

RESOLUTION OF PAPAGO COUNCIL
(Hecla-El Paso Natural Gas Co.)

RES. NO. 81-77

WHEREAS, the Papago Tribe, did effective August 17, 1966, enter into two Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857 which Leases were assigned to the Hecla Mining Company and El Paso Natural Gas Company and were revised and modified by five separate modifications; and

WHEREAS, the Hecla Mining Company and El Paso Natural Gas Company did as Lessee under said Leases develop and equip a large copper mine and related copper processing facility on the leased premises at a cost of more than Two Hundred Million Dollars; and

WHEREAS, the Papago Tribe, as Lessor, requires a large minimum guaranteed income in order to finance essential Tribal programs; and

WHEREAS, the Hecla Mining Company and El Paso Natural Gas Company, as Lessee, are agreeable to substantial upward revision in the guaranteed minimum payments in the form of advance royalty payments, and the Papago Tribe in return is agreeable to granting said Lessee a new ten-year primary terms, full recoupment of advance royalty payments, more extensive assignment rights and the right to suspend operations during periods of force majeure or when the property cannot be operated except at a loss; and

WHEREAS, in light of the agreements referred to above, the Papago Tribe as Lessor, and the Hecla Mining Company and El Paso Natural Gas Company, as Lessee, have determined that it is in their respective best interests to terminate their existing Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857, and to enter into a new Mining Lease covering the same lands; and

WHEREAS, the Papago Tribe did approve issuance of Permit No. H50C14206527 dated as of June 6, 1968, which Permit was by mesne assignments assigned to the Hecla Mining Company and El Paso Natural Gas Company, Lessee under Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857, and was co-terminal with said Mining Leases; and

WHEREAS, the Papago Tribe, the Hecla Mining Company and El Paso Natural Gas Company entered into a Business Lease dated as of the 12th of September, 1969, for purposes related to operations to be carried on under Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857; and

WHEREAS, the Papago Tribe, Hecla Mining Company and El Paso Natural Gas Company desire to modify their Business Lease dated as of the 12th of September, 1969, and the Permit No. H50C14206527 dated as of June 6, 1968, to reflect the termination of Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857, the issuance of a new Mining Lease, and modification of the assignment sections in said Business Lease and Permit.

NOW, THEREFORE, BE IT RESOLVED by the Papago Council that it does hereby approve (1) the new Mining Lease dated as of the 17th of August, 1976, and covering the same lands covered by Mining Leases, Contract Nos. 14-20-0450-5856 and 14-20-0450-5857, (2) the Modification of Permit No. H50C1420627, and (3) the Modification of the Business Lease dated as of September 12, 1969, between the Papago Tribe, as Lessor, and the Hecla Mining Company and El Paso Natural Gas Company, as Lessee, and does hereby authorize and direct Cecil Williams and Max Norris, the Chairman and Vice-Chairman of the Papago Council, by their signatures to execute and attest on behalf of the Papago Tribe the new Mining Lease and the Modification of the Business Lease dated as of September 12, 1969, and to approve issuance of the Modification of Permit No. H50C14206527.

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Page Two

BE IT FURTHER RESOLVED that the Chairman of the Papago Council and the attorneys and appropriate officers of the Papago Tribe are hereby directed to do everything necessary to expedite execution and delivery of all documents necessary to comply with the purposes and directions of this Resolution.

The foregoing Resolution was duly enacted by the Papago Council on the 10th day of Oct., 1977, at a meeting at which a quorum was present with a vote of 915 for; 0 against; 495 not voting; and 0 absent, pursuant to authority vested in it by Sections 2 (a) and (c) and 3 (a) (e) (h) and (l) of Article V of the Constitution of the Papago Tribe, ratified by the Tribe on December 12, 1936, and approved by the Secretary of Interior on January 6, 1937, pursuant to Section 16 of the Act of June 18, 1934, (48 Stat. 984), and amended by the Papago Tribe to add Article 3 (l) on April 9, 1960, and approved by the Secretary of Interior on May 9, 1960. Said Resolution is effective as of the date of its approval by the Superintendent of the Papago Agency, and is subject to rescision by the Secretary of Interior, pursuant to Section 6, Article V of the Constitution and By-laws of the Papago Tribe.

THE PAPAGO COUNCIL

By Cecil Williams
CECIL WILLIAMS, Chairman

ATTEST:

Max H. Morris
Vice Chairman

Richard T. Christman
RICHARD T. CHRISTMAN
Superintendent Papago Agency

APPROVED: Oct 10, 1977

VOTE OF THE PALAGO COUNCIL

DATE OF MEETING: October 10, 1977

RESOLUTION OR ORDINANCE NO.: 81-77

| DISTRICTS | REPRESENTATIVES | NO. OF VOTES | FOR | AGAINST | NOT VOTING | ABSENT |
|---------------------------|---|--------------|--------|---------|------------|--------|
| <u>SABOQUIVARI</u> 143 | 1. Edward N. Kisto (Joann Garcia) 2. Louis Harvey, Sr. (Enos Francisco, Jr.) | 71.5 71.5 | X X | | | |
| <u>CHUKUT KUK</u> 161 | 1. Rosemary Lopez (Nellie Martin) 2. Harriet Toro (Henry Jose) | 80.5 80.5 | X X | | | |
| <u>GU ACHI</u> 108 | 1. Joseph P. Ramon (Stephen Listo) 2. Cipriano Manuel (Joe Cruz Jr.) | 54.0 54.0 | X X | | | |
| <u>GU VO</u> 47 | 1. Cross Antone (Edward J. Lopez) 2. William Lewis, Sr. (Juan Joe Cipriano) | 23.5 23.5 | X X | | | |
| <u>HICKIWAN</u> 86 | 1. Henry A. Ramon (James Angea) 2. Edward Manuel (Archie Pilone) | 43.0 43.0 | X X | | | |
| <u>PISINEMO</u> 68 | 1. Lamando Francisco 2. Jose Manuel, Jr. | 34.0 34.0 | X X | | | |
| <u>SAN LUCY</u> 35 | 1. Jeannie Morris 2. Ricardo M. Baptista (Albert Gomez) | 17.5 17.5 | X X | | | |
| <u>SAN XAVIER</u> 99 | 1. Tony Felix (Rosemary D. Secundino) 2. Arnold Smith (Carmen Mattias) | 49.5 49.5 | X X | | X | |
| <u>SCHUK TOAK</u> 76 | 1. Joseph Enriquez 2. Ramon Campillo, Jr. (Joann Francisco) | 38.0 38.0 | X X | | | |
| <u>SELLS</u> 139 | 1. Mollie Garcia (Jacob Lewis) 2. Fred Stevens (Jacob Escalante) | 69.5 69.5 | X X | | | |
| <u>SIF Oidak</u> 103 | 1. Vincent Manuel 2. Nicholas Jose (Melissa Norris) | 51.5 51.5 | X X | | | |
| <u>TOTALS</u> | | 1065.0 | 1015.5 | 0 | 49.5 | 0 |