

AMENDED AND RESTATED BUSINESS LEASE

between

SKULL VALLEY BAND OF GOSHUTE INDIANS,
a federally recognized Indian Tribe

and

PRIVATE FUEL STORAGE, L.L.C.,
a Delaware limited liability company

May 20, 1997

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EXHIBITS AND ATTACHMENT TO THE BUSINESS LEASE

Exhibit "A"	Facility Site
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Exhibit "D"	Map
Exhibit "E"	Annual Expense Escalators
Attachment "I"	Valid Existing Leases, Easements, Rights-of-Way and/or Other Encumbrances and/or Restrictions

CONFIDENTIAL AND PRIVILEGED

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Lease No. _____
Approved: _____

THIS AMENDED AND RESTATED BUSINESS LEASE, (this "Lease"), made and entered into this 20th day of May, 1997, but effective for all purposes as of December 27, 1996, by and between the Skull Valley Band of Goshute Indians, a federally recognized Indian Tribe, as lessor (the "Band"); and the Private Fuel Storage, L.L.C., a Delaware limited liability company, as lessee. The L.L.C. and its successors and assigns (the "L.L.C."), in accordance with the provisions of the Act of August 9, 1955 (69 Stat. 539; 25 U.S.C. § 415), as amended, and as supplemented by the regulations (48 C.F.R. Part 162), which by reference are made a part hereof unless superseded by the terms and conditions of this Lease. The Band and the L.L.C. may individually be referred to as a "Party" or collectively be referred to as "Parties" herein.

RECITALS

WHEREAS, the Band is a federally recognized Indian tribe possessed of all sovereign powers and rights pertaining thereto;

WHEREAS, the Band conducts its tribal business through a General Council comprised of a representative membership of the Band and an Executive Committee, a three-member governing body authorized by the General Council;

WHEREAS, the General Council authorized the Executive Committee to enter into negotiations for the building of an interim storage facility for spent nuclear fuel on the Skull Valley Indian Reservation in Tooele County in the State of Utah (the "Reservation") through General Council Resolution No. 94-02 dated February 19, 1994;

WHEREAS, the primary business purpose of the L.L.C. is to provide temporary storage of spent Nuclear Fuel;

WHEREAS, to provide economic and employment benefits to the Band and to meet the need for interim spent nuclear fuel storage, the Band and certain individual utility companies have authorized the feasibility of the development, construction, financing, ownership and operation of a spent nuclear fuel storage facility (the "Facility") by the L.L.C., such Facility to be located on a portion of the Reservation;

WHEREAS, the Band has authorized entry into this Lease through General Council Resolution No. 97-12A dated December 7, 1996 and Resolution Attachment No. 97-12A(1) dated December 12, 1996 and April 12, 1997 (collectively the "Resolutions");

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

SECTION 1. LEASE; LAND DESCRIPTION

A. Facility Site. For and in consideration of the rents, covenants and agreements hereinafter set out, the Band hereby leases and lets to the L.L.C. for the L.L.C.'s exclusive use and control the lands described and identified in Exhibit "A" attached hereto (the "Facility Site") which Exhibit "A" is made a part hereof by reference, and all of which lands are located within the Reservation, in Tooele County, State of Utah, containing 820 acres, more or less. The L.L.C. shall have exclusive control and use of the Facility Site. The L.L.C. shall have the right to promptly remove any persons, equipment, or vehicles from the Facility Site. During the term of this Lease, no activities of any type may be undertaken on the Facility Site without the prior written consent of the L.L.C. The Parties agree that the L.L.C. will provide physical security for the Facility Site as necessary to comply with NRC regulations and the License or as the L.L.C. may otherwise deem necessary. This may include, without limitation, appropriate fencing.

B. Easements and Rights-of-Way. For and in consideration of the rents, covenants and agreements hereinafter set out, the Band hereby grants an exclusive easement and right-of-way to the L.L.C. to use the lands described and identified in Exhibit "B" attached hereto (the "ROW's"), which Exhibit "B" is made a part hereof by reference, and all of which lands are located within the Reservation, containing 202 acres, more or less, which lands shall be used for purposes of ingress and egress, highway, rail and other means of transportation, utility lines and facilities, water rights and similar purposes. The L.L.C. will appropriately fence routes of ingress and egress, including roadways and/or rail lines.

During the term of this Lease, the L.L.C. shall have the irrevocable option at a compensation amount to be agreed upon by the parties in good faith to lease or obtain a grant of additional easements and rights-of-way within the Reservation west of the Skull Valley Road which the L.L.C. shall deem necessary or appropriate for the development, construction, operation and decommissioning of the Facility, including, but not limited to, easements and rights-of-way for ingress and egress, roads and railroad spurs, other means of transportation, utility lines and facilities, water rights and similar purposes. The Band and the Secretary shall grant or consent to such easements or rights-of-way pursuant to applicable federal laws and regulations, including 25 U.S.C. § 415 and 25 C.F.R. Part 162 or 25 U.S.C. §§ 323 et seq. and 25 C.F.R. Part 169.

C. **Buffer Zone.** For and in consideration of the rents, covenants and agreements hereinafter set out, the Band hereby leases and lets unto the L.L.C. certain lands to constitute a buffer zone around the Facility Site, which shall include those lands described and identified on **Exhibit "C"** attached hereto, (the "**Buffer Zone**") and on the map attached hereto as **Exhibit "D"**, which exhibits are made a part hereof by reference, and all of which lands are located within the Reservation, in Tooele County, State of Utah, containing 3,020 acres, more or less, subject to any prior valid existing leases, easements, rights-of-way and other encumbrances and/or restrictions. All such valid existing leases, easements, rights-of-way and other encumbrances and/or restrictions are set forth on **Attachment I**. The Band and the L.L.C. hereby covenant and agree that only the land uses currently existing on the Buffer Zone will be permitted to continue during the term of this Lease unless another use is permitted by the prior written consent of both parties: **provided that**, the L.L.C. shall be allowed (i) to conduct, or have conducted, environmental, radiological, meteorological or other monitoring or sampling if required for the Project and (ii) to undertake all activities that may be required by the License, the NRC, or other applicable laws or governmental regulations and requirements. The Band hereby stipulates that the sole existing land use for the Buffer Zone is limited to livestock grazing, with the exception of that portion of "Parcel C" (as defined in the "Alliant Lease" as set forth on Attachment I) lying within Section 17, T5S, R8W; **provided, however**, that the uses of such Parcel "C" lands shall be limited solely to those uses and those parties set forth in the Alliant Lease and that such uses shall expire upon the termination of the Alliant Lease. The Band shall not conduct, or allow others to conduct, any activity within the Buffer Zone that may be considered by the L.L.C. to be incompatible with the L.L.C.'s use of the Facility. The Band and the L.L.C. shall ensure that no activity of any type is undertaken in the Buffer Zone without the express prior written consent of both Parties.

D. **Access Outside the Leased Premises.** The L.L.C., and its employees and agents, shall have the same rights of access as other members of the general public to areas of the Reservation not included within the Leased Premises. To the extent that permission for such access is required by the Band, the L.L.C., and its employees and agents, shall request the prior written approval of the Executive Committee, which approval shall not be unreasonably withheld; **provided, however**, that upon notice to the Band, the L.L.C. shall be allowed to conduct, or have conducted environmental, radiological, meteorological or other monitoring or sampling if required for the Project.

E. **Water Usage.** For and in consideration of the rents, covenants and agreements hereinafter set forth, the L.L.C. shall have the right to drill water wells on the Leased Premises to provide sufficient water capacity and quality necessary for the day-to-day operations of the Facility. Title to the water will remain in the Band. Water Usage will be limited to employee consumption and light industrial use; no water will be used for the storage process. Water developed and used will be subject to the Band's environmental regulations that govern the quality of the Reservation's existing water supply, including reservoir water and water from wells drilled by the Band or third parties on the Reservation. If sufficient capacity and quality of water cannot be recovered from the wells, the L.L.C. may, at its own expense, connect to the existing water supply on the Reservation.

If the L.L.C. connects to the Reservation water system, the L.L.C. shall supply an additional 20,000 gallon water tank, if needed and requested by the Band, and shall make such other improvements to the existing water system that would be necessary as agreed by the Band and the L.L.C. to provide the Band and the L.L.C. with the benefits of the 20,000 gallon water tank.

SECTION 2. DEFINITIONS

"Band" means the Skull Valley Band of the Goshute Indians, a federally recognized Indian Tribe as listed on 61 Fed. Reg. 58211 (Nov. 13, 1996).

"BIA" means the Bureau of Indian Affairs of the United States Department of Interior, or any other agency or instrumentality of the United States government which at any time in the future carries out the current functions of the Bureau of Indian Affairs, or any successor thereto.

"Commercial Operations Date" means the date on which Spent Nuclear Fuel is first physically accepted by the Facility for storage.

"Decommissioning Plan" means a plan developed by the L.L.C. and approved by the NRC for the safe removal of the Facility from service and the reduction of residual radioactivity to levels required by NRC for termination of the Facility's License.

"Department of Interior" means the United States Department of Interior, an agency of the government of the United States, or any other agency or instrumentality of the United States government which at any time in the future carries out the current functions of the United States Department of Interior, or any successor thereto.

"DOE" means the United States Department of Energy, an agency of the government of the United States, or any other agency or instrumentality of the United States government which at any time in the future carries out the current functions of the United States Department of Energy, or any successor thereto.

"DOE Facility" means a permanent repository or interim storage facility, owned by, under the control of, or with capacity contracted to the DOE or other government agency that can accommodate some or all of the Spent Nuclear Fuel which is owned by or otherwise under the control of the members of the L.L.C.

"Executive Committee" means the three member governing body elected by the General Council to conduct the day-to-day business of the Band, consisting of a Chairman, Vice-Chairman and Secretary.

"Facility" means the private, interim, Spent Nuclear Fuel storage facility which will be developed, constructed, owned and operated by the L.L.C. on the Leased Premises.

"Facility Site" means the 820 acres, more or less, described on Exhibit "A" upon which the Facility, supporting structures, and any improvements will be constructed and operated.

"General Council" means the entire adult membership of the Band.

"Goshute Tribal Courts" means all of the courts of the Band, whether traditional or otherwise, currently validly existing or validly established hereafter.

"Governmental Authority" means any national, state, local or tribal governmental authority or any subdivision thereof.

"Lease Payments" means all of the payments payable to the Band by the L.L.C. as further set forth in Section 5.

"Leased Premises" shall include all lands leased hereunder, including without limitation the Facility Site, the ROW's and the Buffer Zone.

"License" means a license from the NRC permitting the Facility to be constructed, owned and operated for the purpose of storing Spent Nuclear Fuel, including any technical specifications and amendment thereto.

"L.L.C." means the Private Fuel Storage, L.L.C., a limited liability company, organized and existing under the laws of the State of Delaware, and its successors and assigns.

"NEPA" means the National Environmental Policy Act of 1969.

"NRC" means the United States Nuclear Regulatory Commission, an instrumentality of the United States, or any successor thereto.

"Operating Expenses" has the meaning set forth in subparagraph G. of Section 5.

"Pre-Operational Exclusivity Fee" has the meaning set forth in Section 5.

"Profit" has the meaning as set forth in subparagraph G. of Section 5.

"Project" means the development, financing, construction, ownership, operation, and decommissioning of the Facility and its supporting structures.

"Reservation" means the Skull Valley Indian Reservation in Tooele County, in the State of Utah.

"Secretary" shall mean the Secretary of the Interior, or his authorized representative acting pursuant to delegated authority, or successor.

"Secretary Approval" means the written approval and consent of this Lease by the Secretary, including without limitation the conditional approval of the Secretary pursuant to Section 4.

"Spent Nuclear Fuel" means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing, the non-fuel components directly associated with such fuel which can be stored with the fuel assemblies, and any other components which the DOE Facility will accept.

SECTION 3. PURPOSE OF THIS LEASE

The L.L.C. shall develop, construct, own and operate the Facility and supporting structures to service the Facility, all of which shall be located on the Leased Premises. The Parties agree that the Facility shall be designed for a capacity of 40,000 metric tons, provided that a greater capacity shall be permitted if licensed by the NRC and approved by the Band. The L.L.C. shall not be required to commence any construction of the Facility or supporting structures prior to the issuance of the License.

SECTION 4. TERM

A. Initial Term; Irrevocable Option Renewal Term. Unless terminated earlier in accordance with Section 4.C. below, the initial term of this Lease shall be for a period of twenty-five (25) years (the "Initial Term"); **provided, however,** that the L.L.C. shall have and the Band hereby grants to the L.L.C. an irrevocable option to extend the term of this Lease for a separate, additional period of twenty-five (25) years (the "Renewal Term") with no further consent or approval required from the Band, the General Council, the Executive Committee, any other Tribal agency or entity or the Secretary. The Renewal Term shall be irrevocably exercisable by the L.L.C. giving written notice to the Band and the Secretary of its exercise of the same not less than one (1) year prior to the expiration of the Initial Term. The Renewal Term shall begin immediately upon the expiration of the Initial Term and shall be upon the terms and conditions, including compensation, set forth herein. The term of this Lease shall commence, and this Lease shall be effective for all purposes, upon the date this Lease is approved by the Secretary, including, without limitation, the conditional approval of the Secretary as set forth below.

In the event that the terms and conditions of this Lease have been agreed upon by the Band and the L.L.C. (as evidenced by their execution of this Lease) and the Secretary is prepared to approve this Lease but for the completion of the environmental analysis under the National Environmental Policy Act ("NEPA"), then the Secretary will conditionally approve this Lease subject only to the following conditions, and the L.L.C. may not commence construction of the Facility under this Lease unless and until such conditions are met:

(i) The NRC and BIA complete the environmental analysis required under NEPA;

(ii) This Lease is modified to incorporate mitigation measures identified in the record of decision, if any;

(iii) The Environmental Impact Statement is issued; and

(iv) The License is issued.

Upon the satisfaction of these conditions, the Secretary shall certify within 30 days that the conditions set forth in (i) through (iv) above are satisfied and shall authorize the L.L.C. to take possession and commence operations.

B. Cooperation. The Band shall cooperate with the L.L.C. in obtaining any additional approvals or consents as may be required in connection with the Project, including, without limitation, any of which may be required to be obtained from the General Council, the Executive Committee, the NRC, the Department of Interior or the DOE.

C. Termination of Lease. Unless otherwise earlier terminated in accordance with the provisions set forth in Section 4.C.(1) and (2) below, this Lease shall terminate on the date of the NRC's termination of the License following completion of the final decommissioning of the Facility in accordance with the Decommissioning Plan, or the expiration of the Renewal Term; whichever is the earlier (the "Termination Date").

(3) **Effectiveness of Termination.** If a termination notice is given by a Party in accordance with the provisions of Section 4.C.(1), such termination shall become effective upon the effective date of termination stated in such notice, which date shall be no earlier than 45 days and no later than 360 days after the event giving rise to such termination notice. If this Lease is terminated pursuant to Section 4.C.(2), it will terminate upon the final termination of the License. If this Lease is so terminated, it will become null and void, and there will be no liability or obligation on the part of any Party (or any of its officers, directors, employees, agents or other representatives or affiliates) to the other Parties from and after the effective date of termination, including without limitation any obligation to make the payments specified in Section 5 which accrue after such termination date, except that the provisions of Sections 8, 14, 27, 32, 35 and 36 C, F, and H will survive and continue to apply following any such termination.

SECTION 5. LEASE PAYMENTS

Payments set forth in Section 5.B through 5.E shall increase by an amount negotiated in good faith by the Band and the L.L.C.

I. **Payments.** All payments will be considered to be made when the check is placed in the United States Mail, postage prepaid, or the funds have been wire-transferred.

SECTION 6. PAYMENT OF RENTS/INTEREST

The pre-operational payments set forth in Section 5.A.(1) and 5.A.(2) shall be paid to the Band without prior notice or demand. All other payments hereunder shall be paid to the Band through the Secretary unless direct payments are authorized by the Secretary. Past due rental payments received more than thirty (30) days after the due date shall bear interest at the rate of [REDACTED]

(whichever is the greater) per annum from the due date until paid. This provision shall not be construed to relieve the L.L.C. from its obligation to make timely rental payments or to deny the Band any rights or remedies for a material breach.

SECTION 7. L.L.C. RESPONSIBLE FOR DEVELOPMENT AND DECOMMISSIONING

A. **Development and Improvement.** The L.L.C. agrees that construction of all Facility buildings, supporting structures and improvements will be completed at the sole cost and expense of the L.L.C. or its designees or licensees and that neither the Band, the Secretary nor the Band's interest in the Leased Premises shall be responsible for or subject to acts or expenses of the L.L.C. relating to the construction of buildings and improvements on the Leased Premises. Unless otherwise provided herein, upon the termination or expiration of this Lease in accordance with the provisions herein, it is understood and agreed that any buildings or other improvements shall become the property of the Band or, at the option of the Band, will be removed by the L.L.C. at its expense.

B. **Radiological Decommissioning.** On termination of operations, the L.L.C. shall radiologically decommission the Facility and supporting structures in accordance with the Decommissioning Plan as approved by the NRC and take steps to secure the termination of the License.

C. **Non-Radiological Decommissioning.** At the option of the Band, non-radiological decommissioning and restoration of the Facility are expected to include the removal of structures and reasonably returning the land to its original condition.

D. **Decommissioning Plan.** The Decommissioning Plan shall contain the funding plan to provide financial assurance for decommissioning under 10 C.F.R. § 72.30, shall comply with the requirements of 10 C.F.R. § 72.22 and § 72.54, and shall further meet all other requirements under applicable federal regulations.

SECTION 8. REMOVAL OF IMPROVEMENTS

Subject to the provisions of Section 7 hereof, removable personal property and trade fixtures of the L.L.C. on the Leased Premises may be removed. The term "removable personal property and trade fixtures" as used in this Section shall not include property which normally would be attached or affixed to the buildings, improvements, or land in such a way that it would become a part of the realty, regardless of whether such property is in fact so placed in, or on, or affixed to the buildings, improvements, or land in such a way as to legally retain the characteristics of personal property. Removable personal property and trade fixtures may be removed by the L.L.C. at any time during the term of this Lease or within ninety (90) days after termination or expiration of this Lease or within such other reasonable time after the termination of this Lease as may be agreed upon between the Band and the L.L.C. If the L.L.C. fails to remove the same within ninety (90) days after termination or expiration of this Lease, or such other reasonable time as agreed upon, said fixtures and property shall be deemed abandoned and shall become the property of the Band.

SECTION 9. INSURANCE

A. **Nuclear Liability Insurance.** Prior to the Commercial Operations Date, the L.L.C. shall obtain a commercially reasonable amount of nuclear liability insurance. The L.L.C. shall provide copies of all such coverage to the Band and the Secretary.

B. **Workers' Compensation.** The L.L.C. shall comply with all applicable State of Utah workers' compensation laws and shall maintain workers' compensation insurance in the same manner and to the same extent as any enterprise or business authorized to do business on the Reservation or in the State of Utah; **provided, however,** that if workers' compensation covers any claim, the L.L.C. shall have no further liability with respect to the same claim. The L.L.C. shall ensure that all contractors for the Facility maintain workers' compensation insurance in the same manner and to the same extent as any enterprise or business authorized to do business on the Reservation or in the State of Utah. The L.L.C. shall provide copies of all such workers' compensation coverage to the Band.

C. **Other Insurance.** The L.L.C. shall maintain all other insurance required by any applicable federal or state law or regulation, including without limitation any NRC regulation, and shall maintain other insurance which the L.L.C. deems necessary or appropriate, including, but not limited to, fire and damage insurance, primary comprehensive general and automobile liability, contractual liability insurance, general errors and omissions insurance, directors and officers insurance and business interruption insurance.

D. **Contractor's Insurance.** The L.L.C. shall require all contractors and subcontractors to maintain all insurance coverages required by law or regulation and to maintain any other insurance of the types and in the amounts normally maintained by similar businesses in such contractor's field.

E. Co-Insureds. To the extent possible and commercially practicable, the L.L.C. shall cause each insurance policy maintained pursuant to this Section 9, other than subsection 9.B, to list the Band, the United States, and each of the members of the L.L.C. as additional insureds.

SECTION 10. SURETY BOND

The Band and the Secretary waive any obligation of the L.L.C. to post a surety bond; provided that at any time during the term of this Lease, the Secretary may, only upon the L.L.C.'s failure to pay the Lease Payments in accordance with the provisions of Section 5 hereof, require the L.L.C. to post a bond satisfactory to the Secretary in a penal sum of not less than the preceding quarter's prorated share of the Annual Rental, which bond shall be deposited with the Secretary. Any other type of security which may be offered by the L.L.C. to satisfy the requirement of ~~this~~ Section will be given reasonable consideration by the Secretary, but it is agreed that acceptance of other security shall be at the sole reasonable discretion of the Band and the Secretary. It is agreed that the bond required by this Section will guarantee payment of the Lease Payments only, and ~~then~~ for only such portion of the Lease Payments which are expressly covered by the bond.

SECTION 11. SUBLEASE, ASSIGNMENT, TRANSFER

Except as otherwise provided in this Section 11, the L.L.C. shall not assign or transfer any right to or interest in this Lease without the written consent of the Band and the Secretary, with the exception of encumbrances as provided in Section 15 hereof. No such assignment or transfer shall be valid or binding without said consent and approval and then only upon the condition that the assignee has agreed in writing that in the event of conflict between the provisions of this Lease and of said assignment, the provisions of this Lease shall prevail. Notwithstanding the foregoing provisions, upon notice to the Band and the Secretary, and proof that all insurance policies are continuing, the L.L.C. shall have the right to assign this Lease to any entity wholly owned by the L.L.C., with no further approval required from the Secretary or the Band; provided, however, that the assignee shall agree in writing to be bound by all the terms and conditions of this Lease. The term of any assignment shall not exceed the term of this Lease and any extensions hereof. Any assignment made, except as provided in this Section, shall be deemed a breach of this Lease, and shall be null and void and of no force and effect.

SECTION 12. UTILITY FACILITIES

The L.L.C. shall have the right to enter into agreements with public and private utility companies, the Band, the State of Utah or any of the state's political subdivisions to provide utility services necessary for the full development and enjoyment of the Leased Premises in accordance with this Lease. Upon entering into any such agreement, the L.L.C. shall furnish the Band and the Secretary with executed copies thereof together with a plat or diagram showing the true location of

the utility lines and facilities to be constructed. The L.L.C. shall be responsible for contracting for solid waste removal from the Facility Site.

SECTION 13. QUIET ENJOYMENT

The Parties and the Secretary acknowledge that it is their intent that the L.L.C. shall have quiet enjoyment of the Leased Premises and the Facility throughout the term of this Lease, and that the L.L.C. and its employees, contractors, vendors, agents, designees, assigns and representatives, and all persons who need access to the Leased Premises to provide emergency and security services, shall have uninterrupted access to the Leased Premises and the Facility at all times.

SECTION 14. ACCESS BY NRC

The Band and the L.L.C. hereby covenant and agree that they will in no way restrict the access by the NRC or its contractors to the Leased Premises or Facility at any time.

SECTION 15. ENCUMBRANCE

This Lease, or any right to or interest in this Lease, or any of the improvements on the Leased Premises, may be encumbered by the L.L.C. with no further approvals required from the Band or the Secretary; **provided, however, that** an encumbrance shall be permitted only in connection with obtaining financing for the development or construction of the Facility or structures on the Facility Site and/or improvement of the Leased Premises and shall be confined to the leasehold interest of the L.L.C. and improvements thereon; **provided, further,** that any such encumbrance shall terminate upon full repayment of such financing, which is expected to occur prior to the termination of this Lease.

The L.L.C. agrees to furnish the Band and the Secretary, upon written request, any specific information regarding the status of the encumbrance at any time during the term of this Lease. The Band and the Secretary hereby consent to such encumbrances subject to the terms and conditions of this Section. Neither the Band nor the Secretary shall have the right to encumber the Leased Premises or the Facility.

SECTION 16. DEFAULT

A. Breach by the L.L.C.

(1) **Prior to the Commercial Operations Date.** In the event of a material default or breach by the L.L.C. of any of the material terms and provisions

of this Lease prior to the Commercial Operations Date, the Band and the Secretary shall give notice to the L.L.C. citing such default and allow the L.L.C. ninety (90) days from receipt of said notice to correct the alleged default: **provided, however**, that in the event of a default or breach by the L.L.C. of any term or provision of this Lease requiring the payment of money by the L.L.C. to the Band, the period of time to correct the alleged default shall be thirty (30) days. In the event that said alleged default is not corrected within said ninety (90) days (or said thirty (30) days for payments by the L.L.C. to the Band), the Band and the Secretary shall give notice to the L.L.C. of the failure of the L.L.C. to correct the alleged default and shall specify that the L.L.C. has ten (10) days from receipt of said notice to correct the alleged default or to show cause why this Lease should not be canceled. The Band and the Secretary may grant a reasonable extension of time if the L.L.C. so requests.

If the default has not been corrected and the L.L.C. fails to show cause to the satisfaction of the Band and the Secretary why this Lease should not be canceled, the Secretary may terminate this Lease by written notice of cancellation, and the L.L.C. shall quit and surrender the Leased Premises to the Band. The Band and the Secretary may proceed by suit or otherwise to enforce collection of any funds then owed by the L.L.C. which were incurred and payable prior to such cancellation notice. The L.L.C. shall have the right of appeal pursuant to 25 C.F.R. Part 2.

(2) Subsequent to the Commercial Operations Date. In the event of a material default or breach by the L.L.C. of any of the material terms and provisions of this Lease subsequent to the Commercial Operations Date, this Lease shall not be subject to immediate termination, but the Band and the Secretary shall instead be limited to (i) an action for monetary damages or (ii) petitioning the NRC for relief, including without limitation, the decommissioning of the Facility, or (iii) otherwise to enforce all of its rights pursuant to this Lease by any and all actions at law and/or in equity, excluding termination.

In the event of a material default by the L.L.C. of any of the material terms and provisions of this Lease subsequent to the Commercial Operations Date, the Band or Secretary shall give notice to the L.L.C., citing such default and allow the L.L.C. ninety (90) days from receipt of said notice to correct the alleged default: **provided, however**, that in the event of a default or breach by the L.L.C. of any term or provision of this Lease requiring the payment of money by the L.L.C. to the Band, the period of time to correct the alleged default shall be thirty (30) days. In the event that said alleged default is not corrected within said ninety (90) days (or said thirty (30) days for payments by the L.L.C. to the Band), the Band or Secretary shall give notice to the L.L.C. of the failure of the L.L.C. to correct the alleged default and shall specify that the L.L.C. has ten (10) days from receipt of said notice

to correct the alleged default or to show cause why the Secretary should not bring an action for damages against the L.L.C. or to petition the NRC for relief. The Band or the Secretary may grant a reasonable extension of time if the L.L.C. so requests. The L.L.C. shall have the right of appeal pursuant to 25 C.F.R. Part 2.

B. Breach by the Band.

(1) Prior to the Commercial Operations Date. In the event of a material default or breach by the Band of any of the terms and provisions of this Lease prior to the Commercial Operations Date, the L.L.C. shall give notice to the Band and the Secretary citing such default and allow the Band ninety (90) days from receipt of said notice to correct the alleged default. In the event that said alleged default is not corrected within said ninety (90) days, the L.L.C. shall give notice to the Band and the Secretary of the failure of the Band to correct the alleged default and shall specify that the Band has ten (10) days from receipt of said notice to correct the alleged default or to show cause why this Lease should not be canceled. The L.L.C. may grant a reasonable extension of time if the Band so requests.

If the default has not been corrected and the Band fails to show cause to the satisfaction of the L.L.C. why this Lease should not be canceled, the L.L.C. may terminate this Lease by written notice of cancellation, and may quit and release the Leased Premises to the Band, with no further obligations, payment or otherwise, under this Lease, from the date of default or breach.

(2) Subsequent to the Commercial Operations Date. In the event of any material breach by the Band of any of the terms and provisions of this Lease subsequent to the Commercial Operations Date, the L.L.C. shall also have the right to declare the Band in default of any of the terms and provisions of this Lease pursuant to the provisions of this Section and to enforce all of its rights pursuant to this Lease by any and all actions at law and/or in equity.

SECTION 17. OBLIGATIONS OF THE L.L.C. AND THE BAND

A. Change of Name or Structure. The L.L.C. shall furnish the Band and the Secretary documentary evidence of any change in name or structure of its organization within thirty (30) days after such change. The L.L.C. shall also keep the Band and the Secretary informed of any change of person and/or persons authorized to represent the L.L.C. and execute documents on behalf of the L.L.C. and shall furnish the Band and the Secretary documentary evidence of such change in authority within thirty (30) days after any such change.

B. Taxes and Regulations.

C. **Further Covenants.** The Band hereby covenants and agrees that it shall use its sovereign nation status to support and promote this Lease and the Project, including but not limited to the passage of applicable land use, zoning, environmental and other laws, as necessary, to support and implement this Lease and the Project. The Band shall assist the L.L.C. in obtaining all required permits, licenses and approvals necessary for this Lease and the Project. The Band shall not, at any time, pass any law, rule or regulation which could adversely affect or burden this Lease or the Project, directly or indirectly, including any activity or action directly or indirectly related to this Lease or the Project, or any law, rule or regulation establishing land use, zoning, environmental regulation or other prohibition or land status which adversely affects or burdens the Project, unless and to the extent required by federal law.

The L.L.C. and the Band further covenant and agree that each will cooperate in emergency planning, environmental mitigation and public disclosure. All notices to third parties and other publicity concerning the transactions contemplated by this Lease shall be jointly planned and coordinated by and between the L.L.C. and the Band; provided, however, that this restriction shall not extend (i) to the Band as it may be necessary to respond to the BIA or (ii) to the L.L.C. in its discussions or negotiations with prospective members, lenders, customers, vendors, other service providers or as may be necessary in connection with the filing of the License or to respond to any governmental agency or court or any regulator of any members of the L.L.C.

D. **Employment Preferences.** The L.L.C. shall take all reasonable steps to employ the following classes of persons in the following order of priority for all positions (including skilled,

technical and management positions) for which they are qualified based upon their training and/or experience: First, members of the Band; second, children of members of the Band; and third, members of other federally recognized Native American Indian Tribes; provided that the foregoing employment preferences shall be valid only to the extent that they are in compliance with federal law.

E. Fire Fighting Capability. The Parties shall cooperate to insure integration of fire fighting resources and capability in accordance with the License and to insure that grass fires originating off the Facility Site are contained. The Facility staff will not be drawn below its minimums to be specified in the License.

SECTION 18. PAYMENTS AND NOTICES

All payments, notices, demands, requests, or other communications which may be or are required to be given, served, or sent by any party to any other party pursuant to this Lease shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery (including delivery by courier), telegram, facsimile transmission, addressed as follows:

(1) If to the L.L.C.:

Private Fuel Storage, L.L.C.
c/o Genoa Fuel Tech, Inc.
3200 East Avenue
LaCrosse, Wisconsin 54602
Attention: John D. Parkyn
Telephone: (608) 787-1236
Telecopy: (608) 787-1462

with copies (which shall not constitute notice) to:

Hogan & Hartson L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004-1109
Attention: Claudette M. Christian
Telephone: (202) 637-5650
Telecopy: (202) 637-5910

and

Hall, Estill, Hardwick, Gable,
Golden & Nelson, P.C.
320 South Boston Avenue, Suite 400
Tulsa, Oklahoma 74103-3708
Attention: Margaret A. Swimmer
Telephone: (918) 594-0426
Telecopy: (918) 594-0505

(2) If to the Band:

Skull Valley Band of Goshute Indians
c/o Tapai Project Office
2480 S. Main, Suite 110
Salt Lake City, Utah 84115
Attention: Beverly Slack
Telephone: (801) 474-0535
Telecopy: (801) 474-0534

with copies (which shall not constitute notice) to:

Leon D. Bear, Chairman
P. O. Box 150
Grantsville, Utah 84029
Telephone: [REDACTED]
Telecopy: [REDACTED]

(3) If to the Secretary:

Secretary of Interior,
Bureau of Indian Affairs
Uintah and Ouray Agency Superintendent
P. O. Box 130
Fort Duchesne, Utah 84026
Attention: David L. Allison, Superintendent
Telephone: (801) 722-4300
Telecopy: (801) 722-2323

Each Party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication which shall be mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, or the affidavit of messenger being

deemed conclusive (but not exclusive) evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

SECTION 19. INSPECTION

The Secretary and Band or their authorized representatives shall have the right, at any reasonable times during the term of this Lease and subject to NRC restrictions, *e.g.*, relating to physical security or radiological health and safety, to enter upon the Leased Premises to inspect the same.

SECTION 20. DELIVERY OF PREMISES

At the termination or expiration of this Lease and any extensions thereto and subsequent to decommissioning as provided in Section 7 hereof, the L.L.C., pursuant to the terms and conditions hereof, will peaceably and without legal process deliver up the possession of the Leased Premises in good condition, reasonable wear and tear excepted, subject to the rules and regulations of the NRC.

SECTION 21. LEASE BINDING

This Lease and the covenants, conditions and restrictions hereof shall extend to and be binding upon the successors and permitted assigns of the Parties. While the Leased Premises are in trust or restricted status, all of the L.L.C.'s obligations under this Lease, and the obligations of its sureties, are to the United States as well as to the Band. Nothing contained in this Lease shall operate to delay or prevent a termination of Federal trust responsibilities with respect to the land 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 land and the L.L.C. and its surety or sureties shall be notified of any such change in the status of the land.

SECTION 22. INTEREST OF MEMBER OF CONGRESS

No member of, or delegate to, Congress or Resident Commissioner shall be admitted to any share or part of this Lease or to any benefit that may arise here from, but this provision shall not be construed to extend to this Lease if made with a corporation or company for its general benefit.

SECTION 23. VALIDITY

This Lease, and any modification or amendment to this Lease, shall not be valid or binding upon the Parties until approved by the Secretary, or conditionally approved pursuant to Section 4.

As promptly as possible following the execution and delivery by the Band of this Lease, the Band shall submit this Lease to the Secretary for Secretary Approval, and the Band shall take all other necessary and appropriate actions in order to obtain a Secretary Approval for this Lease. The Band covenants and agrees that it shall not pass any law, rule, referendum or regulation, nor modify the Tribal traditions or governing documents in any manner, nor cause or permit, to the extent possible, the General Council, the Executive Committee, any tribal commission or any tribal agency to pass any ordinance, resolution, law or regulation which shall rescind, abrogate, modify or amend any approval of the Band, the General Council, the Executive Committee, any tribal commission or any tribal agency of this Lease or any of the obligations or transactions described herein.

SECTION 24. APPROVAL BY THE BAND AND/OR SECRETARY

Whenever under the terms of this Lease the acceptance, consent or approval of the Band and/or the Secretary is required, said acceptance, consent or approval shall not be unreasonably withheld.

SECTION 25. FORCE MAJEURE/FRUSTRATION OF PURPOSE

A. **Force Majeure.** No Party shall be liable for any breach, delay, nonperformance or damages because of that Party's inability to perform its obligations, excluding payment obligations, under this Lease, in whole or in part, when such inability is caused, or is materially contributed to, by any of the following (each a "Force Majeure Event"):

(1) fire, earthquake, explosion, lightning, epidemic, cyclone, flood, drought, hazardous weather, landslide, collision, storm, disease, pestilence and other actions of the elements, natural calamity or Act of God;

(2) failure of machinery, casualty or accident, lack of or failure in whole or in part of transportation facilities, communication facilities, power, materials or supplies;

(3) strike, lockout, labor dispute, delay or any other difficulties with employees, agents or independent contractors, for whatever reason, by any group or individuals;

(4) civil commotion, protests, unrest, riots or disorders, acts of the public enemy, or other belligerents, terrorism, sabotage, blockade or embargo;

(5) any act of any Governmental Authority or any person purporting to act as any such Governmental Authority or any group or combination of any such Governmental Authorities, including but not limited to (i) the promulgation of any law, order, proclamation, resolution, statute, regulation, ordinance, demand or requirement of any Governmental Authority, (ii) agreements between any Government Authorities; and (iii) the total or partial expropriation, nationalization, confiscation, allocation, or requisition by a Governmental Authority;

(6) compliance (voluntary or involuntary) by any party or any third party with any law, order, proclamation, resolution, statute, regulation, ordinance, requirement, act or request of a Governmental Authority or any judgment, decree or other act of any court, tribunal or arbitral body; or

(7) any other acts whatsoever, whether similar or dissimilar to those above enumerated and whether foreseeable or unforeseeable, beyond the reasonable control of a Party.

Notwithstanding the foregoing, the Band shall not be excused or be permitted to avoid liability with respect to any Force Majeure Event which is a result of (i) any law, order, proclamation, resolution, statute, regulation, ordinance, requirement, act, or request of any Governmental Authority, (ii) agreements between any Government Authorities, or (iii) the total or partial expropriation, nationalization, confiscation, allocation, or requisition by a Governmental Authority imposed by, at the request of, or with the acquiescence of the General Council, the Executive Committee, the Band or any tribal commission or agency.

The Party claiming a Force Majeure Event shall give the other Parties oral notice of that Party's inability to perform as soon as reasonably possible after the occurrence resulting in the inability to perform and shall confirm such oral notice in writing within three (3) working days thereafter. If such Force Majeure Event renders such Party's performance hereunder impossible for a period of ninety (90) days or longer, the other Party shall have the right to extend this Lease for a comparable period of time.

B. Frustration of Purpose.

SECTION 26. ENVIRONMENTAL PROTECTION REQUIREMENTS

It is agreed that it shall be the responsibility of the L.L.C. to satisfy all environmental protection requirements as set forth in the National Environmental Policy Act of 1969 ("NEPA") and its implementing regulations. It is further agreed that the L.L.C. will furnish the Secretary a copy of all environmental assessments and/or environmental impact statements and/or will furnish such documents to other federal agencies, if required, and cooperate fully with the Secretary, the NRC or other federal agencies with regard to NEPA compliance. It is additionally agreed that the L.L.C., as directed by the Secretary and other federal agencies, will issue any notice to the public of the availability of all environmental assessments or environmental impact statements or reports and will provide the Secretary with appropriate evidence of said notice within ten (10) days of the issuance of such notice. The L.L.C. shall also satisfy the Band's environmental protection standards as adopted; provided however, that such tribal standards shall not exceed federal law.

SECTION 27. DISPUTE RESOLUTION; LIMITED
WAIVER OF SOVEREIGN IMMUNITY

So that the Band and the L.L.C. will be sure that it and/or they may enforce the terms and conditions of this Lease or resolve any dispute arising between the Parties, each of the Parties hereby covenants and agrees that each of them may sue or be sued to enforce or interpret the terms, covenants and conditions of this Lease or to enforce the obligations or rights of the Parties in accordance with the terms and conditions set forth in this Section.

A. **Informal Resolution.** Any disagreement or dispute arising between the Parties under this Lease shall be resolved, whenever possible, by meeting and conferring. A Party may request such a meeting by giving notice to the other, and the Parties shall meet within ten (10) days of the notice. If the disagreement or dispute cannot be resolved to the mutual satisfaction of the Parties within thirty (30) days after the meeting, then each Party shall have the rights as provided below.

B. **Forum.** Any controversy, dispute or claim arising out of or relating to this Lease, any modification or extension hereof, or any breach hereof shall be brought in any United States District Court or United States Court of Federal Claims, as applicable, in which the controversy may be heard or, if required, pursuant to 25 C.F.R. Parts 162 and 2, with rights of appeal to the appropriate federal court. If for any reason such United States District Court does not have or declines jurisdiction over the subject matter of the action, such controversy, dispute or claim shall be settled by binding arbitration as provided in Section 27.C below. For such purpose, each of the Parties hereby irrevocably submits to the non-exclusive jurisdiction of such courts and/or arbitrators.

C. **Arbitration.** In the event that each Party so agrees in writing or in the event the federal courts do not have or decline jurisdiction, any controversy, dispute or claim arising out of or relating to this Lease, any modification or extension hereof, or any breach hereof (including the question whether any particular matter is arbitrable hereunder) shall be settled by binding arbitration in accordance with the Center for Public Resources Rules for Non-Administered Arbitration of Business Disputes by three arbitrators, of whom the Party initiating the arbitration shall appoint one with the defending Party appointing one (with the third arbitrator being appointed by the other two arbitrators). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof as provided herein. The place of arbitration shall be Las Vegas, Nevada or any other city agreed upon by the Parties. The Parties shall bear equally the fees of the arbitrator(s) and related expenses of arbitration. Each of the Parties consents to the jurisdiction of any United States District Court in which the controversy may be heard for all purposes in connection with the arbitration with rights of appeal to the appropriate federal courts. If for any reason such United States District Court does not have or declines jurisdiction over the subject matter of the action, the Parties consent to the jurisdiction of the state courts of the State of Utah solely for the purpose of compelling or enforcing arbitration with rights of appeal to the appropriate courts. If for any reason both the federal courts and the state courts do not have or decline jurisdiction over the subject matter of the action, the Parties consent to the jurisdiction of the Court of Indian Offenses under 25 C.F.R. Part 11 (or its successor court) solely for purposes of compelling or enforcing arbitration with rights of appeal to the appropriate courts. The Parties consent that any process or notice of motion or other application to said court, and any paper in connection with arbitration, may be served by certified mail, return receipt requested, or by personal service, or in such other manner as may be permissible under the rules of the applicable court or arbitration tribunal, provided a reasonable time for appearance is allowed.

SECTION 28. SAFETY REVIEW COMMITTEE

The L.L.C. shall establish a Safety Review Committee if required by the License. It shall include one member of the Band. The purpose of this Safety Review Committee shall include making recommendations to the L.L.C. concerning the safe operation of the Facility.

SECTION 29. UNLAWFUL USE

The L.L.C. agrees not to use or cause to be used any part of the Leased Premises for any unlawful conduct or purpose.

SECTION 30. CONSENTS

The Band and the L.L.C. shall each not unreasonably withhold its consent to any requests for approvals, consents or other matters as may be requested from time to time by the other Party hereto in connection with this Lease and the terms and conditions herein set forth, and the Band and the L.L.C. shall cooperate with each other in obtaining any consents or approvals of the Secretary as may be required in connection with this Lease.

SECTION 31. ASSENT NOT WAIVER OF FUTURE BREACH OF COVENANTS

No assent, express or implied, to any breach of any of the L.L.C.'s or the Band's covenants shall be deemed to be a waiver of any succeeding breach of any covenants of such Party.

SECTION 32. INDEMNIFICATION; LIMITATION OF LIABILITY

Neither the Band nor its members, agents, representatives, and employees nor the United States shall be liable for any loss, damage, or injury of any kind whatsoever to the person or property of the L.L.C. or sublessees or any other person whomsoever, caused by the L.L.C.'s use of the Leased Premises, or by any defect in any structure erected thereon, or arising from any accident, fire, or other casualty on said premises or from any other cause whatsoever; and the L.L.C., as a material part of the consideration for this Lease, hereby waives on the L.L.C.'s behalf all claims against the Band and agrees to hold the Band free and harmless from liability for all claims for any loss, damage, or injury arising from the use of the Leased Premises by the L.L.C. where such claim is directly attributable to the actions of the L.L.C., its employees, agents or representatives, together with all costs and expenses in connection therewith: provided, however, that in the event the Band or its members, employees, agents or representatives contributed to the cause of the loss, damage or injury for which the Band is seeking to be indemnified, the Band shall bear its costs and losses arising out

of such claims in proportion to the degree to which the acts or omissions of the Band or its members, employees, agents or representatives shall have contributed to such loss.

Notwithstanding any provision in this Lease to the contrary, the L.L.C. shall not be liable to the Band, or its members, employees, agents or representatives, or to the United States in any instance for damages in any amount in excess of the amount of insurance the L.L.C. would be able to recover in such instance; provided, however, that the foregoing limitation of liability shall not apply to the extent such damages are caused by acts or omissions of the L.L.C. which constitute gross negligence or willful misconduct.

SECTION 33. OBLIGATIONS TO THE UNITED STATES

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

SECTION 34. RELINQUISHMENT OF SUPERVISION BY THE SECRETARY

Nothing contained in this Lease shall operate to delay or prevent a termination of 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 Band and the L.L.C. and its surety or sureties shall be notified by the Secretary of any such change in the status of the Leased Premises.

SECTION 35. REPRESENTATIONS AND WARRANTIES

A. Representations and Warranties of the Band. The Band hereby represents and warrants as follows:

(1) Enforceability; Binding Effect of Band's Obligations. This Lease, after execution and delivery by the Band and Secretary Approval, will be a valid and binding obligation of the Band, enforceable against the Band in accordance with its terms. [REDACTED]

[REDACTED] Neither the execution and delivery of this Lease nor the compliance by the Band with any of the provisions contained herein do or will (i) violate, or conflict with, the constitution or any other organizational or governing documents

of the Band in effect on the date of this Lease or (ii) violate, or conflict with, any order, writ, injunction, tribal or judicial decree, statute, rule, regulation or resolution applicable to the Band or any of the properties or assets of the Band.

(2) **No Litigation.** There is no litigation, administrative proceeding or other action against the Band existing, pending or threatened that would affect the ability of the Band to fulfill its obligations under this Lease.

B. **Representations and Warranties of the L.L.C.** The L.L.C. hereby represents and warrants as follows:

(1) **Organization and Good Standing.** The L.L.C. is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware.

(2) **Due Authorization; No Conflicts.** The execution, delivery and performance by the L.L.C. of this Lease has been duly and effectively authorized by all necessary limited liability company action of the L.L.C., which authorization has not been modified or rescinded and is in full force and effect. No other proceedings or actions are necessary to authorize the execution and delivery of this Lease. This Lease, after execution and delivery by the L.L.C., will be a valid and binding obligation of the L.L.C., enforceable against the L.L.C. in accordance with its terms. Neither the execution and delivery of this Lease, nor the compliance by the L.L.C. with any of the provisions contained herein or therein do or will (i) violate, or conflict with, the Certification of Formation of the L.L.C. or the Limited Liability Company Agreement of the L.L.C. in effect on the date of this Lease or (ii) violate, or conflict with, any order, writ, injunction, judicial decree, statute, rule or regulation applicable to the L.L.C. or any of its properties or assets.

(3) **No Litigation.** There is no litigation, investigation, administrative proceeding or other action against the L.L.C. existing, pending or threatened that would affect the ability of the L.L.C. to fulfill its obligations under this Lease.

SECTION 36. **MISCELLANEOUS**

A. **Parties' Good Faith Obligations.** The Parties agree that they will in good faith undertake to fulfill their obligations in a timely manner and to execute and deliver such agreements, certificates and other documents as may be contemplated by this Lease or as may be required or necessary to be executed and delivered by them in connection with the development, construction, financing, ownership, operation, and decommissioning of the Facility.

B. **Amendment.** No amendment, modification or discharge of this Lease, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification, discharge or waiver is sought, subject to any necessary Secretary Approval.

C. **Entire Agreement.** This Lease (including Exhibits and Attachments hereto) constitutes the entire agreement among the Parties with respect to the transactions contemplated herein, and this Lease supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein.

D. **Headings.** Article, Section and subsection headings contained in this Lease are inserted for convenience of reference only, shall not be deemed to be a part of this Lease for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

E. **No Partnership.** No agency, partnership, joint venture or other representative or fiduciary relationship between the Parties is created by, or may be implied by or inferred from, the execution of this Lease, the conduct of the Parties' activities as contemplated hereby, or the consummation of the transactions contemplated hereby.

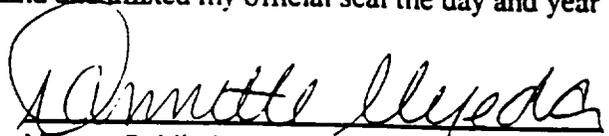
F. **Construction.** In all cases the language in all parts of this Lease shall be construed simply according to its fair meaning and not strictly for or against any Party. Wherever any words are used herein in the masculine gender, they shall be construed as though they were also in the feminine and neuter genders in all cases where such would so apply, and wherever any words are used in the singular form they shall be construed as though they were also used in the plural form where such would properly apply.

G. **Counterparts.** This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall for all purposes be deemed to be an original, but such counterparts of which this shall be one shall together constitute but one and the same instrument.

H. **Governing Law.** Unless otherwise provided herein, this Lease shall be construed, interpreted and enforced and governed by the provisions of 25 U.S.C. §§ 81 and 415, 25 C.F.R. Part 162 and other applicable federal law. The foregoing notwithstanding, to the extent that there is no federal law governing in a particular instance this Lease shall be construed, interpreted and enforced and governed by the applicable laws of the State of Utah or in the event a federal court determines that federal law does not govern the subject matter or is inadequate to assure the prompt and effective exercise of the rights and remedies of the L.L.C. and the Band hereunder with respect to provisions of this Lease, the law of the State of Utah shall be applied to the exercise of the rights and remedies of L.L.C. and the Band. The Band hereby consents to the application of the law of the State of Utah under such circumstances.

On this 20 day of May in the year 1997 before me Dannette Uyeda, a Notary Public of said State, duly commissioned and sworn, personally appeared John D. Parkyn, personally known to me to be the person who executed the within instrument as Chairman of the Board of Private Fuel Storage, L.L.C., and acknowledged before me that such limited liability company executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.


Notary Public in and for said State



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

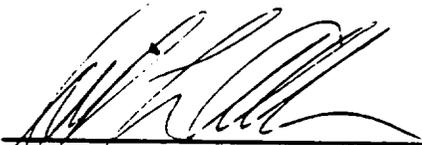
APPROVAL OF LEASE

The within Lease between Private Fuel Storage, L.L.C. (the "L.L.C.") and the Skull Valley Band of the Goshute Indians (the "Band") consisting of pages 1 through 35 and Exhibits "A" through "D" and Attachment I is hereby approved on behalf of the Secretary of the Interior pursuant to the provisions of the Act of August 9, 1955 (69 Stat. 539; 25 U.S.C. § 415), as amended, and as supplemented by the regulations (25 C.F.R. Part 162).

In accordance with the authority vested in me, including without limitation my power set forth in 25 C.F.R. § 1.2 to waive and make exceptions to my regulations, I hereby specifically waive and make exceptions to the application of any of the regulations of the Department of the Interior with regard to any provision of this Lease which is inconsistent with any of such regulations, and I find that this waiver and exception is permitted by law and is in the best interests of the Skull Valley Band of the Goshute Indians.

Dated: May 23, 1997

By:



David L. Allison, Superintendent
United States Department of the Interior
Bureau of Indian Affairs

EXHIBIT "A"
TO THE BUSINESS LEASE

Facility Site

One parcel of land located in Sections 5, 6, 7, and 8, Township 5 South, Range 8 West, Salt Lake Base and Meridian described as follows: All of Section 6, the north 700 feet of Section 7 from the west to the east Section 7 boundary, the west 700 feet of Section 5 from the north to the south Section 5 boundary, and the north 700 feet of Section 8 from the west Section 8 boundary to a point 700 feet east. Containing 820 acres more or less.

EXHIBIT "B"
TO THE BUSINESS LEASE

Easements and Rights-of-Way

An east-west access corridor between the Facility Site as described on Exhibit "A" to the Business Lease and the West Right-of-Way of Skull Valley Road to permit construction and maintenance of transportation access and utilities to service the Facility Site; portions thereof located in Sections 8 and 9; Township 5 South; Range 8 West; Salt Lake Base and Meridian described as follows: the north 1,000 feet of Section 8 from the Facility Site east boundary to the east Section 8 boundary, the north 1,000 feet of Section 9 from the west Section 9 boundary to the West Right-of-Way of Skull Valley Road. Containing 202 acres more or less.

EXHIBIT "C"
TO THE BUSINESS LEASE

Buffer Zone

A buffer zone to include the remaining portions of Sections 5, 7, and 8 and all of Sections 17 and 18, Township 5 South, Range 8 West, Salt Lake Base and Meridian.

ATTACHMENT "I"
TO THE BUSINESS LEASE

**Valid Existing Leases, Easements, Rights-of-Way
and/or Other Encumbrances and/or Restrictions**

1. Lease dated April 27, 1984, by and between Hercules, Incorporated and the Band; as amended by (i) Amendment No. 1 dated December 1, 1985, by and between Hercules, Incorporated and the Band; (ii) Amendment No. 2 dated November 1, 1989, by and between Hercules, Incorporated and the Band; (iii) the Skull Valley Band of Goshute Indians Possessory Interest Tax Settlement Agreement, dated April 29, 1994, by and between Hercules, Incorporated and the Band; and assigned to Alliant Techsystems Inc. pursuant to that certain Assignment and Assumption Agreement dated March 15, 1995, between Hercules Incorporated and Alliant Techsystems Inc (collectively the "Alliant Lease").

2. **ASSIGNMENT OF TRUST DEED**

Assignor: Skull Valley Band of the Goshute Indians
Assignee: First Security Bank of Utah, N.A.
Dated: April 27, 1984
Recorded: July 5, 1984
Entry No.: 362803
Book/Page: 221/443-451

As to Sections 17 and 18, both in T5S, R8W, Salt Lake Base & Meridian

3. **TRUST DEED**

Trustor: Alliant Techsystems Inc.
Trustee: Lawyers Title Insurance Corporation
Beneficiary: J. P. Morgan Delaware, as Collateral Agent for the Secured Parties
Dated: March 15, 1995
Recorded: March 15, 1995
Entry No.: 072609
Book/Page: 392/8-77

As to Sections 17 and 18, both in T5S, R8W, Salt Lake Base & Meridian

4. UCC-1

Debtor:	Alliant Techsystems Inc.
Secured Party:	J. P. Morgan Delaware as Collateral Agent
Recorded:	March 15, 1995
Entry No.:	072610
Book/Page:	392/78-105

As to Sections 17 and 18, both in T5S, R8W, Salt Lake Base & Meridian

5. The Leased Premises are situated within the boundaries of the Tooele County Hospital Special Services District.