



MONTANA DEPARTMENT OF NATURAL
RESOURCES AND CONSERVATION

LAND USE LICENSE NO. 6257

The STATE OF MONTANA, DEPARTMENT OF NATURAL RESOURCES & CONSERVATION (hereinafter referred to as the "Department" or "Licensor"), whose address is **1371 Rintop Drive, Billings, MT 59105**, herein grants **Riverside Contracting, Inc.** whose address is **7116 Cowboy Way, Billings, MT 59106** (hereinafter referred to as the "Licensee") a LAND USE LICENSE (hereinafter referred to as a "License" or "LUL"), to obtain the following-described rights for a limited term in the following-described lands, subject to all of the terms and conditions hereof.

1. LEGAL DESCRIPTION

Tract(s) of land situated in Yellowstone County, Montana, and being further described as follows:

| Description | Section | Township | Range | Acres |
|-------------|---------|----------|-------|-------|
| NW¼NW¼NE ¼ | 33 | 1S | 24E | 0.48± |

2. FILING FEE

A fee of Twenty-five and No/100 Dollars (\$25.00) has been paid to the Licensor prior to issuance of this License.

3. RENTAL

Upon acceptance of this License, the Licensee agrees to pay in advance, an annual fee of **One thousand five hundred and No/100 Dollars (\$1,500.00)**. Should the License begin on a date other than March 1, the first year of this License shall be the date which the License is signed and executed to the last day of February, or the expiration date, whichever is sooner.

4. DURATION

This License shall take effect upon Department signature and remain in full force and effect up to and including **February 28, 2020**, unless terminated in accordance with Section 18 of this License.

5. LICENSED ACTIVITY

The purpose of this License is to allow the construction of a temporary haul road for hauling pit gravel from the existing Riverside pit in Section 28 for the Laurel Airport Crosswind Runway Construction Project. The haul road location is shown on attached Exhibit A.

6. RECLAMATION OF THE LAND

The Licensee shall take all reasonable precautions to prevent or minimize damage to natural (i.e., vegetation, soil, water, wildlife), and cultural resources within the License premises. Within thirty (30) days of the termination of this License by either party to this agreement, or

final expiration of agreement, the Licensee shall reclaim the area to the specifications of the Licensor. Such reclamation shall include, but not be limited to, the elimination of all trace of disturbances, compaction, and resurfacing of any holes or terraces. Licensee shall reseed all disturbed areas with native species of grasses, unless other arrangements are agreed upon between the Licensor and the Licensee in writing. When any action requires disturbance, all soil materials shall be salvaged, safeguarded from loss due to wind or water erosion or machinery activity, and shall be replaced on all disturbed areas.

7. PERFORMANCE BOND

To secure performance of Licensee's reclamation obligation, Licensor may require a performance bond that shall remain in existence for the term of the License. Any performance bond required shall be submitted to the Licensor before conducting any disturbance on the land under this License. The bond requirement for this License is: NONE.

8. MAINTENANCE, IMPROVEMENTS, UTILITY INSTALLATION

- a) The Licensee shall maintain the area within the License in a neat and orderly manner as reasonably determined by the Licensor and will not allow waste or debris to accumulate thereon.
- b) The Licensee shall not construct any improvements upon the License Premises without first obtaining Licensor's permission to construct or install such improvements on the License Premises. Licensee is responsible for all cost incurred in the design, construction, operation, and maintenance of all improvements on this License.
- c) The Licensee, at its sole cost and expense, shall be responsible for installing and paying all costs of any utilities if Licensee desires any such services. Notwithstanding the foregoing, the Licensee shall not enter into any contract or agreement with any city, county, or other governmental agency or body or public utility with reference to sewer lines or connections, water lines or connection, or street improvements relating to the License Premises, without the prior written consent of the Licensor, which consent shall not be unreasonably withheld.

9. PERSONAL PROPERTY AT EXPIRATION OR TERMINATION OF LICENSE

Any personal property or fixture placed on or in the licensed area by the licensee or their agents shall be removed immediately upon expiration or termination of the license. Any personal property or fixture left on the license after the expiration or termination of the license shall become the property of the state of Montana. The Department shall have the authority to use all or part of any performance bond issued for this license to fund reclamation and disposal of any property or fixture remaining on or in the licensed area. The department shall have the authority to otherwise dispose of any property or fixture remaining on the licensed area at the termination of the license. Licensee will not be entitled to any value received by the Department through disposal of any property or fixture remaining on the licensed area after expiration or termination. This subsection does not authorize placement of improvements or personal property upon the licensed area that were not otherwise authorized.

10. LIMITATION OF AUTHORITY

Other than for the purposes specifically described in this agreement, the Licensee agrees that it does not have, and shall not claim at any time, any interests or estate of any kind or extent whatsoever in the License Premise by virtue of this License or their occupancy or use hereunder in excess of the use granted by the License. The Licensor reserves all rights and interests to the License Premises other than those specifically granted by the License.

11. WEATHER CONDITIONS

The Licensor reserves the right to restrict or preclude any surface activity during periods of adverse weather and other conditions which may contribute to accelerated erosion, fire hazard, disruption of seasonal wildlife, or any other condition which in the opinion of the Department may have an adverse effect on Trust land.

12. NOXIOUS WEEDS

The Licensee shall be responsible for controlling any noxious weeds introduced by Licensee's activity on the License Premises or adjacent state-owned land. The Department of Natural Resources & Conservation Southern Land Office that has jurisdiction for that locale must review the Licensee's methods of control. The Licensee shall comply with the Montana County Noxious Weed Management Act.

13. GENERAL LIABILITIES AND INDEMNITY

The Licensee agrees to assume responsibility for all claims and lawsuits, and shall be fully and completely liable to, and indemnify, defend and hold harmless, the Licensor from any and all damages, injury or death to persons and/or property that occur upon or about said land caused by or arising out of Licensee's use of the License Premises hereunder.

14. INSURANCE

The Licensor may require the Licensee to procure and maintain and keep in force a comprehensive or commercial general liability insurance covering claims arising out of the ownership, operation, maintenance, condition or use of the License Premises for personal and bodily injury and death, and damage to others' property. Any insurance required under this section shall name the Licensor as an additional insured in the policy(ies) providing such liability insurance, which shall include cross liability and severability of interests clauses. The Licensee shall provide certificates of insurance evidencing the policies obtained by Licensee. If the Licensee does not deliver the evidence required by the preceding sentence before taking possession of the License Premises, then Licensee will deliver the same within 30 days after taking possession of the License Premises. Thereafter, during the Term, within 30 days after the renewal date of each policy, the issuance of a new policy or on such other date as Licensor reasonably requires, Licensee will deliver a copy of the latest proof of insurance to Licensor. Each policy of insurance will require the issuer of the insurance policy to give Licensor 30 days' advance written notice of the termination or modification of the policy. The minimum insurance requirement for this License for any one accident or occurrence as described above is: NONE REQUIRED.

15. PERMITS AND COMPLIANCE

Licensee is responsible for obtaining any additional permits or requirements from any other affected regulatory agency(ies).

The Licensee shall comply with all public laws, statutes, ordinances, and administrative rules which are applicable to its operations upon the above-described lands. In no event shall the Licensee conduct any activity, or allow any activity to be conducted, upon the above-described lands or within the Project which is: a nuisance or violates of public health, safety, or welfare.

16. INDEMNIFICATION FOR HAZARDOUS MATERIALS

The Licensee shall be fully and completely liable to, and indemnify, defend, and hold harmless, the Licensor for any and all damages and clean-up costs and penalties imposed by any governmental authority with respect to Licensee's use, disposal, transportation, generation, or sale of Hazardous Substances, in or about the above-described lands.

17. TAXES

The Licensee shall be solely responsible for all personal property taxes that accrue to personal property or real property taxes that accrue to any improvements owned by Licensee that are located on the above described lands.

18. RIGHT OF ENTRY

Representatives of the Licensor shall at all reasonable times have the right to enter into and upon the premises and all parts thereof for the purpose of managing the land and/or inspecting and examining uses thereof.

19. TERMINATION OF LAND USE LICENSE

The Licensor reserves the right to terminate the permission hereby granted at any time by giving the Licensee no less than thirty (30) days written notice of such termination, except that the Licensor may terminate the License and all permission granted herein immediately if Licensee fails to comply with, or abide by, each and all of the provisions hereof, or ceases to use the permission hereby granted. Licensee agrees to peaceably yield the License Premises upon termination subject only to its reclamation obligations.

20. SPECIAL STIPULATIONS

The Licensor reserves the right to impose special stipulations on license based on use, location, or other reasons. Special stipulations in addition to the terms above are:

- a) All vehicle traffic must stay on the permitted road.
- b) The road shall only be used for access to the existing Riverside gravel pit on Section 28 and shall follow the alignment shown on Exhibit A.
- c) Licensee shall stockpile or otherwise retain the topsoil prior to road construction and utilize it in the reclamation of the road area.
- d) Licensee may gravel the road to provide an all-weather surface, however such gravel shall be removed prior to reclamation of the road.
- e) Adequate drainage and/or erosion control devices/facilities shall be installed and maintained where necessary on the road.

- f) The Licensee shall be responsible for controlling any noxious weeds introduced by Licensee's activity on state Trust land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the subject section.
- g) Once the runway project is complete, the road will be removed in its entirety, reclaimed and seeded with a seed mix approved by the Southern Land Office.

Dated this _____ day of _____, 2017.

Riverside Contracting, Inc.

(Printed Name and Title)

(Department of Natural Resources & Conservation Use Only)

APPROVAL OF LICENSE

Matt Wolcott, Area Manager
Southern Land Office

_____, 2017
Date Approved

EXHIBIT A – Proposed Haul Road Route

