

ii. Lessee shall pay all charges for electricity, gas, domestic water, and other utilities utilized for the Business. Lessor shall not be liable for any interruption or discontinuance of utility service to the Property or Lessee's operations, unless caused by negligent or intentional act or omission of Lessor or Lessor's representatives.

iii. Lessee shall conduct its operations under this Lease in compliance with all applicable laws, ordinances, regulations and orders of any courts and governmental agencies having jurisdiction over such operations or the Property (including without limitation all laws and regulations pertaining to mine safety and health, and environmental and operational laws and regulations regulating waste and waste water production, removal storage, transportation and disposal), and in compliance with the Title Restrictions.

iv. Lessee shall pay before they become delinquent, all costs and expenses of its operations on the Property, together with all governmental fees, charges and taxes upon or related to the Business. Lessee will pay when due all assessments and other charges associated with the Water Rights during the Term until the completion of reclamation under Section 9, at which time responsibility for the same shall shift to Lessor.

v. Lessee shall keep the Property free of liens for labor performed or materials or merchandise furnished for use on the Property under this Lease.

vi. Lessee is specifically allowed to use the existing paved road on the Property for trucks and other traffic necessary or convenient for the Business. Lessee shall be responsible for maintaining this road through the Reid property in a condition suitable of ordinary passenger vehicle traffic during the Term, and Lessee shall be liable for any damage to this road in excess of ordinary wear and tear resulting from Lessee's negligence. When all of Lessee's operations all completed on the Property it will restore the paved road on Easements C and D to the condition existing on the Commencement Date and Lessor will reimburse Lessee for 50% of such maintenance and restoration costs excepting the value of any Common Materials produced from the Property.

vii. Lessee shall maintain any other road(s) on the Property utilized by Lessee (subject to realignment rights under Subsection 1(ii)), and shall maintain the remainder of the Property then occupied by Lessee and not excavated by Lessee's operations, in no worse condition than when the same were made available to Lessee, except that Lessee shall not be responsible for maintenance or repair of any road due to any act of God or any act or omission by anyone other than Lessee or other person or entity using a road pursuant to Lessee's rights under this Lease. Lessee also agrees to create a gravel driveway from the north end of Lot 3 to the intended home site on Lot 4 as generally depicted in **Exhibit A-2** and to compact the building site as shown on **Exhibit C** and in accordance with the geotechnical recommendations attached as **Exhibit E**.

viii. Lessee shall construct and maintain any fences on the Property required by governmental requirements applicable to Lessee's operations. These fences shall be removed by Lessee at its expense upon termination of this Lease, if requested by Lessor in writing within 60 days after termination and permitted by the applicable federal, state and local laws and regulations.