collectively as "Lessor"), and _____, a _____ corporation, whose address is _____, (hereinafter referred to as "Lessee"). This lease is entered into pursuant to the Indian Mineral Development Act of 1982 (25 U.S.C. § 2101 et seq.), other applicable federal laws and regulations, and the laws of the _____ Reservation, including all amendments to all of the above.

1. DEFINITIONS.

- 1.1. "Secretary" means the Secretary of the Interior or an authorized representative.
- 1.2. "Authorized Officer" means any entity or individual authorized by the Secretary to perform duties with respect to this Lease or the regulations applicable hereto.
- 1.3. "Effective Date" means the first day of the month following the date of approval of this Lease by the Secretary.
- 1.4. "Aggregate" means any combination of sand, gravel, and crushed stone in their natural or processed state.
 - 1.4.1. "Crushed Stone" means limestone, granite, or any other hard, sound rock that is produced by blasting and then crushing.
 - 1.4.2. "Sand and Gravel" means any unconsolidated mixture of fine and/or coarse aggregate material found in a natural deposit.
- 1.5. "Aggregate Mining" includes but is not limited to the physical extraction of rock or sand and gravel from natural sources, whether by surface or underground means, and their processing by crushing and screening to yield final marketable aggregate products
- 1.6. "Reclamation Activities" shall mean those actions required under applicable law including, but not limited to the restoration of the mined land to original contour, use, or condition or those actions required to close Lessee's activities in and on the entire leasehold in compliance with applicable laws and regulations, as the context requires.

1.7. "Reservation" means those lands encompassed within the exterior boundaries of the _____ Reservation, _____.

1.8. "Tribal Minerals Department" means the Minerals Department of the Tribes.

1.9. "Tribe(s)" means the _____ Tribe(s) of the _____ Reservation.

2. LEASED PREMISES.

2.1. Lease of Premises.

For and in consideration of the payments to Lessor herein provided and the covenants of Lessee herein contained, Lessor hereby grants, leases, and lets exclusively unto Lessee for the purposes of investigating, exploring, prospecting, drilling, mining for, and producing aggregates, building roads, tanks, power stations, telephone lines, and other structures thereon to produce, save, take care of, treat, transport, market and own such products, and performing any required Reclamation Activities on the following-described tracts of land situated in the Reservation, and more particularly described as follows and as shown in the attached map:

Township _____ North, Range _____ East

Section _____

containing _____ acres, more or less, (hereinafter referred to as "Leased Premises").

2.2. Limitation on Use of Leased Premises: Additional Purposes.

The Leased Premises shall not be used by Lessee for any purpose or purposes other than those specified above, or specifically granted elsewhere in this Lease, and Lessee agrees to use the Leased Premises only for these purposes. However, Lessee may use the Leased Premises for any additional lawful purpose when specifically authorized hereafter by written consent of Lessor and the Secretary, which consent may be withheld, granted, or granted upon conditions, in the reasonable discretion of Lessor and the Secretary.

2.3. Reservations.

2.3.1. Mineral Estate.

The Tribes expressly except from this agreement and reserve to themselves, all minerals of every kind and character in, on, and under the Leased Premises, other than the commercial aggregate as herein defined. However, the movement or use of soils, sand, and rock by Lessee for the purpose of constructing and improving the Leased Premises as required by this Lease shall be permitted and shall not be construed as mining.

2.3.2. Surface Estate.

The Lessor reserves the right, subject to the superior right of Lessee to use so much of the surface of the Leased Premises as is necessary for Lessee to exercise

the rights granted under this Lease, to lease, sell, or otherwise dispose of the surface of the Leased Premises. Lessor may use said land and the surface thereof to investigate, explore, prospect, drill, and mine for, and produce all such other minerals, including but not limited to the right to construct, operate, and maintain works, buildings, plants, waterways, roads, communication lines, pipelines, reservoirs, tanks, pumping stations, wells, offices, utilities, and other structures necessary or convenient for enjoyment of the rights excepted and reserved hereunder.

3. CONDITION OF LEASED PREMISES.

3.1. Examination of Leased Premises: No Warranties.

Lessee has examined and knows the Leased Premises. No warranties or representations, express or implied, as to the condition or status of the Leased Premises have been made by Lessor or any agent of Lessor prior to or at the time of execution of this Lease. Lessee warrants that it has not relied on any warranty or representation made by or for Lessor, but has relied solely upon Lessee's independent investigation.

3.2. Access to Leased Premises.

Lessor hereby grants to Lessee the non-exclusive right for continuous ingress and egress by motor vehicles (including trucks) and on foot over the lands of Lessor from any established highway or secondary road to the perimeter of the Leased Premises as may be reasonably necessary to carry on the work authorized herein; provided, that Lessor shall not be required to make any expenditure of money to construct or maintain any such route. Such ingress and egress shall be by the least damaging route to the Leased Premises and construction of permanent roadways shall be subject to the prior approval of the Tribes. Lessee shall be responsible for repairing any material damage done or caused to be done to Lessor's land by Lessee in exercising this right and Lessee shall bear the cost and expense of such repair.

4. TERM.

The term of this Lease shall be _____ years ("Term"), beginning on the Effective Date of this Lease with a preferential right (**first right of refusal**) in Lessee to renew this Lease for a successive period of ____ years upon such reasonable terms and conditions as may be agreed to by the Parties hereto and approved by the Secretary, unless otherwise provided by law, upon the expiration of the Term. The environmental releases and indemnifications contained in Section 10 of this Lease shall survive the expiration or termination of this Lease.

5. PAYMENTS TO LESSOR.

5.1. Lessee covenants and agrees to pay to Lessor the following payments ("Lease Payments") for use of the Leased Premises:

5.2. Annual Rental. Lessee shall pay to Lessor on or before the Effective Date and each anniversary thereof an Annual Rental of no less than \$2.00 per acre according to CFR

211.42, in advance during the continuance hereof. The Annual Rental shall not be credited against royalty, or prorated or refunded for any reason whatsoever. (Optional clause - may delete or substitute a minimum royalty provision if desired.)

5.3. Development Expenditures: As pursuant to Title 25 of the Code of Federal Regulations, Part 211, Subpart C, §212.42, a lease for minerals shall provide for a yearly development expenditure of not less than \$20.00 per acre. (Optional clause - may delete.)

5.4. Royalty. Lessor a Royalty of _____ of the value of all aggregate produced, sold, or saved from the Leased Premises, save and except aggregate used by Lessee for required development and operational purposes on the Leased Premises which aggregate shall be royalty free. Lessee is not authorized to sell any such aggregate, nor shall Lessee remove such aggregate from the Leased Premises, except for the construction and maintenance of access roads or other improvements for Lessee's operations on the Leased Premises. Lessor shall have the right to elect on thirty (30) days written notice to take Lessor's royalty in kind. ("in kind" means Lessor's fair share, i.e. 10 percent royalty equals 10 percent of aggregate.) When paid in value, Royalties shall be due and payable monthly on the last day of the calendar month following the calendar month in which produced, sold, or saved. (May use methods other than percent rate such as price per ton or price per cubic yard. Need to know how Lessor will record aggregate removed - barge, volumetrics, cross-sectional calculation, truck scale, etc.)

5.4.1. When Royalty on aggregate produced is paid in kind, such royalty aggregate shall be delivered, at such time as may be required by Lessor, in Lessor's stockpiles on the premises where produced as reasonably may be required by Lessor without cost to Lessor, unless otherwise agreed to by the Parties. Lessee shall not be required to hold such royalty aggregate in storage longer than thirty (30) days after the end of the calendar month in which such aggregate is produced. Lessee in no manner shall be responsible or held liable for loss or destruction of such aggregate in storage, unless the loss or destruction is caused by Lessee's negligence and/or willful misconduct.

5.5. Payments. All payments due hereunder shall be paid in advance without prior written notice or demand on or before their due date in accordance with applicable laws and regulations. Interest shall be paid on all late payments from the due date to the date of payment, computed on an annual rate _____ percentage points above the prime rate as set by the Citibank N.A. of New York on the first day of the month in which demand is made by Lessor, provided that the prime rate for purposes of this subsection shall not be less than six percent (6%) per annum. Lessee shall furnish to Lessor and the Secretary monthly statements in such form as may be prescribed by the Secretary, and furnish Lessor with any hard copy printout if an automated data processing system is used. Monthly statements shall be filed with Lessor within sixty (60) days of the last day of the month covered by the report. (Minerals Management Service, Secretary can help with audits and assist with payment verifications.)

5.6. Inspections: Audits. Lessee agrees to allow Lessor and its agents or any authorized representative of the Secretary, to enter, from time to time, upon and into all parts of the Leased Premises for the purposes of inspection, and shall further agree to keep a full and

correct account of all operations and make reports thereof, as required by the regulations of the Secretary governing operations on the Leased Premises. Lessee's books and records pertaining to the Leased Premises shall be open at all times for audits relating to the scope, nature, and extent of compliance with this Lease or with applicable laws, regulations, or orders by Lessor or such officers of the Secretary as shall be instructed in writing by the Secretary or authorized by regulations to make such audit. Lessor and the Secretary shall provide reasonable notice to Lessee of its intent to audit Lessee's books and records. Lessee shall maintain its books and records and they shall be available for audit for the maximum period required by applicable law or regulations. Duly authorized representatives of the Tribal Minerals Department shall have the right to issue written notices of probable violations of applicable federal and tribal laws and regulations.

6. THE LESSEE AGREES:

6.1. a. Lease Area - That this lease is granted subject to valid existing rights and with the understanding that the following classes of land within the area described in this lease are not subject to exploration or prospecting under this lease:

6.1.1. Allotted or Tribal Indian land, unless authorized by the landowner and provided for in this lease.

6.1.2. Land owned by a non-Indian.

6.1.3. Land held under a valid existing mineral lease.

6.2. Laws and Regulations - That operations under this lease are subject to all applicable regulations governing the development of aggregate on restricted Indian land as specified in, but not limited to 25 CFR 211, 25 CFR 212, 25 CFR 216, and 25 CFR 225.

6.3. Lessee shall use the Best Practices of mining and processing available to allow the highest level of recovery for profitable extraction.

6.4. Liability for Damage - The Lessee is liable for any damage resulting from his operations under this lease, including injury to the Lessor, the tenants, licensees, and surface owners, and for any damage to, or destruction of property caused by the Lessee's operations under this lease. The Lessee agrees to save and hold harmless the Lessor and the United States and its officers, representatives and employees, licensees, and the surface owners or their tenants from all suits for injury or claims, for damage to persons and property resulting from the Lessee's operations under this lease.

6.5. Reports - To furnish a monthly report to the Bureau of Land Management, Bureau of Indian Affairs Agency Superintendent, and _____ Tribe showing on a legible township plat, the locations of holes drilled or pits dug during the preceding month, the location of the mining and processing operations and the location and the nature of the reclamation work. Lessee must submit within six months after this Lease expires a report in duplicate, including a map of all water discoveries, geologic, geophysical and core-drilling/laboratory analyses to the Bureau of Land Management, Agency Superintendent, and the _____ Tribe.

6.6. Employment of Indians - To employ Indians, if available, for all jobs for which they are

qualified.

6.7. Operational Instructions - To abide by the following operational instructions:

- 6.7.1. A copy of this lease and the approved Mine Plan shall at all times be in the possession of the Lessee or some other member of the Lessee's crew while conducting the field operations.
- 6.7.2. The Lessee is responsible for all work performed under this Lease. Payment for damage caused by the Lessee to Lessor's property shall be made to the Bureau of Indian Affairs, _____ Agency, with land identification as to tribal or allotted. Other properties not under the jurisdiction of the Bureau of Indian Affairs will be handled by the appropriate parties, if privately owned, state, county, or city government agencies.
- 6.7.3. The Lessee shall conduct all operations authorized in this lease with due regard to preventing unnecessary damage to vegetation, timber, soil, water resources, roads, bridges, cattle-guards, fences, and to all improvements, including construction, operation and maintenance facilities on or connected with the acreage under this lease. Damage in excess of ordinary wear and tear shall, within 24 hours, be reported to the Agency Superintendent and shall be immediately repaired by the Lessee as nearly as possible to its condition before the damage. Any public hazard, such as damage to a bridge or culvert, caused by the operation of the Lessee shall be marked and barricaded and proper steps taken immediately by the Lessee for repair of the damage. On termination of operations under this lease, the Lessee shall make provisions for the conservation, repair and protection of the property and leave all of the areas on which the Lessee has worked in a condition that will not be hazardous to life or limb, subject to an inspection satisfactory to the Agency Superintendent and the Bureau of Land Management. Bond posted by Lessee with the Bureau of Indian Affairs, _____ Agency will not be released until the requirements of this section have been satisfied. (Note: Prevents damage to other natural resources, such as timber, and improvements on property.)
- 6.7.4. Water shall not be taken in any amount except by written permission of the landowner. If Lessee finds water in useful quantities, he shall, within a reasonable time, notify the Agency Superintendent and the land owners before a drill hole is plugged and abandoned.
- 6.7.5. Only holes may be drilled and only in a manner first approved by the Bureau of Land Management in the Lessee's Mine Plan.
- 6.7.6. When not in use, drill holes shall be securely capped at all times, until such time they are permanently plugged and abandoned.
- 6.7.7. When abandoned, drill holes shall be substantially and safely plugged, as provided in the approved Mine Plan, so as to protect water from contamination and

waste, and to prevent creation of a hazard to persons and livestock.

- 6.7.8. If the drilling of holes is contracted, drill holes locations shall be inspected by Lessee after abandonment to ensure the carrying out of Section 6.6.7.
- 6.7.9. In no instance may a hole be drilled or an explosive charge set off less than six hundred (600) feet horizontally of water wells, springs, reservoirs, dams, dwellings, corrals, power lines, barns, or other structures.
- 6.7.10. The Agency Superintendent may require the Lessee to take appropriate precaution to prevent injury to land susceptible to or in the proximity of any Government (Bureau of Reclamation, Corps of Engineers, etc.), Bureau of Indian Affairs, or private irrigation project and to prevent damage to any water supply or any irrigation project.
- 6.7.11. All gates shall be left open or closed, as found.
- 6.7.12. No vehicle may be driven over a fence, unless prior consent is obtained from the owner of the fence or from the person responsible to the owner for the fence. Lessee shall, immediately after each crossing of the fence, return the fence to as good condition as found.
- 6.7.13. Vehicles shall be operated at a reasonable speed and additional caution shall be exercised in the operation of a vehicle in the vicinity of livestock.
- 6.7.14. Paper, cans, wire, dynamite boxes, and other refuse shall be removed.
- 6.7.15. Any fire started by Lessee shall be properly confined in a metal container and extinguished before leaving.
- 6.7.16. During the field operations, no employee of the Lessee or contractor may hunt, fish, or carry firearms within the area covered by this lease or _____ Indian Reservation lands.
- 6.7.17. Preservation of Antiquities: It will be the responsibility of the Lessee to obtain necessary archaeological clearance in accordance with the Antiquities Act of June 8, 1906 (34 Stat. 225) and Archaeological Resources Protection Act of 1979 (P.L. 96-95) which forbid the disturbance, destruction or removal of any specimens of archaeological interest without an approved permit to excavate or remove any archeological resources.. The Lessee shall immediately notify the _____ Agency staff who will notify the [Staff Archaeologist, Bureau of Indian Affairs Region Office] upon discovery of any specimens of archaeological interest describing the location.
- 6.7.18. When, in the opinion of the Agency Superintendent or the Bureau of Land Management Field Office representative, the Lessee has violated any of the terms

and conditions of this lease or of the applicable regulations, the Lessee shall be served with a written notice setting forth the alleged violation(s) by either government official depending on the violation (lease terms are the responsibility of the Bureau of Indian Affairs, and operation related activities are the responsibility of the Bureau of Land Management). Except for violations that threaten human life or the environment, Lessee will be allowed 30 days from the date of notice of noncompliance to show cause why the lease should not be canceled. If it is determined that the violation(s) may be corrected and the Lessee agrees to take the necessary corrective actions, he may be given a reasonable period of time to implement such measures, or he may request a hearing (before the appropriate agency) within 30 days after the date of the notice. If it is determined, following the hearing, that the violation(s) may be corrected, and the Lessee agrees to take the necessary corrective action, the Agency Superintendent may allow the Lessee to take such corrective action that involve lease terms and violations involving Mine Plan requirements, the Agency Superintendent will consult with the Bureau of Land Management Field representative before Lessee is allowed to take necessary corrective action. The time granted for correcting the violation(s) shall not serve to extend or continue this lease beyond its primary term. If the Lessee fails to show cause why the lease should not be canceled or fails to take corrective action to cure the default within the specified period of time granted to do so, the Agency Superintendent shall serve written notice to the Lessee that the lease is null and void, and the Lessor shall then be entitled and authorized to take immediate possession of the premises and any other appropriate action.

7. WATER USE AND FACILITIES.

7.1. Water Use.

The Tribes shall provide and Lessee shall obtain a water permit for each well drilled or converted to a water source on the Leased Premises. The water permit fee shall be _____ per well drilled or converted. Water permits shall allow Lessee to use water of the Tribes from the Leased Premises for all mining related operations. Any water obtained off the Leased Premises from the Tribes shall be purchased by Lessee from Lessor at a rate of _____ per barrel. Nothing in this section shall relieve Lessee from compliance with federal and tribal laws and regulations for water use.

7.2. Water Metering.

To facilitate the accounting of water use, Lessee shall maintain accurate and complete records of the sources and amounts of water used on the Leased Premises, shall furnish such records to Lessor on request, and shall install metering or measuring devices capable of measuring produced water from all wells on a monthly basis, other than wells used solely for groundwater monitoring. Any such metering or measuring devices shall be non-resettable and certified for accuracy on an annual basis by an independent technician.

8. PROPERTY BELONGING TO LESSEE.

If Lessor shall so elect in writing within ninety (90) days from the termination or expiration of this Lease, Lessor may purchase any or all of the buildings, structures, materials, tools, machinery, appliances, and equipment placed in or upon the Leased Premises by Lessee and shall pay to Lessor such sum as may be agreed to by the Parties. If the Parties cannot reach agreement on a purchase price, a reasonable price shall be fixed by a board of three appraisers, one of whom shall be chosen by Lessor, one by Lessee, and one by the two so chosen. Pending such purchase, all Equipment shall remain in normal position. If Lessor elects not to purchase all or a part of the Equipment, Lessee shall remove it within a period of one hundred eighty (180) days following the earlier of the end of the above-referenced ninety (90) day period or actual written notice of Lessor's election not to purchase. If Lessee does not remove the Equipment within the one hundred eighty (180) day period, Lessor shall have the option to remove the Equipment at Lessee's sole cost and risk, or to transfer ownership of the Equipment to Lessor at no cost to Lessor.

9. ASSIGNMENT SUBLEASE OR TRANSFER.

9.1. Lessee shall not assign this Lease or any interest therein by an operating agreement or otherwise, shall not sublet any portion of the Leased Premises, and shall not transfer any interest therein, except with the approval of Lessor and the Secretary, which approval shall not be unreasonably withheld. No sublease, assignment, or transfer shall be valid or binding upon Lessor without Lessor's written approval, and then only upon the condition that the sublessee, assignee, or transferee shall agree in writing to be bound by all provisions of this Lease, including but not limited to the release and indemnification requirements. If this Lease is divided by the assignment, sublease, or transfer of an entire interest in any part, including a stratigraphic horizon, each part shall be considered a separate lease under all the terms and conditions of this original lease, including any modifications or renewals approved in conjunction with the approval of such assignment or transfer. Lessor's approval of one sublease, assignment, or transfer shall not validate a subsequent sublease, assignment, or transfer, and the restrictions of this Section shall apply to each sublease, assignment, or transfer hereunder and shall be severely binding upon each and every sublessee, assignee, transferee, and each and every corporate successor or other successor in interest of Lessee.

9.2. This Section shall not apply to a mortgage, security interest, or other encumbrance of this Lease for purposes financing operations related to the Leased Premises. This Section shall not apply to any assignment or transfer if the assignment or transfer is to any person, firm, corporation, or other business entity which is owned or controlled by Lessee, in whole or in part, nor by a subsidiary or affiliate of Lessee and which owns or control Lessee, in whole or in part, and of which Lessee is a subsidiary or affiliate, except that Lessee by written notice shall notify Lessor and the Secretary of such assignment or transfer. The term "control" shall mean the direct or indirect power to direct or cause the direction of the management and policies of Lessee, or its parent corporation, whether through the ownership of voting securities, by contract, or otherwise.

10. INDEMNIFICATION AGREEMENT.

10.1. Indemnification. Lessee agrees to indemnify, protect, release, and hold harmless Lessor

and the Secretary from and against all losses, liabilities, damages, costs, investigations, obligations, claims, penalties, causes of action, monitoring, costs, and expenses (including but not limited to reasonable attorney fees, consultant fees and costs, expert fees and costs, laboratory testing, remediation and settlement costs, and claims, including, without limitation, third-party claims, whether for personal injury or real or personal property damage or otherwise, or administrative and informal proceedings) ("Losses"), incurred by Lessor and resulting or arising from Lessee's acts or omissions in connection with: (i) any breach of any representation, covenant, or warranty made by Lessee in this Lease or in any certificates or other instruments delivered by or on behalf of Lessee pursuant thereto; (ii) any violation of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq., and the regulations there under (the "WARN Act"); (iii) the use, non-use, storage, release, disposal, or generation by Lessee, or its agents, employees, contractors, or invitees, of any Hazardous Material in, on, under, or about the Leased Premises; or (iv) any accident, injury to, or death of persons, or loss of or damage to property occurring on or about the Leased Premises or any portion thereof.

10.1.1. The indemnification referred to above shall specifically cover Losses incurred in connection with the investigation or monitoring of site conditions, any cleanup, containment, remedial, removal, or restoration work required by applicable law and performed by any federal, state, or tribal governmental agency or political subdivision, or performed by any nongovernmental entity or person because of the presence or suspected presence or release or threatened or suspected release of any Hazardous Materials in or into the air, soil, groundwater, or surface water at, on, under, or above the Leased Premises, and Losses arising from any claims of third parties for loss or damage due to such presence or release of Hazardous Materials, resulting or arising from Lessee's acts or omissions.

10.1.2. If any investigation, testing, or monitoring of site conditions or any cleanup, containment, restoration, removal, or other remedial work (collectively the "Remedial Work") is required under any applicable law or regulation, by any judicial order, or by any governmental entity, or is required to comply with any agreements of Lessee affecting the Leased Premises, then Lessee is obligated to indemnify Lessor, and Lessee shall either perform or cause to be performed the Remedial Work in compliance with such law, regulation, order, agreement, or recommendation, or shall promptly reimburse Lessor for the necessary cost of such Remedial Work. All costs and expenses of such Remedial Work shall be paid either directly, or in the form of reimbursement to Lessor, by Lessee including, without limitation, the charges of the contractor(s) and/or the consulting engineer, and Lessor's reasonable attorney and paralegal fees and costs incurred in connection with monitoring or reviewing such Remedial Work. If Lessee shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, Lessor may cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith, shall be Losses within the meaning of 10.1.1 above. It is agreed and understood that such indemnification shall not extend to losses incurred by Lessor in connection with Section 10.1.1 (i) to (iv) and resulting from Lessor's gross negligence and/or willful misconduct.

10.2. Defense Or Prosecution Of Claims.

10.2.1. If the facts giving rise to any indemnification provided for herein shall involve any actual or threatened claim or demand by any person other than a Party hereto, Lessee shall be entitled, upon its election, by written notice given to Lessor within fifteen (15) days of receiving notice of such claim or demand [or, in the case of summary proceedings, five (5) days after the date on which notice of the claim or demand is given to Lessee (without prejudice to the right of Lessor to participate at its expense through counsel of its own choosing)] to assume the defense or prosecution of such claim and any litigation resulting there from at its expense and through counsel of its own choosing; provided, however, that, if by reason of the claim of such third party, a lien, attachment, garnishment, or execution is placed upon any of Lessor's property or assets, Lessee, if it desires to exercise its right to defend or prosecute such claim or litigation, shall furnish a satisfactory indemnity bond to obtain the prompt release of such lien, attachment, garnishment, or execution; and provided further, that Lessor shall control the defense of itself in any litigation instituted against it without prejudice to its rights to be indemnified hereunder or to participate in such action, if not named as a party.

10.2.2. If Lessee assumes the defense or prosecution of any such claim or litigation, it shall take all steps necessary in the defense, prosecution, or settlement of such claim or litigation and shall hold Lessor harmless from and against all losses caused by or arising out of any settlement thereof or any judgment in connection therewith (other than its expenses for participating in such defense, prosecution, or settlement). Lessee shall not, in the defense or prosecution of such claim or litigation, except with the written consent of Lessor, consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving to Lessor by the third party of a release from all liability regarding such claim or litigation. Lessor shall cooperate in the defense or prosecution of such claim or litigation. If Lessee fails to assume the defense or prosecution of any such claim or litigation, Lessor may defend against or prosecute such claim or litigation in such manner as it may deem appropriate and may settle such claim or litigation, after giving written notice thereof to Lessee, on such terms as Lessor may deem appropriate; and Lessee will promptly reimburse Lessor for the "losses" incurred as a result of such settlement, together with the amount of all reasonable legal and other expenses incurred by Lessor in connection with the defense, prosecution, or settlement of such claim or litigation. If no settlement of such claim or litigation is made, Lessee shall promptly reimburse Lessor for the amount of any judgment rendered with respect to such claim or such litigation and for all reasonable expenses, legal and other, incurred by Lessor in connection with any such judgment.

10.3. Payment of Losses.

Each Loss determined to be payable by Lessee under the terms hereof shall be paid to Lessor within thirty (30) days after the date on which Lessee is notified in writing of such amount. Each such notice shall contain an itemization of the damages, expense, costs, and liabilities comprising the Loss, certified to be true and correct by Lessor or its legal representative.

10.4. Identification of Hazardous Materials.

10.4.1. If at any time either Party shall become aware of, or have reasonable cause to believe, that any Hazardous Materials have come to be located in, on, under, or about the Leased Premises, the discovering Party shall, immediately upon discovering such presence or suspected presence of Hazardous Materials, give written notice of that condition to the other Party. In addition, each Party shall immediately notify the other, in writing, of (i) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, completed, or threatened relating to any Hazardous Materials on the Leased Premises; (ii) any claim made or threatened by any person against either Party relating to damages, losses, or injury claimed to result from the presence or threat of Hazardous Material on or to the Leased Premises; and (iii) any reports made to any tribal, state, or federal environmental agency arising out of or in connection with any Hazardous Materials on the Leased Premises, including but not limited to any complaints, notices, warnings, or asserted violations in connection therewith, of which the Party becomes aware. Each Party shall also supply the other as promptly as possible, and in any event within five (5) business days after receiving, such copies of all claims, reports, complaints, notices, warnings, or asserted violations relating in any way to the Leased Premises or use thereof.

10.4.2. The provisions of this Section 10.4 shall not apply to Hazardous Materials brought onto the Leased Premises by Lessee or naturally occurring on the Leased Premises, and used routinely in the development of aggregate operations. Lessee shall report in writing to the Lessor during December of each year a description of the Hazardous Materials brought onto the Leased Premises by Lessee during the previous twelve months. The report also shall describe the then current location and status of all Hazardous Materials on the Leased Premises.

10.5. Hold Harmless.

Neither Lessor or the United States, nor their officers, agents, or employees shall be liable for any loss, damage, death, or injury of any kind whatsoever to the person or property of Lessee, any sub lessees, or any other person whomsoever which may be caused by Lessee's use of the Leased Premises or by any defect in any structure Lessee may erect thereon, arising from any accident, fire, other casualty on the Leased Premises, or other cause whatsoever, and Lessee hereby releases and agrees to hold harmless Lessor, the United States and their officers, agents, and employees from such liability, except to the extent such loss, damage, death, or injury results from the negligence of the Lessor, the United States, or their officers, agents, or employees.

11. NON-RESPONSIBILITY NOTICES.

Prior to the commencement of construction of each improvement on the Leased Premises, any substantial repair or alteration thereto, or substantial work or labor thereon, Lessee shall post notices on Lessors and the Secretary's behalf stating that Lessor and Secretary shall not be responsible for any accident, injury to, or death of persons, or loss of or damage to property resulting from Lessee's activities. The language and size of such notices will be

approved by Lessor's attorneys. If such notices are not approved within ten (10) business days of the receipt thereof, the notices shall be deemed approved.

12. BONDS AND INSURANCE.

12.1. Performance Bonds.

Bond - To furnish a bond of not less than (\$ _____) to guarantee the performance of this lease. The Secretary requires that an approved bond be filed with the completed minerals agreement and/or minerals agreement leases. The amount of the bond is established by the servicing BIA area or agency offices. Minimum bonding requirements can be found in 25 CFR 225.30.

12.2. Cash in Lieu of Performance Bond.

In lieu of furnishing a performance bond, Lessee may deposit with the Secretary cash, negotiable United States Treasury Bonds, other negotiable Treasury obligations, time certificates of deposit, savings and loan association passbooks, or letters of credit in an amount acceptable to Lessor, together with an appropriate power of attorney appointing and empowering the Secretary, in the event of Lessee's default in any of the provisions of this Lease, to pay from any such cash or equivalent, withdraw the funds from any such savings and loan association account, dispose of any such bond, or make demand upon any such letter of credit, and retain the proceeds derived there from to apply to Lessor's damages subject to Lessee's privilege of curing such default as hereinafter provided. If United States Treasury Bonds are provided, Lessee agrees to make up any deficiency in the value deposited that might occur due to a decrease in the value of the bonds. Interest on any such Treasury bonds or time certificates of deposit in excess of damages provided for in this Lease shall be paid to Lessee.

12.3. Public Liability Insurance.

At all times during any Term of this Lease, Lessee shall carry public liability insurance in the primary amount of _____ per claim or incident with coverage for personal injury, bodily injury, including death, and property damage resulting for each incident.

12.4. Fire and Damage Insurance.

Lessee shall, from the Effective Date of this Lease, carry vandalism insurance and fire and damage insurance with extended coverage endorsements covering the full replacement value of all improvements placed on the Leased Premises by Lessee.

12.5. Workers' Compensation and Occupational Disease Insurance: Applicable Law.

Lessee agrees to carry such insurance covering all Lessee's employees working in, on, or in connection with the Leased Premises as will fully comply with the provisions of the statutes of the State of _____ covering workers' compensation and occupation disease as such statutes are now in force or as they may be amended. Further, Lessee agrees to comply with all the terms and provisions of all applicable laws of Lessor

and the United States, as now exist or as may be amended, pertaining to Social Security, unemployment compensation, wages, hours, and conditions of labor; and to indemnify and hold Lessor and the Secretary harmless from payment of any damages occasioned by Lessee's failure to comply with such law.

12.6. Form and Copies of Policies.

Every insurance policy shall be written to protect Lessor, Lessee, and the Secretary jointly and shall provide for sixty (60) days written notification to Lessor and the Secretary prior to its cancellation for any reason including non-payment of premiums. Lessor and Secretary shall be named as additional insured and loss payees on all insurance policies covering Lessee's activities on the Leased Premises, excluding the policies under Section 12.5. A summary of every policy shall be furnished to Lessor and the Secretary on each anniversary of the Effective Date. Lessee shall pay all premiums and other charges payable with respect to such insurance.

12.7. Self-Insurance.

Lessee may satisfy the requirements of this Section through self-insurance programs, provided that Lessee shall provide evidence of such self-insurance to Lessor and the Secretary and Lessor and the Secretary shall approve such self-insurance program, which approval shall not be unreasonably withheld.

12.8. Periodic Review of Bonds and Insurance.

Lessor or the Secretary may make a periodic review, at not less than three (3) year intervals, of all bonds and insurance policies and coverage amounts held under this Lease. The review shall give consideration to the economic conditions at the time and may result in adjustment of the types of bonds or insurance coverage or the amounts of any coverage whenever in the discretion of Lessor and the Secretary any such adjustment is necessary for the protection of Lessor or the Secretary.

13. COMPANIES BONDING AND INSURING.

Every corporate surety bond provided by Lessee in compliance with this Lease shall be furnished by a company holding a certificate of authority from the Secretary of the Treasury as an acceptable surety on federal bonds. Insurance policies shall be furnished by such responsible companies as are rated A-plus or better in the current edition of Best's Insurance Guide or equivalent rating system.

14. FORCE MAJEURE.

If Lessee is prevented from drilling or conducting other operations for the purpose of obtaining or restoring production of aggregate from the Leased Premises by fire, flood, storm, act of God, or any cause beyond Lessee's control (including but not limited to governmental law, order, or regulation, labor disputes, war, inability to secure men, materials or transportation, or inability to secure a market) then the performance of any such operations shall be suspended during the period of such prevention, provided that this provision shall

not suspend nor delay the time for the payment of any payments payable under the provisions of this Lease.

15. LIENS TAXES ASSESSMENTS AND UTILITY CHARGES.

15.1. Taxes.

Lessee shall comply with all Tribal tax and reporting requirements. Lessee shall refer to Lessor and to the Authorized Officer any demand by a taxing authority for taxes on Lessor's royalty interest in accordance with Section 22. From time to time, the Parties shall give due consideration to any proposal from the other party regarding tax relief, restructuring, or other forms of incentives in order to obtain values from the premises, including increased production that is limited by dual taxation by the State of _____ upon presentation of proposed activities or structures that may provide mutual benefits to Lessor and Lessee.

15.2. Lessee to Discharge Liens and Taxes Prior to Enforcement or Delinquency.

Lessee shall pay before delinquent all applicable taxes, assessments, licenses, fees, and other like charges levied during any Term of this Lease upon or against the Leased Premises, any interest therein, and property thereon for which either Lessor or Lessee, as a result of Lessee's action, may become liable. Upon written application, Lessee shall furnish Lessor and the Secretary written evidence, duly certified; that any and all applicable taxes required to be paid by Lessee have been paid, satisfied, or otherwise discharged. Lessee shall not permit to be enforced against the Leased Premises, or any part thereof, any liens arising from any work performed, materials furnished, utility charges, or obligations incurred by Lessee. Lessee has the right to contest any tribal, federal, state or county claim, asserted tax, or assessment against the Leased Premises in any manner that will not result in enforcement of any lien resulting there from, subject to applicable law. Lessor shall execute and file any appropriate documents with reference to the applicability of state and local taxes to the Leased Premises when requested by Lessee. In addition to the Lease Payments, taxes, and other charges herein described, Lessee shall pay all charges for water, sewage, gas, electricity, telephone, and other utility services supplied to Lessee on the Leased Premises.

15.3. Lessor May Pay-Liens or Charges Payable to Lessee.

Lessor shall have the option to pay any lien or charge payable by Lessee under this Lease, or settle any action therefore, if Lessee, after written notice from Lessor or the Secretary, fails to pay, post bond, or take other action to protect against enforcement. All costs and other expenses incurred by Lessor in so doing shall be paid to Lessor by Lessee upon demand with interest from the date of demand to the date of payment, computed on an annual rate three percentage points (3%) above the prime rate as set by the Citibank N.A. of New York on the first day of the month in which demand is made by Lessor, provided, that the prime rate for purposes of this subsection shall not be less than six percent (6%) per annum. Failure to make such repayment on demand shall constitute a breach of this Lease.

15.4. Lessee's Right to Challenge or Defend.

Nothing in this Section shall prevent Lessee from challenging or defending against any tax reporting requirement, lien, assessment, license, fee, or charge of any federal, state, tribal, county, or municipal government, or any other entity or person. Lessee shall have full right and power to assert any such challenge or defense; provided that nothing in this Section shall increase or decrease the rights and obligations of the Parties set forth in Section 23.

16. SURRENDER.

Lessee shall have the right at any time during the term hereof to surrender and terminate this Lease or any part thereof upon the payment of all rentals, royalties, and other obligations then due and payable to Lessor. In the event restrictions have not been removed, upon a showing satisfactory to the Secretary that full provision has been made for conservation and protection of the Leased Premises and the proper abandonment of all wells drilled on the portion of this Lease surrendered, this Lease will continue in full force and effect as to the Leased Premises not surrendered. If this Lease has been recorded, Lessee shall file a recorded release with his application to the Authorized Officer for termination of this Lease. (Possibly can require advance minimum royalty payments for entire lease in return for this surrender term, or pay a specified amount.)

17. DISPUTES.

17.1. Arbitration.

17.1.1. Disputes Subject to Arbitration.

Either Party may submit any dispute concerning the construction of this Lease or the respective rights and liabilities of the Parties hereunder, to arbitration. Arbitration proceedings shall take place under the procedures set forth in this Article. (Not required by statute - only other option is federal court - state and tribal courts do not have jurisdiction.)

17.1.2. Initiation of Arbitration Selection of Arbitrators.

If the Parties are unable to negotiate an amicable resolution of any dispute within a reasonable period of time, deemed to be not more than thirty (30) days unless otherwise agreed by the Parties, either Party may refer the matter in dispute to arbitration by providing written notice to the other Party. Within thirty (30) days of the receipt of such written notice, the Parties shall by mutual agreement select an arbitrator to conduct arbitration proceedings. If the Parties can agree within such period upon the nomination of a single arbitrator for the dispute, such person shall serve as sole arbitrator of the dispute. If the Parties do not agree upon the nomination of a single arbitrator within such thirty (30) day period, each Party shall nominate an arbitrator by serving on the other Party a notice identifying its arbitrator within seven (7) days after the 30th day, and those two arbitrators shall nominate the third to serve with them within fourteen (14) days after the date the latter of them is nominated. In the event the two arbitrators fail for any reason to name the third arbitrator within fourteen (14) days after the nomination of the last nominated one of them, then the third arbitrator shall be chosen by the American Arbitration Association. The

arbitrator(s) shall be qualified by training and experience to resolve the dispute, and a sole or third arbitrator shall be impartial.

17.1.3. Arbitration Procedures.

The arbitrator(s) shall, unless otherwise agreed to by the Parties, commence proceedings within sixty (60) days after their appointment and hold proceedings providing each Party a fair opportunity to present its side of the dispute, together with any documents or other evidence relevant to resolution of the dispute. The American Arbitration Association's then-current rules for commercial arbitration shall be utilized. A court reporter shall make a transcript of any hearing. The Parties and the arbitrator(s) shall use their best efforts to conclude any hearing within ten (10) business days and, except for extraordinary reasons or unless otherwise agreed to by the Parties, no continuances shall be granted by the arbitrator(s) without the agreement of all Parties. The arbitrator(s) may render a decision at the close of the hearing, or may request briefs on any and all issues. Any and all such briefs, including reply briefs, shall be filed within the terms and on the schedule set by the arbitrator(s), but in any event no later than sixty (60) days following the conclusion of the hearing. The arbitrator(s) shall render a decision within sixty (60) days from the conclusion of the briefing. If no award is rendered within such time, unless the Parties agree otherwise, a new arbitrator shall be selected as described above, but the new arbitrator shall render a decision solely upon review of the record of the hearing without a further hearing. The arbitration decision shall be signed by the arbitrator(s). The arbitration decision shall be final and binding upon the Parties unless, during or following completion of the arbitration proceedings, the Parties have met and arrived at a different settlement of the dispute.

17.2. Cancellation and Noncompliance.

The Secretary may cancel this Lease or issue notices of noncompliance in accordance with applicable regulations.

17.3. Recourse to Other Remedies.

Exercise of any of the remedies outlined in this Lease shall not exclude recourse to any other remedy in law or equity for breach of this Lease.

17.4. Bankruptcy, Dissolution or Receivership.

If proceedings in bankruptcy or for reorganization of Lessee or for the readjustment of Lessee's debts, under the federal Bankruptcy Code, as amended, or any part thereof, or under any other laws, whether state, tribal, or federal, for the relief of debtors, now or hereafter existing, are commenced against Lessee and not discharged within thirty (30) days of commencement, or a receiver or trustee shall be appointed for Lessee or for any substantial part of Lessee's assets, or any proceedings shall be instituted for the dissolution or the full or partial liquidation of the business of Lessee and such receiver or trustee is not discharged within thirty (30) days of its appointment, or such proceedings are not discharged within thirty (30) days of their commencement may constitute a breach of this Lease at the election of Lessor and the Secretary should they deem

themselves insecure or deem their rights impaired or infringed. Furthermore, Lessor is hereby declared to be a first preferred creditor. With respect to any such insolvency or bankruptcy proceedings, nothing in this Lease shall constitute a waiver of the barrier of interference with self government, a waiver of the sovereign immunity of Lessor from suit in any court, or any agreement by Lessor that the Bankruptcy Code, Title 11, United States Code, or amendments thereto, applies to Lessor, Lessee, or Lessee's activities on the Reservation.

17.5. Expenses of Dispute Resolution.

The reasonable expenses of dispute resolution regarding this Lease, whether by arbitration or judicial enforcement, including but not limited to attorney fees and expenses, shall be paid by the losing Party, or, in the event each Party is partially successful, shall be apportioned between the Parties in the reasonable discretion of the arbitrators or judge, whichever is applicable. If any such dispute is resolved by settlement between the Parties, each Party shall bear its own expenses. Nothing in this section shall amend or limit the provisions for payment of such costs and expenses contained in Section 10.2.

18. ANTIQUITIES.

In accordance with applicable federal and tribal laws, the Parties hereto agree that any areas within the exterior boundaries of the Leased Premises containing graves, ruins, or other antiquities known to Lessee shall be undisturbed and plainly marked by Lessee and reported immediately to Lessor and the Secretary for appropriate disposition and action. Any areas designated as antiquities shall be placed under reasonable use restrictions in the discretion of Lessor and Lessee agrees to comply with such restrictions. During all phases of site development and construction, a Tribal representative may be on site at Lessor's expense to verify compliance with this Section. Lessee shall provide the Tribes with ten (10) days written notice prior to commencement of any initial excavation or construction on the Leased Premises.

19. GOVERNING LAW: CHOICE OF LAW.

This lease shall be governed by the laws of the _____ Tribe(s) of the _____ Reservation, and the laws of the United States, now in effect, or amended or enacted hereafter, as applicable. Lessee agrees to abide by and conform to any and all applicable federal and tribal laws and regulations now or hereafter in force relative to this Lease, including but not limited to the conservation, production, or marketing of aggregate. No laws or regulations which become effective after the date of approval of this Lease shall operate to effect the duration of this Lease, rate of royalty, rental, or acreage unless agreed to in writing by all the Parties to this Lease.

20. SOVEREIGN IMMUNITY.

The _____ Tribe specifically and unequivocally waives its sovereign immunity from suit and hereby consents to being named as a party in any litigation between _____ company and the _____ Tribe involving the construction, execution, interpretation, validity, enforcement, performance, or any disputes arising under

this aggregate lease. It is agreed that this waiver of sovereign immunity is limited and extends only to _____ company and to no other parties, and that the waiver is further limited to only those matters referenced in this provision.

This waiver shall be effective such that both parties shall comply with the binding arbitration provisions of the Agreement and either party may have recourse to federal court to fully enforce the parties' agreement to arbitrate and the arbitration result pursuant Federal Arbitration Act found at 9 U.S.C. paragraph 1, et seq.

This waiver of sovereign immunity is based upon the _____ Tribe's opinion, belief, and considered finding that the assertion of the _____ Tribe's sovereign immunity in any dispute involving _____ company would be inappropriate. The parties expressly recognize this waiver shall not extend to or apply to any claim which might be brought against the _____ Tribe for punitive damages. Further the parties expressly recognize this waiver shall not permit or authorize the sale or transfer of any property held by the United States in trust for the _____ Tribe. Except for an award of costs and attorneys' fees of or for any arbitration proceedings, the _____ Tribe's monetary liability resulting from any dispute arising under the referenced agreements and the waiver of sovereign immunity herein is limited to an award against the Tribe of offsets or withholding of future royalties and taxes otherwise payable by _____ company to the _____ Tribe, and/or injunctive relief providing for enforcement of _____ company's right to explore, lease, and mine according to the referenced agreements.

A true and correct copy of _____ Tribal Legislative Act No. _____, enacted on _____, and approved on _____, approving this limited waiver of sovereign immunity as to matters arising in conjunction with this Agreement is attached hereto as Exhibit _____.

21. NOTICES.

All notices or demands required or permitted to be given hereunder shall be in writing and shall be (i) delivered by first class, certified or registered mail to the postal service of the United States of America postage prepaid or (ii) hand-delivered by courier or overnight delivery service at the address shown below, or to such other address as such Party may designate by notice as provided herein. All such notices and demands shall be considered to have been given, if in compliance with this Section, on the fifth day after such notice is postmarked by the United States Postal Service, or, if the notice or demand is hand delivered by courier or overnight delivery service on the date of actual delivery to the address of the Party to whom the notice or demand is addressed.

If to Lessor: _____ Tribe(s)

Attn: Chairmen _____

With copy to: _____

Attn: _____

If to Secretary:

Authorized Officer

Regional Director

_____ Region Office

With copy to:

Superintendent

_____ Agency

If to Lessee:

22. TERMINATION OF FEDERAL TRUST.

Nothing contained in this Lease shall operate to delay or prevent a termination of any federal trust responsibilities with respect to the Leased Premises by the issuance of a fee patent or otherwise during the term of this Lease; however, such termination shall not serve to abrogate this Lease. The owners of the Leased Premises and Lessee and their surety or sureties shall be notified of any such change in the status of the Leased Premises.

23. LESSEE'S OBLIGATION TO THE UNITED STATES OF AMERICA.

While the Leased Premises are in trust or restricted status, all of Lessee's obligations under this Lease, and the obligations of its sureties, are to the United States of America as well as to Lessor.

24. DELIVERY OF PREMISES.

At the termination of this Lease, Lessee will peaceably and without legal process deliver up the possession of the Leased Premises reclaimed in accordance with law.

25. RESTRICTION OF LEASE INTERESTS.

No congressman or employee of the United States government shall acquire any share or part of this Lease or any benefit that may arise here from but this provision shall not be construed to apply if this Lease is with a corporation or company for its general benefit.

26. LEASE BINDING.

This lease and the covenants, conditions, and restrictions hereof shall extend to and be binding upon the corporate successors, heirs, assigns, personal representatives, and administrators of the Parties hereto.

27. CONFIDENTIALITY.

This lease, each of its terms, and all negotiations and proposals relating thereto shall be kept confidential and shall not be disclosed by Lessor or Lessee, or their representatives, to any person or entities except as may be required by law or as necessary in the ordinary course of business, which shall include but not be limited to disclosure of lease information to a Party interested in acquisition of the Leased Premises. In no event shall the terms of this Lease or negotiations, and proposals relating thereto, be used as a basis for, or referenced in, any other agreement, except agreements between Lessor and Lessee, or as otherwise required by law. Breach of this Section shall not be deemed a breach of this Lease; however, Lessor and Lessee will, in good faith, make every reasonable effort to protect the confidentiality of information pertaining to this Lease.

28. DELAY OR OMISSION.

No delay or omission to exercise any right, power, or remedy accruing under this Lease shall impair such right, power, or remedy, nor shall it be construed as a waiver of or acquiescence in a breach of or default under the lease. BOTH PARTIES SPECIFICALLY AND AFFIRMATIVELY AGREE NOT TO CONSTRUE THE CONDUCT, DELAY, OR OMISSION OF THE OTHER PARTY AS ALTERING IN ANY WAY THE PARTIES' AGREEMENTS AS DEFINED IN THIS LEASE. Any waiver, permit, or approval of any

breach of or default under this Lease must be in writing, and, because the language of this section was negotiated and intended by both Parties to be binding and is not a mere recital, both Parties hereby agree that they will not raise waiver or estoppels as affirmative defenses so as to limit or negate the clear language and intent of this section. All remedies, either under this Lease, by law or otherwise afforded to either Party shall be cumulative, not alternative.

29. CONSENTS, REASONABLENESS, GOOD FAITH.

Neither Party shall unreasonably deny, withhold, or delay any consent or approval required or contemplated for any action or transaction proposed to be taken or made hereunder. The Parties agree to cooperate fully with each other and to act reasonably and in good faith and in a timely manner in all matters hereunder so that each of them may obtain the benefits to which they are entitled hereunder and for which they have negotiated. Both Parties agree to negotiate in good faith and without delay as to all matters requiring negotiation.

30. HEADINGS.

The headings to the various sections of this Lease are inserted only for convenience of reference and are not intended, nor shall they be construed, to modify, define, limit, or expand the intent of the Parties.

31. ENTIRE AGREEMENT.

31.1. Entire Agreement.

This Lease constitutes the entire agreement between the Parties concerning the subjects of this Lease. There are no other oral or written agreements between the Parties and there are no other contingent matters or conditions which constitute a part of this Lease other than as stated herein, unless environmental warranties are also required under separate document entered into in connection herewith. The Parties mutually agree that by the execution of this Lease any and all other prior agreements between the Parties concerning the subjects of this Lease are rescinded and held void and unenforceable for the mutual consideration of the Parties.

31.2. No Amendment Except As Provided Herein.

The Parties specifically warrant and represent that they shall not cause, either directly or indirectly, this Lease to be altered, amended, modified, canceled, or terminated, except as provided herein. The Parties herein may by mutual written agreement alter, amend, waive, or modify this Lease agreement.

32. SEVERABILITY.

Lessor and Lessee agree that, if any one or more of the provisions of this Lease shall, for any reason, be held invalid, illegal, or unenforceable against either Party hereto by any court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to render it lawful and enforceable, or if such modification is not possible without materially altering the intention of the Parties hereto, then such provision will be severed here from. The

validity of the remaining provisions of this Lease shall not be affected by such holding and this Lease shall thereafter be construed by Lessor and Lessee, to the greatest extent possible, to give substance and effect to the originally expressed intentions of the Parties.

33. SECRETARY'S APPROVAL.

This Lease, and any modification of or amendment to this Lease, shall not be valid or binding upon either Party hereto until approved by the Secretary.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands.

_____ TRIBE(S) OF THE _____
RESERVATION (Pursuant to Resolution No. _____)

APPROVED AND AGREED TO:

_____ DATE: _____

Bureau of Indian Affairs