

AGREEMENT OF SAND RIGHT

This is an Agreement between the Calista Corporation (hereinafter referred to as "Calista") and the City of Bethel (hereinafter referred to as the "City").

Whereas the City of Bethel is in need of a public sand pit; and

Whereas the Bethel Native Corporation has an obligation to the City for 1,280 acres, and both the City and Bethel Native Corporation have agreed on a site for said sand pit, and

Whereas Calista has the rights to the sand in the proposed sand pit site, and

Whereas at the present time there exists no sand pit site in Bethel for public use, and

Whereas, the Bethel Native Corporation has agreed to release 200 acres of the surface rights to the City, located adjacent to the present boundaries of the State sand pit along the Bethel BIA road, and

Whereas, the Calista Board of Directors has directed the President to negotiate and agree on behalf of Calista for the sand rights with the City of Bethel,

Now Therefore It Is Agreed between Calista and the City that all sand rights on and under the site mentioned above is hereby conveyed to the City of Bethel.

Dated this twenty-eighth day of May, 1980.

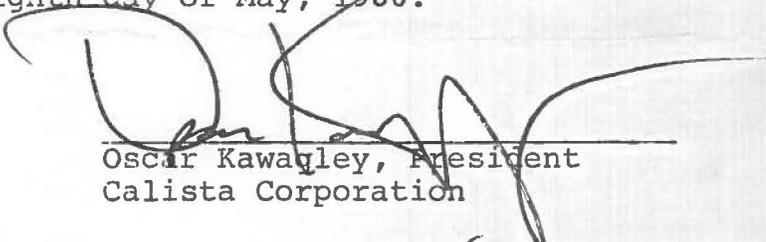
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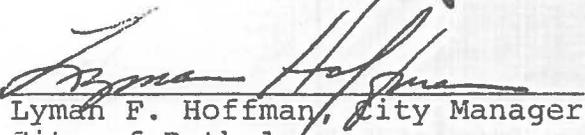
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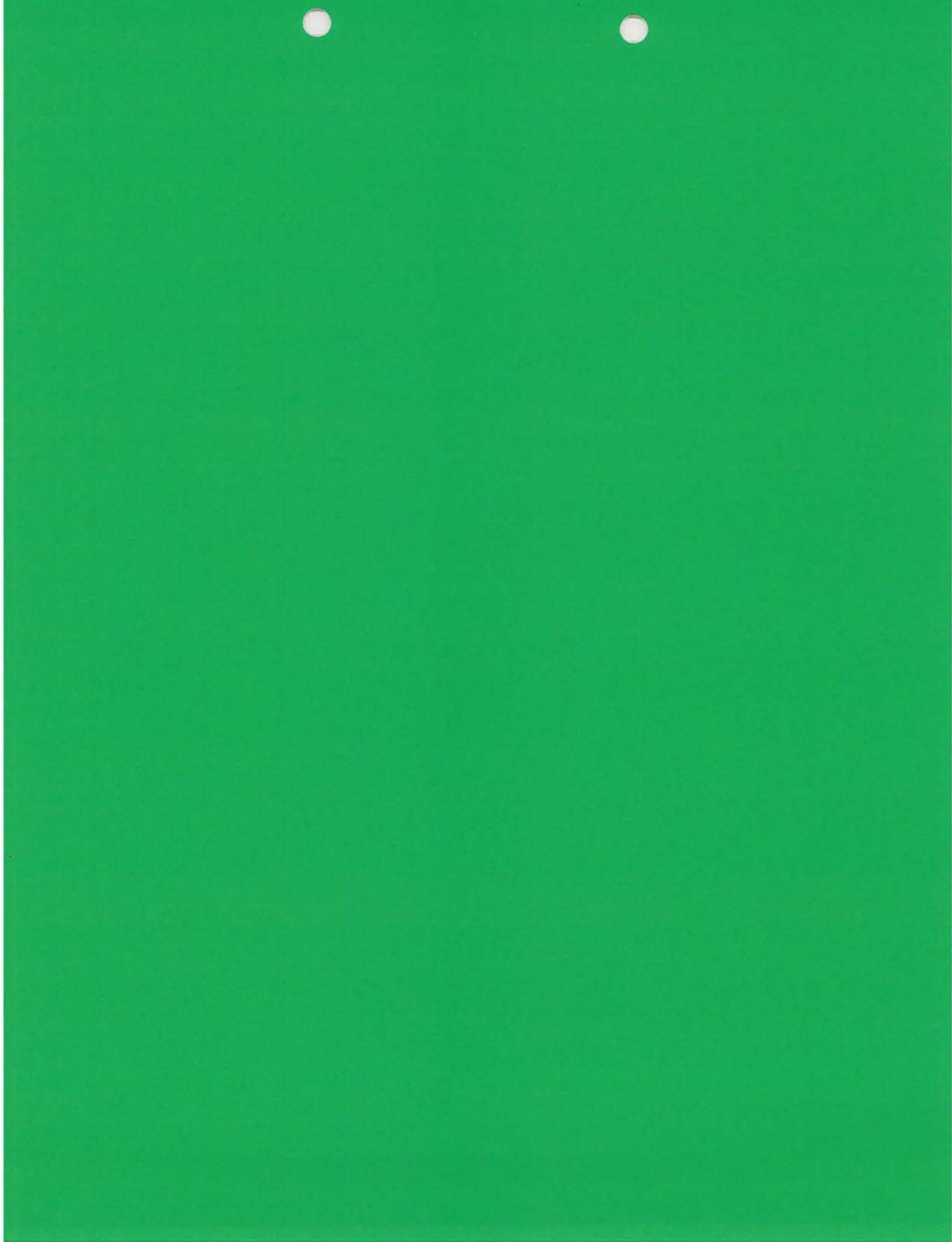
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BETHEL RECORDING
DEPT

APR 27 3 55 PM '83

REQUESTED BY City of Bethel
ADDRESS P.O. Box 388
Bethel, Alaska
99559


Oscar Kawagley, President
Calista Corporation


Lyman F. Hoffman, City Manager
City of Bethel



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SANDPIT AGREEMENT

THIS AGREEMENT made this 30th day of June 1980 by and between Calista Corporation, an Alaska corporation (hereinafter "Calista") and Bethel Native Corporation, an Alaska corporation (hereinafter "BNC").

W I T N E S S E T H

WHEREAS, Calista owns the subsurface estate and BNC owns the surface estate of that certain real property located in the Bethel Recording District, more particularly described as:

Parcel One:

Section 13, T8N, R72W Seward Base and Meridian, excluding Native Allotment F-16127 and U.S. Survey Nos. 3729 and 4117;

Parcel Two:

Section 14, T8N, R72W, Seward Base and Meridian, excluding U.S. Survey 3728 and Public Land Order Nos. 3445 and 3956; and

WHEREAS, Calista wishes to lease a commercial sand and gravel extraction operation to BNC on the hereinabove described property.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and promises hereinafter contained, it is agreed as follows:

1. Calista agrees to sell and BNC agrees to buy, sand and gravel extracted from the hereinabove described property on the following terms and conditions.
2. BNC, as lessee of Calista shall have the right to operate, manage and administer the sand and gravel pit. BNC shall act as an independent contractor in its operation of the gravel pit and in no way shall be construed as an agent, joint venturer or partner of Calista. BNC shall not act or operate in any manner on behalf of Calista.
3. As and for consideration for the right to extract sand and gravel from the hereinabove described real

property, BNC shall pay a royalty to Calista equal to sixty percent (60%) of the gross proceeds received from the sale of said gravel; the amounts due Calista to be remitted on or before the last day of the month next immediately following the month in which BNC actually receives the proceeds from the purchase.

4. The charges for sand and gravel extracted shall, until otherwise determined, be in accordance with the following schedule.

(a) Ten (10) yards or less - fifty cents (\$0.50) per yard.

(b) More than ten (10) but less than one hundred yards - One Dollar (\$1.00) per yard.

(c) More than one hundred yards - Two Dollars (\$2.00) per yard.

BNC shall be initially responsible for determining subsequent changes in pricing and shall deliver to Calista, in writing, at 516 Denali Street, Anchorage, Alaska a proposed revised pricing schedule not less than thirty (30) days before the proposed revised prices become effective. In the event Calista does not object in writing to the proposed revised pricing schedule not later than ten (10) days prior to the effective date of the new pricing schedule, Calista shall be deemed to have approved same. In the event Calista shall timely object to the proposed revised pricing schedule, it shall not go into effect until such time as the parties agree and the last pricing schedule then in effect shall remain in force.

5. This agreement shall be effective July 1, 1980 and shall expire April 30, 1981, unless extended by the mutual written consent of both parties.

6. It is agreed and understood that BNC intends to enter into a separate agreement with the City of Bethel under the terms of which the City of Bethel will perform the actual administration of sand and gravel pit operation. Calista

hereby consents thereto and BNC promises, agrees, covenants and warrants to hold Calista harmless from any liability that it may suffer as a result of the City of Bethel's operation of the gravel pit.

7. The parties hereto further understand that the City of Bethel is desirous of establishing on the hereinabove described real property a sand and gravel extraction operation for its own use and benefit. BNC hereby waives any right it may have, if any, to reimbursement from Calista for compensation in the form of damages, or otherwise, for either the right to enter upon, use, disturb occupy, or otherwise affects the surface estate interest of BNC. It being further understood that BNC presently contemplates conveying to the City of Bethel as a portion of the entitlement of the City of Bethel under Section 14(c)(4), ANCSA, all its right, title and interest in and to the surface estate of that portion of the hereinabove described real property to be used by the City of Bethel as hereinabove described. BNC warrants that it has legal title to the surface rights of the above described sand and gravel pit.

8. BNC agrees, promises, covenants and warrants that it shall indemnify, defend and forever hold Calista harmless from any and all liability whatsoever arising out of or flowing from or connected with, directly or indirectly, the operation of said sand and gravel pit, to any and all persons whomsoever, excepting as a result of the direct negligence of Calista, its employees, officers, agents or servants.

9. The parties hereto shall mutually consult and agree upon that portion of the hereinabove described gravel pit which is to be utilized by the City of Bethel as hereinabove specified.

10. This agreement constitutes the entire agreement between the parties and supersedes all prior agreements, understandings, negotiations and discussions relating

hereto. No amendment, modification, alteration or termination of this agreement shall be binding upon the parties unless in writing and signed by the parties hereto.

11. BNC shall maintain, according to standard and accepted accounting practices, separate books and records as to the operations of the sand and gravel pit, which books and records shall be made available to Calista for inspection, copying or audit, at Calista's sole cost and expense, at any time during normal working hours upon reasonable request of Calista. These accounts shall accurately and clearly reflect the amount of all material sold, the price charged and proceeds received by BNC as a result of its operation of the gravel pit.

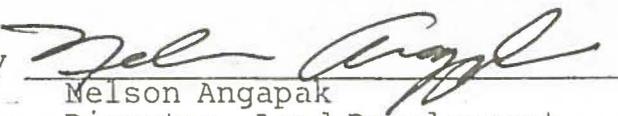
12. BNC shall comply with all state, local, federal and other regulations, ordinances, laws and rules governing the operation of the sand and gravel pit.

13. BNC shall keep the gravel pit free from all liens and other claims.

14. BNC shall maintain minimum liability and casualty insurance in the amount of Five Hundred Thousand Dollars (\$500,000.00) to protect Calista from claims that may be asserted against it as a result of BNC's operation of the sand and gravel pit.

IN WITNESS WHEREOF, the parties have executed this agreement by affixing their signatures and seals thereto on the date first above appearing.

CALISTA CORPORATION

By 
Nelson Angapak
Director, Land Development

BETHEL NATIVE CORPORATION

By 
J. Robert Hoffman
General Manager