TERM GRAZING PERMIT - PARTS 1 AND 2
(Reference FSM 2230)

PART 1

Santa Rita Ranch Inc. of Box 647 Green Valley, AZ 85622-0647 hereinafter called the permittee, is hereby authorized to graze livestock owned by the permittee upon designated lands administered by the Forest Service within the Coronado National Forest under the following terms and conditions:

1. Description of range. The livestock shall be grazed only upon the area described as follows: described on attached page and/or delineated on the attached map dated 1/1/76, which is part of this permit. (Strike out item or items not applicable.)

2. The number, kind, and class of livestock, period of use, and grazing allotment on which the livestock are permitted to graze are as follows, unless modified by the Forest Service in the Bill for Collection:

<table>
<thead>
<tr>
<th>LIVESTOCK</th>
<th>PERIOD OF USE</th>
<th>GRAZING ALLOTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER</td>
<td>KIND</td>
<td>CLASS</td>
</tr>
<tr>
<td>60</td>
<td>Cattle</td>
<td>Cow/Calf</td>
</tr>
<tr>
<td>95</td>
<td>Cattle</td>
<td>Cow/Calf</td>
</tr>
</tbody>
</table>

3. It is fully understood and agreed that this permit may be suspended or cancelled, in whole or in part, after written notice, for failure to comply with any of the terms and conditions specified in Parts 1, 2, and 3 hereof, or any of the regulations of the Secretary of Agriculture on which this permit is based, or the instructions of Forest officers issued thereunder; or for knowingly and willingly making a false statement or representation in the permittee's grazing application, and amendments thereto; or for conviction for failure to comply with Federal laws or regulations or State and local laws relating to livestock control and to protection of air, water, soils and vegetation, fish and wildlife, and other environmental values when exercising the grazing use authorized by the permit. This permit can also be cancelled, in whole or in part, or otherwise modified, at any time during the term to conform with needed changes brought about by law, regulation, Executive order, allotment management plans, land management planning, numbers permitted or seasons of use necessary because of resource conditions, or the lands described otherwise being unavailable for grazing. Any suspension or cancellation action may be appealed pursuant to 36 CFR 251, Subpart C.

4. This permit supersedes permit issued August 26, 1991 to Santa Rita Ranch, Inc.

I HAVE REVIEWED AND ACCEPT THE TERMS OF THIS PERMIT

SIGNATURE OF PERMITTEE OR HIS AUTHORIZED AGENT

SIGNATURE OF FOREST OFFICER

NAME (PRINT) KEITH L. GRAVES

TITLE District Ranger

DATE 1/14/02

DATE 1/16/02
PART 2 - GENERAL TERMS AND CONDITIONS

1. Validation of Permit. The issuance of a Bill for Collection, payment of fees and actual turning on at least 90 percent of livestock the first grazing season after the permit is issued will validate this permit for the number, kind, and class of livestock, grazing allotment, and period of use for the particular year.

2. Bill for Collection. Each year, after validation and prior to the beginning of the grazing season, the Forest Service will send the permittee a Bill for Collection specifying for the current year the kind, number, and class of livestock allowed to graze, the period of use, the grazing allotment, and the grazing fees. This bill, when paid, authorizes use for that year and becomes part of this permit.

3. Payment of Fees. The permittee will not allow owned or controlled livestock to be on Forest Service-administered lands unless the fees specified in the Bill for Collection are paid.

4. Administrative Offset and Credit Reporting. Pursuant to 31 USC 3716 and CFR Part 3, Subpart B, any monies that are payable or may become payable from the United States, under this permit, to any person or legal entity not an agency or subdivision of a State or local government may be subject to administrative offset for the collection of a delinquent debt the person or legal entity owes to the United States. Information on the person's or legal entity’s responsibility for a commercial debt or delinquent consumer debt owed the United States shall be disclosed to consumer or credit reporting agencies.

5. Interest, Penalty, and Administrative Costs. Pursuant to 31 USC 3717 and 7 CFR Part 3, Subpart B, interest shall be charged on any payment or fee amount not paid within 30 days from the date the payment was due. Interest shall be charged using the most current rate prescribed by the United States Department of the Treasury Fiscal Requirements Manual (TFRM-6-8020.20). Interest shall accrue from the date the payment was due. In addition, in the event the account becomes delinquent, administrative costs may be assessed. A penalty of 6 percent per year shall be assessed on any payment or fee amount overdue in excess of 90 days from the date the first billing was due. Payments will be credited on the date received by the designated collection officer or deposit location. If the due date(s) for any of the above payments falls on a non-workday, the charges shall not apply until the close of business on the next workday.

6. Term of Permit. This permit is effective until 9/22/92, unless waived, cancelled, or otherwise terminated as provided herein. The permittee has first priority for receipt of a new permit at the end of the term subject to modification deemed necessary by the Forest Service.

In order to update terms and conditions, this permit may be cancelled at any time provided a new permit is issued to the existing permit holder for a new term of 10 years following this update.

7. Ownership Requirement
   (a) Only livestock owned by the permittee are authorized to graze under this permit. To exercise use of the permit, the permittee will furnish all evidence of ownership requested by the Forest Service. Livestock purchased and subsequently sold back to the original owner, or to an agent, assignee, or anyone representing or acting in concert with the original owner, within a 24-month period without prior written approval by the Forest officer in charge will not be considered valid ownership of the livestock.

   (b) Base property owned and used by the permittee to qualify for a term grazing permit must meet minimum base property requirements approved by the officer in charge.
8. Range and Livestock Management

(a) The allotment management plan for the land described on page 1, Part 1 is part of the permit, and the permittee will carry out its provisions, other instructions, or both as issued by the Forest officer in charge for the area under permit and will require employees, agents, and contractors and subcontractors do likewise.

(b) The number, kind, and class of livestock, period of use, and grazing allotment specified in the permit may be modified when determined by the Forest Officer in charge to be needed for resource protection. Except in extreme emergencies where resource conditions are being seriously affected by livestock use or other factors, such as fire, drought, or insect damage, notice of a scheduled reduction of numbers of livestock or period of use under a term permit will be given one (1) full year before a modification in permitted numbers or period of use becomes effective. This does not apply to annual adjustment in grazing as provided for in Section 8(c).

(c) When, in the judgment of the Forest Officer in charge, the forage is not ready to be grazed at the beginning of the designated grazing season, the permittee, upon request of the Forest officer, will defer placing livestock on the grazing allotment to avoid damage to the resources. The permittee will remove livestock from Forest Service-administered lands before the expiration of the designated grazing season upon request of the Forest officer when it is apparent that further grazing will damage the resources.

(d) The permittee will allow only the numbers, kind, and class of livestock on the allotment during the period specified in Part 1 hereof or the annual Bill for Collection, including any modifications made as provided for in Section 8(c). If livestock owned by the permittee are found to be grazing on the allotment in greater numbers, or at times or places other than permitted in Part 1 hereof, or specified on the annual Bill for Collection, the permittee shall be billed for excess use at the unauthorized use rate and may face suspension or cancellation of this permit.

(e) The permittee will not allow owned or controlled livestock to be upon any area of Forest Service-administered lands not described in either Part 1 hereof or the annual Bill for Collection.

(f) The Forest officer in charge may, at any time, place or fasten or require the permittee to place or fasten upon livestock covered by this permit appropriate marks or tags that will identify them as livestock permitted to graze on lands administered by the Forest Service. When requested by the Forest officer, the permittee will, at any time during the permitted period of use, including entry and removal dates, gather permitted livestock to enable an accurate count to be made thereof. The Forest Service may, at its option, gather and hold for counting all livestock grazing on the allotment.

(g) Only livestock marked, tagged, or branded as shown in the application upon which this permit is based, and as may be required under Section 8(f), will be allowed to graze under this permit unless the permittee has advance written approval from the Forest officer in charge to do otherwise.

(h) The permittee will pay the costs of, perform, or otherwise provide for the proportionate share of cooperative improvements and management practices on the permitted area when determined by the Forest officer in charge that such improvements and practices are essential to proper protection and management of the resources administered by the Forest Service.

(i) This permit is issued and accepted with the provision that the permittee will maintain all range improvements, whether private or Government-owned, that are assigned for maintenance to standards of repair, orderliness, and safety acceptable to the Forest Service. Improvements to be maintained and acceptable to maintenance are specified in Part 3 of this permit. The Government may maintain or otherwise improve said improvements when, in its opinion, such action will be to its advantage.
9. **Nonuse.** At least 90 percent of the livestock permitted must be grazed each year, unless the Forest officer in charge approves nonuse. Failure to place livestock on the allotted range/pasture without approved nonuse may result in cancellation of the term grazing permit in whole or in part.

10. **Protection.** The permittee, or the permittees' agents and employees, when acting within the scope of their employment, and contractors and subcontractors will protect the land and property of the United States and other land under jurisdiction of the Forest Service covered by and used in conjunction with this permit. Protection will include taking all reasonable precautions to prevent, make diligent efforts to suppress, and report promptly all fires on or endangering such land and property. The permittee will pay the United States for any damage to its land or property, including range improvements, resulting from negligence or from violation of the provisions and requirements of this permit or any law or regulation applicable to the National Forests System.

11. **General.**
   (a) The Forest officer in charge may at any time require the permittee to give good and sufficient bond to insure payment for all damage or costs to prevent or mitigate damages sustained by the United States through the permittee's failure to comply with the provisions and requirements of this permit or the regulations of the Secretary on which it is based.

   (b) This permit will be cancelled, in whole or in part, whenever the area described in this permit is withdrawn from the National Forest System by land exchange, modification of boundaries, or otherwise, or whenever the area described in this permit is to be devoted to a public purpose that precludes grazing.

   (c) The permittee will immediately notify the Forest officer in charge of any change in control of base property, ownership of livestock, or other qualifications to hold this grazing permit.

   (d) The permanent improvements constructed or existing for use in conjunction with this permit are the property of the United States Government unless specifically designated otherwise or covered by a cooperative agreement. They will not be removed nor compensated for upon cancellation of this permit, except in the National Forests in the 16 contiguous Western States when cancelled, in whole or in part, to devote land to another public purpose including disposal. In the event of such cancellation on the National Forests in the 16 Contiguous Western States, the permittee will be compensated for the adjusted value of approved range improvements installed or placed by him.

   (e) The permittee may not transfer, assign, lease, or sublet this permit in whole or part.

   (f) This permit includes the terms and conditions of Part 3 hereof, consisting of page 5 through _______ which follow.
Permittee accepts responsibility for all listed improvements except as shown.

* Refer also to map. Your assigned responsibilities as listed here are underscored in color on the map.
<table>
<thead>
<tr>
<th>NAME</th>
<th>KIND</th>
<th>IMP. NO.</th>
<th>UNITS</th>
<th>ASSIGNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHITE HOUSE McBETH</td>
<td>FENCE, ABF</td>
<td>000004</td>
<td>2.5</td>
<td>No maintenance responsibility</td>
</tr>
<tr>
<td>NAT FOR BOY FEN</td>
<td>FENCE, NFB</td>
<td>0A0011</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>SAWMILL CANYON WEL</td>
<td>WELL, WINDM</td>
<td>000001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WILLOW SPRING</td>
<td>SPRING, DEV</td>
<td>000002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROB SPR PIPELINE</td>
<td>PIPELINE, W</td>
<td>000004</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>SAWMILL SPRING</td>
<td>SPRING, DEV</td>
<td>000005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALISO SPRING</td>
<td>SPRING, DEV</td>
<td>000006</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MELENDREZ STOCK TA</td>
<td>DAM/RESVOR</td>
<td>000007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLORIDA SPRING</td>
<td>SPRING, DEV</td>
<td>000008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STOCK TANK</td>
<td>DAM/RESVOR</td>
<td>000009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DRIFT FENCE</td>
<td>FENCE, AI</td>
<td>000010</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>NAT FOR BOY FEN</td>
<td>FENCE, NFB</td>
<td>000011</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>SANTA RITA EXP STA</td>
<td>FENCE, ABF</td>
<td>000012</td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td>APACHE SPR McBETH</td>
<td>FENCE, ABF</td>
<td>000013</td>
<td>.7</td>
<td></td>
</tr>
<tr>
<td>BOX CAN McBETH FEN</td>
<td>FENCE, ABF</td>
<td>000014</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td>CEMENT DAM</td>
<td>DAM/RESVOR</td>
<td>000015</td>
<td></td>
<td>Permittee accepts responsibility for all listed improvements except as shown.</td>
</tr>
</tbody>
</table>

* REFER ALSO TO MAP. YOUR ASSIGNED RESPONSIBILITIES AS LISTED HERE ARE UNDERSCORED IN COLOR ON THE MAP.
**USDA Forest Service (R-3) Range Improvements**

<table>
<thead>
<tr>
<th>Name</th>
<th>Kind</th>
<th>Imp. No.</th>
<th>Units</th>
<th>Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Cement Dam</td>
<td>Dam/Resv</td>
<td>000016</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Madera Road Well</td>
<td>Well, Windm</td>
<td>000017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trough Corrals</td>
<td>Corral</td>
<td>000016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Faber Spring</td>
<td>Spring, Dev</td>
<td>000019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aliso Sp Corral</td>
<td>Corral</td>
<td>000020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Permittee accepts responsibility for all listed improvements except as shown.

*Refer also to map. Your assigned responsibilities as listed here are underscored in color on the map.*
**TERM GRAZING PERMIT - PARTS 1 AND 2**  
(Reference FSM 2230)

**PART 1**

<table>
<thead>
<tr>
<th>Permittee Number</th>
<th>5D.Aa3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Number</td>
<td>5D.223</td>
</tr>
</tbody>
</table>

**ANAM Inc.** of 1600 East Hanley Boulevard #128, Tucson, Arizona 85737, hereinafter called the permittee, is hereby authorized to graze livestock owned by the permittee upon designated lands administered by the Forest Service within the **Coronado** National Forest under the following terms and conditions:

1. **Description of range.** The livestock shall be grazed only upon the area described as follows: described on attached page and/or delineated on the attached map dated **2/6/1995**, which is part of this permit. (Strike out item or items not applicable.)

2. **The number, kind, and class of livestock, period of use, and grazing allotment on which the livestock are permitted to graze are as follows, unless modified by the Forest Service in the Bill for Collection:**

<table>
<thead>
<tr>
<th>LIVESTOCK NUMBER</th>
<th>PERIOD OF USE</th>
<th>GRAZING ALLOTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>245</td>
<td>10/01-03/31</td>
<td>Stone Springs</td>
</tr>
</tbody>
</table>

3. **It is fully understood and agreed that this permit may be suspended or cancelled, in whole or in part, after written notice, for failure to comply with any of the terms and conditions specified in Parts 1, 2, and 3 hereof, or any of the regulations of the Secretary of Agriculture on which this permit is based, or the instructions of Forest officers issued thereunder; or for knowingly and willingly making a false statement or representation in the permittee's grazing application, and amendments thereto; or for conviction for failure to comply with Federal laws or regulations or State and local laws relating to livestock control and to protection of air, water, soils and vegetation, fish and wildlife, and other environmental values when exercising the grazing use authorized by the permit.** This permit can also be cancelled, in whole or in part, or otherwise modified, at any time during the term to conform with needed changes brought about by law, regulation, Executive order, allotment management plans, land management planning, numbers permitted or seasons of use necessary because of resource conditions, or the lands described otherwise being unavailable for grazing. Any suspension or cancellation action may be appealed pursuant to 36 CFR 251, Subpart C.

4. **This permit supersedes permit** issued to **Ocotillo Ranches, Inc.** on **02/22/1995**.

**I HAVE REVIEWED AND ACCEPT THE TERMS OF THIS PERMIT**

<table>
<thead>
<tr>
<th>SIGNATURE OF PERMITTEE OR HIS AUTHORIZED AGENT</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ann MacArthur</td>
<td>1/17/06</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SIGNATURE OF FOREST OFFICER</th>
<th>NAME (PRINT)</th>
<th>TITLE</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kendall Brown</td>
<td>Keith L. Graves</td>
<td>District Ranger</td>
<td>1/17/06</td>
</tr>
</tbody>
</table>
8. Range and Livestock Management

(a) The allotment management plan for the land described on page 1, Part 1 is part of the permit, and the permittee will carry out its provisions, other instructions, or both as issued by the Forest officer in charge for the area under permit and will require employees, agents, and contractors and subcontractors do likewise.

(b) The number, kind, and class of livestock, period of use, and grazing allotment specified in the permit may be modified when determined by the Forest Officer in charge to be needed for resource protection. Except in extreme emergencies where resource conditions are being seriously affected by livestock use or other factors, such as fire, drought, or insect damage, notice of a scheduled reduction of numbers of livestock or period of use under a term permit will be given one (1) full year before a modification in permitted numbers or period of use becomes effective. This does not apply to annual adjustment in grazing as provided for in Section 8(c).

(c) When, in the judgment of the Forest Officer in charge, the forage is not ready to be grazed at the beginning of the designated grazing season, the permittee, upon request of the Forest officer, will defer placing livestock on the grazing allotment to avoid damage to the resources. The permittee will remove livestock from Forest Service-administered lands before the expiration of the designated grazing season upon request of the Forest officer when it is apparent that further grazing will damage the resources.

(d) The permittee will allow only the numbers, kind, and class of livestock on the allotment during the period specified in Part 1 hereof or the annual Bill for Collection, including any modifications made as provided for in Section 8(c). If livestock owned by the permittee are found to be grazing on the allotment in greater numbers, or at times or places other than permitted in Part 1 hereof, or specified on the annual Bill for Collection, the permittee shall be billed for excess use at the unauthorized use rate and may face suspension or cancellation of this permit.

(e) The permittee will not allow owned or controlled livestock to be upon any area of Forest Service-administered lands not described in either Part 1 hereof or the annual Bill for Collection.

(f) The Forest officer in charge may, at any time, place or fasten or require the permittee to place or fasten upon livestock covered by this permit appropriate marks or tags that will identify them as livestock permitted to graze on lands administered by the Forest Service. When requested by the Forest officer, the permittee will, at any time during the permitted period of use, including entry and removal dates, gather permitted livestock to enable an accurate count to be made thereof. The Forest Service may, at its option, gather and hold for counting all livestock grazing on the allotment.

(g) Only livestock marked, tagged, or branded as shown in the application upon which this permit is based, and as may be required under Section 8(f), will be allowed to graze under this permit unless the permittee has advance written approval from the Forest officer in charge to do otherwise.

(h) The permittee will pay the costs of, perform, or otherwise provide for the proportionate share of cooperative improvements and management practices on the permitted area when determined by the Forest officer in charge that such improvements and practices are essential to proper protection and management of the resources administered by the Forest Service.

(i) This permit is issued and accepted with the provision that the permittee will maintain all range improvements, whether private or Government-owned, that are assigned for maintenance to standards of repair, orderliness, and safety acceptable to the Forest Service. Improvements to be maintained and acceptable to maintenance are specified in Part 3 of this permit. The Government may maintain or otherwise improve said improvements when, in its opinion, such action will be to its advantage.
Special Terms and Conditions

Management Practices (List the specific management practices required of the permittee, such as salting, riding and movement of cattle, herding or bedding of sheep; or incorporate into the permit the specific allotment management plan or other document which outlines these practices in detail.)

Salting Policy

All salt placed on the Coronado National Forest ranges will be located on feed and not in natural livestock concentration areas such as saddles, canyon bottoms, and proximity to water unless such locations are approved in writing by the Forest officer in charge.

Counter Date

All animals wearing a brand will become Counters on January 1 annually, regardless of age.

Commensurability

The base property for the term portion of this permit is identified as follows:

Approximately 160 acres in the Northwest 1/4 of Section 2, Township 18 South, Ranch 15 East, Gila and Salt Rive Base and Meridian

Other (List the provisions and requirements deemed desirable pertaining to sheep band sizes, counting, tagging, dye branding, lambing, bucking, specific fire protection measures, etc.)

Standards and Guidelines from the Coronado National Forest Plan

All standards and guidelines from the Coronado National Forest Plan, as amended, apply to the management of the Stone Springs Allotment.

The following Standards and Guidelines apply:

Stone Springs Allotment

Prescription applicable to all areas of Forest - pages 27-46
Prescription Management Area 4 - pages 62-66
1. **Authorization Required**

Each year the permittee will file with the District Ranger an application for changes from the use specified in the term grazing permit. It is to be submitted substantially in advance of the desired grazing season. Approval of the application, in whole or in part, will be reflected in the ensuing Bill for Collection.

If fees assessed through the Bill for Collection are not paid by the date specified thereon and livestock are placed on (or in the case of yearlong permits, are on) the allotment, term permit numbers and/or season of use may be suspended and/or cancelled. In addition, grazing use by livestock during the delinquent period will be assessed at the "excess use rate" minus regular fees if already paid and applicable.

2. **Maintenance of Range Improvements**

Permittee maintenance assignments are shown on page #5 of this permit, and are further identified on the map which accompanies this permit.

3. **Livestock Grazed in Excess of the Numbers, Outside of the Period Use, or of a Class or Kind not Authorized in the Current Bill for Collection**

   a. When the annual application is approved, in whole or in part, livestock grazed in excess of authorized numbers must be removed from lands of the National Forest System. Grazing use by excess livestock must be assessed at the "excess use or unauthorized use rate." In addition:

      (1) For first offense cases, the term grazing permit may be suspended or cancelled by the percentage of excess numbers exceeding 10 percent of current authorized numbers. If the excess is 110 percent or greater, total suspension or cancellation may result.

      (2) For second offense cases, the term grazing permit will be suspended or cancelled by twice the percentage of excess numbers. If excess is 50 percent or greater, total suspension or cancellation will result.

      (3) For second offense cases occurring during periods of suspension, the term grazing permit will be cancelled by the amount of the suspension in effect or by twice the percentage or excess numbers involved, whichever is greater.

      (4) For additional offenses, the term grazing permit may be cancelled in whole or in part without regard to the percentage of excess.

4. **Livestock Counting**

   The permittee will notify the District Ranger at least five days before livestock enter the National Forest System. If requested by the District Ranger, the permittee will present the livestock for counting prior to entry, and at any time thereafter during the permitted season. The District Ranger may round up and hold for counting all permittee-owned livestock on the allotment.
<table>
<thead>
<tr>
<th>NAME:</th>
<th>KIND</th>
<th>IMP. NO.</th>
<th>UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>HELVETIA STONE SPR</td>
<td>FENCE, ARF</td>
<td>000005</td>
<td>2.7</td>
</tr>
<tr>
<td>FAGAN STONE SPR</td>
<td>FENCE, ARF</td>
<td>000009</td>
<td>3.5</td>
</tr>
<tr>
<td>ROSEMONT STONE SPR</td>
<td>FENCE, ARF</td>
<td>000016</td>
<td>1.8</td>
</tr>
<tr>
<td>STONE SPRINGS</td>
<td>SPRING, DEV</td>
<td>000001</td>
<td></td>
</tr>
<tr>
<td>STONE SPR PIPELINE</td>
<td>PIPELINE, W</td>
<td>000002</td>
<td>2.7</td>
</tr>
<tr>
<td>FIG TREE SPRING</td>
<td>SPRING, DEV</td>
<td>000003</td>
<td></td>
</tr>
<tr>
<td>SPRING</td>
<td>SPRING, DEV</td>
<td>000004</td>
<td></td>
</tr>
<tr>
<td>MUD SPRING</td>
<td>SPRING, DEV</td>
<td>000005</td>
<td></td>
</tr>
<tr>
<td>NAT FOR RY FEN</td>
<td>FENCE, NFB</td>
<td>000006</td>
<td>1.5</td>
</tr>
<tr>
<td>DERAUD STONE SPR</td>
<td>FENCE, ARF</td>
<td>000007</td>
<td>1.8</td>
</tr>
<tr>
<td>PASTURE FENCE</td>
<td>FENCE, AI</td>
<td>000006</td>
<td>1.0</td>
</tr>
<tr>
<td>CASITA SPRING</td>
<td>SPRING, DEV</td>
<td>000009</td>
<td></td>
</tr>
<tr>
<td>LAZY BOY SPRING</td>
<td>SPRING, DEV</td>
<td>000010</td>
<td></td>
</tr>
<tr>
<td>PATAMOUTAH SPRING</td>
<td>SPRING, DEV</td>
<td>000011</td>
<td></td>
</tr>
</tbody>
</table>

Permittee accepts responsibility for all listed improvements except as shown.

* Refer also to map. Your assigned responsibilities as listed here are underscored in color on the map.
<table>
<thead>
<tr>
<th>NAME</th>
<th>KIND</th>
<th>REF.</th>
<th>UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEBAUD PAGAN</td>
<td>FENCE, ARE</td>
<td>77006</td>
<td>2.0</td>
</tr>
<tr>
<td>OJO BLANCO SPRING</td>
<td>SPRING, DEV</td>
<td>66661</td>
<td></td>
</tr>
<tr>
<td>BEACH TANK</td>
<td>DAM/RESVOR</td>
<td>66002</td>
<td>10</td>
</tr>
<tr>
<td>SIMPSON TANK</td>
<td>DAM/RESVOR</td>
<td>66003</td>
<td></td>
</tr>
<tr>
<td>STEPHAN SPRING</td>
<td>SPRING, DEV</td>
<td>66004</td>
<td></td>
</tr>
<tr>
<td>CONCRETE DAMS</td>
<td>DAM/RESVOR</td>
<td>66005</td>
<td></td>
</tr>
<tr>
<td>TOLLER SPRING</td>
<td>SPRING, DEV</td>
<td>66006</td>
<td></td>
</tr>
<tr>
<td>SPRING</td>
<td>SPRING, DEV</td>
<td>66007</td>
<td></td>
</tr>
<tr>
<td>HAT FOR DDY FEN</td>
<td>FENCE, NFB</td>
<td>66008</td>
<td>6.0</td>
</tr>
<tr>
<td>STONE SPR Pagan</td>
<td>FENCE, ARE</td>
<td>66009</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Permittee accepts responsibility for all listed improvements except as shown.
TERM GRAZING PERMIT - PARTS 1 AND 2
(Reference FSM 2230)

PART 1

Augusta Resource (Arizona) Corp of 4500 Cherry Creek South Dr., Suite 1040 hereinafter Denver, CO 80246

(Name of Permittee) (Post Office Address, Including Zip)
called the permittee, is hereby authorized to graze livestock owned by the permittee upon designated lands administered by the Forest Service within the Coronado (X appropriate box)

[ ] National Forest [ ] National Grassland under the following terms and conditions:

1. Description of range. The livestock shall be grazed only upon the area described as follows: described on attached page and/or delineated on the attached map dated ______________, which is part of this permit. (Strike out item or items not applicable.)

2. The number, kind, and class of livestock, period of use, and grazing allotment on which the livestock are permitted to graze are as follows, unless modified by the Forest Service in the Bill for Collection:

<table>
<thead>
<tr>
<th>LIVESTOCK</th>
<th>PERIOD OF USE</th>
<th>GRAZING ALLOTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER</td>
<td>KIND</td>
<td>CLASS</td>
</tr>
<tr>
<td>325</td>
<td>Cattle</td>
<td>Cow/calf</td>
</tr>
<tr>
<td>325</td>
<td>Cattle</td>
<td>Cow/calf</td>
</tr>
<tr>
<td>325</td>
<td>Cattle</td>
<td>Cow/calf</td>
</tr>
<tr>
<td>150</td>
<td>Cattle</td>
<td>Cow/calf</td>
</tr>
<tr>
<td>150</td>
<td>Cattle</td>
<td>Cow/calf</td>
</tr>
</tbody>
</table>

3. It is fully understood and agreed that this permit may be suspended or cancelled, in whole or in part, after written notice, for failure to comply with any of the terms and conditions specified in Parts 1, 2, and 3 hereof, or any of the regulations of the Secretary of Agriculture on which this permit is based, or the instructions of Forest officers issued thereunder; or for knowingly and willingly making a false statement or representation in the permittee's grazing application, and amendments thereto; or for conviction for failure to comply with Federal laws or regulations or State and local laws relating to livestock control and to protection of air, water, soils and vegetation, fish and wildlife, and other environmental values when exercising the grazing use authorized by the permit. This permit can also be cancelled, in whole or in part, or otherwise modified, at any time during the term to conform with needed changes brought about by law, regulation, Executive order, allotment management plans, land management planning, numbers permitted or seasons of use necessary because of resource conditions, or the lands described otherwise being unavailable for grazing. Any suspension or cancellation action may be appealed pursuant to 36 CFR 251, Subpart C.

4. This permit supersedes permit issued 7/27/2004 to Lazy Y I Ranch LLC

I HAVE REVIEWED AND ACCEPT THE TERMS OF THIS PERMIT

SIGNATURE OF PERMITTEE OR HIS AUTHORIZED AGENT

[Signature]

DATE 6/2/06

SIGNATURE OF FOREST OFFICER

[Signature]

NAME (PRINT) Keith L. Graves

TITLE District Ranger

DATE 6/2/06
PART 2 - GENERAL TERMS AND CONDITIONS

1. Validation of Permit. The issuance of a Bill for Collection, payment of fees and actual turning on at least 90 percent of livestock the first grazing season after the permit is issued will validate this permit for the number, kind, and class of livestock, grazing allotment, and period of use for the particular year.

2. Bill for Collection. Each year, after validation and prior to the beginning of the grazing season, the Forest Service will send the permittee a Bill for Collection specifying for the current year the kind, number, and class of livestock allowed to graze, the period of use, the grazing allotment, and the grazing fees. This bill, when paid, authorizes use for that year and becomes part of this permit.

3. Payment of Fees. The permittee will not allow owned or controlled livestock to be on Forest Service-administered lands unless the fees specified in the Bill for Collection are paid.

4. Administrative Offset and Credit Reporting. Pursuant to 31 USC 3716 and CFR Part 3, Subpart B, any monies that are payable or may become payable from the United States, under this permit, to any person or legal entity not an agency or subdivision of a State or local government may be subject to administrative offset for the collection of a delinquent debt the person or legal entity owes to the United States. Information on the person's or legal entity's responsibility for a commercial debt or delinquent consumer debt owed the United States shall be disclosed to consumer or credit reporting agencies.

5. Interest, Penalty, and Administrative Costs. Pursuant to 31 USC 3717 and 7 CFR Part 3, Subpart B, interest shall be charged on any payment or fee amount not paid within 30 days from the date the payment was due. Interest shall be charged using the most current rate prescribed by the United States Department of the Treasury Fiscal Requirements Manual (TFRM-6-8020.20). Interest shall accrue from the date the payment was due. In addition, in the event the account becomes delinquent, administrative costs may be assessed. A penalty of 6 percent per year shall be assessed on any payment or fee amount overdue in excess of 90 days from the date the first billing was due. Payments will be credited on the date received by the designated collection officer or deposit location. If the due date(s) for any of the above payments falls on a non-workday, the charges shall not apply until the close of business on the next workday.

6. Term of Permit. This permit is effective until 2015 unless waived, cancelled, or otherwise terminated as provided herein. The permittee has first priority for receipt of a new permit at the end of the term subject to modification deemed necessary by the Forest Service.

In order to update terms and conditions, this permit may be cancelled at any time provided a new permit is issued to the existing permit holder for a new term of 10 years following this update.

7. Ownership Requirement
   (a) Only livestock owned by the permittee are authorized to graze under this permit. To exercise use of the permit, the permittee will furnish all evidence of ownership requested by the Forest Service. Livestock purchased and subsequently sold back to the original owner, or to an agent, assignee, or anyone representing or acting in concert with the original owner, within a 24-month period without prior written approval by the Forest officer in charge will not be considered valid ownership of the livestock.

   (b) Base property owned and used by the permittee to qualify for a term grazing permit must meet minimum base property requirements approved by the officer in charge.
8. Range and Livestock Management

(a) The allotment management plan for the land described on page 1, Part 1 is part of the permit, and the permittee will carry out its provisions, other instructions, or both as issued by the Forest officer in charge for the area under permit and will require employees, agents, and contractors and subcontractors do likewise.

(b) The number, kind, and class of livestock, period of use, and grazing allotment specified in the permit may be modified when determined by the Forest Officer in charge to be needed for resource protection. Except in extreme emergencies where resource conditions are being seriously affected by livestock use or other factors, such as fire, drought, or insect damage, notice of a scheduled reduction of numbers of livestock or period of use under a term permit will be given one (1) full year before a modification in permitted numbers or period of use becomes effective. This does not apply to annual adjustment in grazing as provided for in Section 8(c).

(c) When, in the judgment of the Forest Officer in charge, the forage is not ready to be grazed at the beginning of the designated grazing season, the permittee, upon request of the Forest officer, will defer placing livestock on the grazing allotment to avoid damage to the resources. The permittee will remove livestock from Forest Service-administered lands before the expiration of the designated grazing season upon request of the Forest officer when it is apparent that further grazing will damage the resources.

(d) The permittee will allow only the numbers, kind, and class of livestock on the allotment during the period specified in Part 1 hereof or the annual Bill for Collection, including any modifications made as provided for in Section 8(c). If livestock owned by the permittee are found to be grazing on the allotment in greater numbers, or at times or places other than permitted in Part 1 hereof, or specified on the annual Bill for Collection, the permittee shall be billed for excess use at the unauthorized use rate and may face suspension or cancellation of this permit.

(e) The permittee will not allow owned or controlled livestock to be upon any area of Forest Service-administered lands not described in either Part 1 hereof or the annual Bill for Collection.

(f) The Forest officer in charge may, at any time, place or fasten or require the permittee to place or fasten upon livestock covered by this permit appropriate marks or tags that will identify them as livestock permitted to graze on lands administered by the Forest Service. When requested by the Forest officer, the permittee will, at any time during the permitted period of use, including entry and removal dates, gather permitted livestock to enable an accurate count to be made thereof. The Forest Service may, at its option, gather and hold for counting all livestock grazing on the allotment.

(g) Only livestock marked, tagged, or branded as shown in the application upon which this permit is based, and as may be required under Section 8(f), will be allowed to graze under this permit unless the permittee has advance written approval from the Forest officer in charge to do otherwise.

(h) The permittee will pay the costs of, perform, or otherwise provide for the proportionate share of cooperative improvements and management practices on the permitted area when determined by the Forest officer in charge that such improvements and practices are essential to proper protection and management of the resources administered by the Forest Service.

(i) This permit is issued and accepted with the provision that the permittee will maintain all range improvements, whether private or Government-owned, that are assigned for maintenance to standards of repair, orderliness, and safety acceptable to the Forest Service. Improvements to be maintained and acceptable to maintenance are specified in Part 3 of this permit. The Government may maintain or otherwise improve said improvements when, in its opinion, such action will be to its advantage.
9. **Nonuse.** At least 90 percent of the livestock permitted must be grazed each year, unless the Forest officer in charge approves nonuse. Failure to place livestock on the allotted range/pasture without approved nonuse may result in cancellation of the term grazing permit in whole or in part.

10. **Protection.** The permittee, or the permittees' agents and employees, when acting within the scope of their employment, and contractors and subcontractors will protect the land and property of the United States and other land under jurisdiction of the Forest Service covered by and used in conjunction with this permit. Protection will include taking all reasonable precautions to prevent, make diligent efforts to suppress, and report promptly all fires on or endangering such land and property. The permittee will pay the United States for any damage to its land or property, including range improvements, resulting from negligence or from violation of the provisions and requirements of this permit or any law or regulation applicable to the National Forests System.

11. **General.**
   (a) The Forest officer in charge may at any time require the permittee to give good and sufficient bond to insure payment for all damage or costs to prevent or mitigate damages sustained by the United States through the permittee's failure to comply with the provisions and requirements of this permit or the regulations of the Secretary on which it is based.

   (b) This permit will be cancelled, in whole or in part, whenever the area described in this permit is withdrawn from the National Forest System by land exchange, modification of boundaries, or otherwise, or whenever the area described in this permit is to be devoted to a public purpose that precludes grazing.

   (c) The permittee will immediately notify the Forest officer in charge of any change in control of base property, ownership of livestock, or other qualifications to hold this grazing permit.

   (d) The permanent improvements constructed or existing for use in conjunction with this permit are the property of the United States Government unless specifically designated otherwise or covered by a cooperative agreement. They will not be removed nor compensated for upon cancellation of this permit, except in the National Forests in the 16 contiguous Western States when cancelled, in whole or in part, to devote land to another public purpose including disposal. In the event of such cancellation on the National Forests in the 16 Contiguous Western States, the permittee will be compensated for the adjusted value of approved range improvements installed or placed by him.

   (e) The permittee may not transfer, assign, lease, or sublet this permit in whole or part.

   (f) This permit includes the terms and conditions of Part 3 hereof, consisting of page 5 through ______ which follow.
Special Terms and Conditions

Responsibilities for Construction and Maintenance of Structural Improvements or for Range Rehabilitation. (List the specific responsibilities of the permittee; or incorporate into the permit the cooperative agreement, management plan or other document which sets forth these responsibilities in detail. Fully identify the particular document or documents.)

See attached Improvement Inventory and Maintenance Responsibility sheets and Allotment Maps.
ALLOTMENT: DeBaud, Rosemont, Greaterville. See Allotment Management Plan attached and made a part of this term permit.

All standards and Guidelines from the Coronado National Forest Plan of July 1986, as amended, apply to the management of these allotments. An AMP was approved for these allotments on November 6, 1997 and is a part of this permit pursuant to Forest Service Handbook (FSH) 2209.13, Paragraph 15.13b.

This following Standards and Guidelines apply:

DeBaud Allotment
Prescription applicable to all areas of Forest—page 27-46
Prescription Management Area 4—pages 62-66
Prescription Management Area 7—pages 67-74
Standards and Guidelines for Range Management, Appendix C—pages 116-118
Coronado NF Forest Plan Amendment No. 8, June 5, 1996, Page 22

Rosemont Allotment
Prescription applicable to all areas of Forest—page 27-46
Prescription Management Area 4—pages 62-66
Prescription Management Area 7—pages 67-74
Standards and Guidelines for Range Management, Appendix C—pages 116-118
Coronado NF Forest Plan Amendment No. 8, June 5, 1996, Page 22

Greaterville Allotment
Prescription applicable to all areas of Forest—page 27-46
Prescription Management Area 4—pages 62-66
Prescription Management Area 7—pages 67-74
Standards and Guidelines for Range Management, Appendix C—pages 116-118
Coronado NF Forest Plan Amendment No. 8, June 5, 1996, Page 22
Special Terms and Conditions

**Management Practices.** (List the specific management practices required of the permittee, such as salting, riding and movement of cattle, herding or bedding of sheep; or incorporate into the permit the specific allotment management plan or other document which outlines these practices in detail. If you need additional space, use next page.)

**Salting Policy**—All salt placed on the Coronado National Forest ranges will be located on feed and not in natural livestock concentration areas such as saddles, canyon bottoms, and proximity to water unless such locations are approved by the Forest Officer in charge.

**Counter Date**—All animals wearing a brand will become counters on January 1 annually, regardless of age.

**Commensurability**—
The base property for this Term Permit is identified as follows:
A parcel of land located in the South ½, NW ¼, of Section 32, Township 18 South, Range 16 East, Gila and Salt River Base and Meridian, Pima County, Arizona, containing approximately 80 acres.

Changes in the designation of base property must be applied for and approved in writing by the District Ranger.

**Other.** (List the provisions and requirements deemed desirable pertaining to sheep band sizes, counting, tagging, dye branding, lambing, bucking, specific fire protection measures, etc.)
MODIFICATION NO. 1

Part 1 (Name of Permittee) of the Term Grazing Permit issued to Augusta Resource (Arizona) Corp and dated 06/12/2006, is hereby modified to read:

Rosemont Copper Company

See permit file for Articles of Amendment to the Articles of Incorporation of Augusta Resource (Arizona) Corporation for name change to Rosemont Copper Company.

MODIFICATION APPROVED

D. Kendall Brown
District Range Staff

DATE 12/20/2007
TERM GRAZING PERMIT - PARTS 1 AND 2
(Reference FSM 2230)

PART 1

Rosemont Copper Company
of
4500 Cherry Creek South Dr. Suite 1040
Denver, CO 80246

(Name of Permittee) (Post Office Address, Including Zip)
hereinafter called the permittee, is hereby authorized to graze livestock owned by the permittee upon designated lands administered by the Forest Service within the CORONADO National Forest
[X] National Forest [ ] National Grassland (X appropriate box)

under the following terms and conditions:
1. Description of range. The livestock shall be grazed only upon the area described as follows: described on attached page and/or delineated on the attached map dated February 2, 1989, which is part of this permit. (Strike out item or items not applicable.)

2. The number, kind, and class of livestock, period of use, and grazing allotment on which the livestock are permitted to graze are as follows, unless modified by the Forest Service in the Bill for Collection:

<table>
<thead>
<tr>
<th>LIVESTOCK</th>
<th>PERIOD OF USE</th>
<th>GRAZING ALLOTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER</td>
<td>KIND CLASS</td>
<td>FROM TO</td>
</tr>
<tr>
<td>221</td>
<td>Cattle Cow/calf 03/01 02/28</td>
<td>Thurber (#236)</td>
</tr>
</tbody>
</table>

3. It is fully understood and agreed that this permit may be suspended or cancelled, in whole or in part, after written notice, for failure to comply with any of the terms and conditions specified in Parts 1, 2, and 3 hereof, or any of the regulations of the Secretary of Agriculture on which this permit is based, or the instructions of Forest officers issued thereunder; or for knowingly and willingly making a false statement or representation in the permittee's grazing application, and amendments thereto; or for conviction for failure to comply with Federal laws or regulations or State and local laws relating to livestock control and to protection of air, water, soils and vegetation, fish and wildlife, and other environmental values when exercising the grazing use authorized by the permit. This permit can also be cancelled, in whole or in part, or otherwise modified, at any time during the term to conform with needed changes brought about by law, regulation, Executive order, allotment management plans, land management planning, numbers permitted or seasons of use necessary because of resource conditions, or the lands described otherwise being unavailable for grazing. Any suspension or cancellation action may be appealed pursuant to 36 CFR 251, Subpart C.

4. This permit supersedes permit #50210 issued Feb. 4, 2004 to Michael S. & Dawn T. Milroy

I HAVE REVIEWED AND ACCEPT THE TERMS OF THIS PERMIT

SIGNATURE OF PERMITTEE OR HIS AUTHORIZED AGENT
James A. Staggs

SIGNATURE OF FOREST OFFICER
Keith L. Graves

NAME (PRINT)
District Ranger

DATE
Feb. 16, 2008

DATE
Feb. 26, 2008
PART 2 - GENERAL TERMS AND CONDITIONS

1. **Validation of Permit.** The issuance of a Bill for Collection, payment of fees and actual turning on at least 90 percent of livestock the first grazing season after the permit is issued will validate this permit for the number, kind, and class of livestock, grazing allotment, and period of use for the particular year.

2. **Bill for Collection.** Each year, after validation and prior to the beginning of the grazing season, the Forest Service will send the permittee a Bill for Collection specifying for the current year the kind, number, and class of livestock allowed to graze, the period of use, the grazing allotment, and the grazing fees. This bill, when paid, authorizes use for that year and becomes part of this permit.

3. **Payment of Fees.** The permittee will not allow owned or controlled livestock to be on Forest Service-administered lands unless the fees specified in the Bill for Collection are paid.

4. **Administrative Offset and Credit Reporting.** Pursuant to 31 USC 3716 and CFR Part 3, Subpart B, any monies that are payable or may become payable from the United States, under this permit, to any person or legal entity not an agency or subdivision of a State or local government may be subject to administrative offset for the collection of a delinquent debt the person or legal entity owes to the United States. Information on the person's or legal entity's responsibility for a commercial debt or delinquent consumer debt owed the United States shall be disclosed to consumer or credit reporting agencies.

5. **Interest, Penalty, and Administrative Costs.** Pursuant to 31 USC 3717 and 7 CFR Part 3, Subpart B, interest shall be charged on any payment or fee amount not paid within 30 days from the date the payment was due. Interest shall be charged using the most current rate prescribed by the United States Department of the Treasury Fiscal Requirements Manual (TFRM-6-8020.20). Interest shall accrue from the date the payment was due. In addition, in the event the account becomes delinquent, administrative costs may be assessed. A penalty of 6 percent per year shall be assessed on any payment or fee amount overdue in excess of 90 days from the date the first billing was due. Payments will be credited on the date received by the designated collection officer or deposit location. If the due date(s) for any of the above payments falls on a non-workday, the charges shall not apply until the close of business on the next workday.

6. **Term of Permit.** This permit is effective until Dec. 31, 2017 unless waived, cancelled, or otherwise terminated as provided herein. The permittee has first priority for receipt of a new permit at the end of the term subject to modification deemed necessary by the Forest Service.

In order to update terms and conditions, this permit may be cancelled at any time provided a new permit is issued to the existing permit holder for a new term of 10 years following this update.

7. **Ownership Requirement**
   (a) Only livestock owned by the permittee are authorized to graze under this permit. To exercise use of the permit, the permittee will furnish all evidence of ownership requested by the Forest Service. Livestock purchased and subsequently sold back to the original owner, or to an agent, assignee, or anyone representing or acting in concert with the original owner, within a 24-month period without prior written approval by the Forest officer in charge will not be considered valid ownership of the livestock.

   (b) Base property owned and used by the permittee to qualify for a term grazing permit must meet minimum base property requirements approved by the officer in charge.
8. Range and Livestock Management

(a) The allotment management plan for the land described on page 1, Part 1 is part of the permit, and the permittee will carry out its provisions, other instructions, or both as issued by the Forest officer in charge for the area under permit and will require employees, agents, and contractors and subcontractors to do likewise.

(b) The number, kind, and class of livestock, period of use, and grazing allotment specified in the permit may be modified when determined by the Forest Officer in charge to be needed for resource protection. Except in extreme emergencies where resource conditions are being seriously affected by livestock use or other factors, such as fire, drought, or insect damage, notice of a scheduled reduction of numbers of livestock or period of use under a term permit will be given one (1) full year before a modification in permitted numbers or period of use becomes effective. This does not apply to annual adjustment in grazing as provided for in Section 8(c).

(c) When, in the judgment of the Forest Officer in charge, the forage is not ready to be grazed at the beginning of the designated grazing season, the permittee, upon request of the Forest officer, will defer placing livestock on the grazing allotment to avoid damage to the resources. The permittee will remove livestock from Forest Service-administered lands before the expiration of the designated grazing season upon request of the Forest officer when it is apparent that further grazing will damage the resources.

(d) The permittee will allow only the numbers, kind, and class of livestock on the allotment during the period specified in Part 1 hereof or the annual Bill for Collection, including any modifications made as provided for in Section 8(c). If livestock owned by the permittee are found to be grazing on the allotment in greater numbers, or at times or places other than permitted in Part 1 hereof, or specified on the annual Bill for Collection, the permittee shall be billed for excess use at the unauthorized use rate and may face suspension or cancellation of this permit.

(e) The permittee will not allow owned or controlled livestock to be upon any area of Forest Service-administered lands not described in either Part 1 hereof or the annual Bill for Collection.

(f) The Forest officer in charge may, at any time, place or fasten or require the permittee to place or fasten upon livestock covered by this permit appropriate marks or tags that will identify them as livestock permitted to graze on lands administered by the Forest Service. When requested by the Forest officer, the permittee will, at any time during the permitted period of use, including entry and removal dates, gather permitted livestock to enable an accurate count to be made thereof. The Forest Service may, at its option, gather and hold for counting all livestock grazing on the allotment.

(g) Only livestock marked, tagged, or branded as shown in the application upon which this permit is based, and as may be required under Section 8(f), will be allowed to graze under this permit unless the permittee has advance written approval from the Forest officer in charge to do otherwise.

(h) The permittee will pay the costs of, perform, or otherwise provide for the proportionate share of cooperative improvements and management practices on the permitted area when determined by the Forest officer in charge that such improvements and practices are essential to proper protection and management of the resources administered by the Forest Service.

(i) This permit is issued and accepted with the provision that the permittee will maintain all range improvements, whether private or Government-owned, that are assigned for maintenance to standards of repair, orderliness, and safety acceptable to the Forest Service. Improvements to be maintained and acceptable to maintenance are specified in Part 3 of this permit. The Government may maintain or otherwise improve said improvements when, in its opinion, such action will be to its advantage.
9. **Nonuse.** At least 90 percent of the livestock permitted must be grazed each year, unless the Forest officer in charge approves nonuse. Failure to place livestock on the allotted range/pasture without approved nonuse may result in cancellation of the term grazing permit in whole or in part.

10. **Protection.** The permittee, or the permittees' agents and employees, when acting within the scope of their employment, and contractors and subcontractors will protect the land and property of the United States and other land under jurisdiction of the Forest Service covered by and used in conjunction with this permit. Protection will include taking all reasonable precautions to prevent, make diligent efforts to suppress, and report promptly all fires on or endangering such land and property. The permittee will pay the United States for any damage to its land or property, including range improvements, resulting from negligence or from violation of the provisions and requirements of this permit or any law or regulation applicable to the National Forests System.

11. **General.**
   (a) The Forest officer in charge may at any time require the permittee to give good and sufficient bond to insure payment for all damage or costs to prevent or mitigate damages sustained by the United States through the permittee's failure to comply with the provisions and requirements of this permit or the regulations of the Secretary on which it is based.

   (b) This permit will be cancelled, in whole or in part, whenever the area described in this permit is withdrawn from the National Forest System by land exchange, modification of boundaries, or otherwise, or whenever the area described in this permit is to be devoted to a public purpose that precludes grazing.

   (c) The permittee will immediately notify the Forest officer in charge of any change in control of base property, ownership of livestock, or other qualifications to hold this grazing permit.

   (d) The permanent improvements constructed or existing for use in conjunction with this permit are the property of the United States Government unless specifically designated otherwise or covered by a cooperative agreement. They will not be removed nor compensated for upon cancellation of this permit, except in the National Forests in the 16 contiguous Western States when cancelled, in whole or in part, to devote land to another public purpose including disposal. In the event of such cancellation on the National Forests in the 16 Contiguous Western States, the permittee will be compensated for the adjusted value of approved range improvements installed or placed by him.

   (e) The permittee may not transfer, assign, lease, or sublet this permit in whole or part.

   (f) This permit includes the terms and conditions of Part 3 hereof, consisting of page 5 through 16 which follow.
Special Terms and Conditions

1. **Revisions.** The allotment management plan is intended to be flexible and may be revised for resource needs if Forest Plan or Allotment goals and objectives are not being achieved or require policy changes.

2. **Responsibilities for Construction and Maintenance of Structural Improvements or for Range Rehabilitation.** Permittee maintenance assignments are shown on the improvement list which comprises page(s) (page #s) of this permit and are further outlined in red on the attached map dated (Date) which accompanies this permit. All improvements will be maintained in a fully functional condition. Improvements scheduled for maintenance or reconstruction will be specified on a yearly basis within the Annual Operating Instructions (AOI).

   All assigned range improvements will be maintained by the permittee. Livestock will not be placed on an allotment or moved into pastures if permit requirements concerning range improvement maintenance are not met. Forest Officers will periodically inspect assigned improvements for compliance with maintenance standards. Failure to properly maintain range improvements may be cause for suspension or cancellation action to be taken against Term Grazing Permit privileges.

   **Extenuating circumstances, such as: proximity to the border with Mexico, amount of illegal traffic in the area, age of improvement(s), damage by wildfire or other events out of control of the permittee, necessity of improvement(s) for proper grazing management, etc., will be taken into consideration by the Forest Officer in charge when enforcing these standards.**

   A permit modification will be prepared for approved new projects and reconstruction. Permittees will sign a permit modification form for the project and sign for materials furnished by the Forest. Ground disturbing activities will not be initiated by the permittee until proper clearances have been approved. Normal fence and water system maintenance does not require prior approval. Stock tanks need to be surveyed by a Wildlife Biologist prior to being cleaned or repaired, unless tank is completely dry.

**Maintenance of Improvements**

**A. Fences:**

1. All allotment boundary fences are to be maintained to a level appropriate to manage livestock. Each permittee is responsible for the maintenance of a portion of his/her allotment boundary fence.
2. Pasture fences will be maintained prior to moving livestock into those pastures.
3. Old, unused wire and steel fence posts will be removed from the Forest. Old wooden posts will be pulled from the ground and utilized at permittee discretion.
4. Broken wire will be spliced with good quality double strand, 12 gauge barbed or smooth wire.
5. Wire spacing will be similar to original spacing. When maintaining fences, efforts will be made to bring old fences into compliance with new fence standards (i.e., top wire height 42" from ground and bottom wire of smooth wire and at least 16" from the ground).
6. Wire will not be over tightened and will be stretched to remove slack.
7. Broken or rotted posts will be replaced with a steel post or wood post greater than 5" diameter at the base.
**Special Terms and Conditions**

**A. Fences Continued:**

8. Brace posts will be maintained in tight and serviceable condition.
9. Steel posts which have settled may need to be jacked up and possibly moved. Leaning steel posts will be straightened.
10. Gates will be maintained so they can be opened and closed easily. Gate posts will be greater than 3" diameter. Use smooth wire for gate loops.
11. Stays will be wire twist or good quality wood 1-1/2" by 3" in diameter. All fence wires must be attached to stays.
12. Missing staples and fence clips will be replaced.
13. All trees which have fallen across the fence line will be cut and removed for the fence right-of-way.

**B. Water/Springs:**

1. Existing fences for protection of springs will be maintained as previously described (Part 3, Sec. 2 A).
2. Collection boxes and inlet pipes will be clean of sediment and debris.
3. Unserviceable pipe will be repaired or replaced. Material not usable will be removed from the Forest.
4. Troughs that leak will be repaired or replaced. Overflow pipes should be placed to avoid creating boggy areas at trough locations.
5. Float valves will be cleaned and set to prevent overflow.

**C. Water/Wells and Pipelines:**

1. Water storage tanks, troughs, and pipelines will be inspected for water leaks, free of sediment and debris, and proper operation annually, or prior to use. Periodic inspections will be performed while the improvements are in use or in the case of yearlong water for wildlife.
2. Unserviceable pipe, troughs, and storage tanks will be repaired or replaced. Material not usable will be removed from the Forest.
3. Overflow pipes will be placed at water storage locations where needed to direct overflow away from the water source location to avoid creating boggy areas at trough locations.
4. All pump systems and float valves will be inspected and maintained periodically during system use.
5. All pipelines not in use will be drained prior to winter freeze, unless otherwise specified for wildlife water needs.
6. All troughs directly adjacent to storage tanks will be left operational when the system is not in use for livestock. These water points will provide yearlong water for wildlife populations.

**D. Water/Stock Tanks:**

1. Fences around stock tanks to aid in livestock distribution patterns will be maintained as previously described (Part 3, Sec. 2 A).
2. Check stock tanks for seepage and spillway blockage that adversely impacts function of the dam.
3. Tanks will be cleaned to their original capacity. Special care will be taken during cleaning to prevent future water loss. Eroded portions will be repaired. All heavy equipment work on tanks will be coordinated with the District Ranger.
3. **Management Practices.** The Allotment Management Plan (AMP), for the **Thurber** Allotment, signed by the Permittee(s) on _Feb. 16_, 2008 and approved on _Feb. 19, 2008_ is hereby made a part of this permit. Each year, an Annual Operating Instruction (AOI) will be prepared prior to livestock grazing, documenting pasture moves, improvement work, and special projects. Allotment analysis, inspections, and monitoring surveys will be completed on this allotment in accordance with Forest Service policies and as directed by the AMP and the Coronado National Forest Land and Resource Management Plan.

4. **Standards and Guidelines from National Forest Plan and ESA Section 7 Consultations.**
Management direction and guidelines apply as specified in the 7/9/1999 Biological Opinion and Conference Opinion for on-going livestock grazing on the Coronado National Forest as amended 12/9/1999 and 10/25/2002. (Edit this sentence for allotments with recent decisions and updated BOs which supercedes this BO)

All Standards and Guidelines in the Forest Plan for the Coronado NF as amended apply to the management of this Allotment. These standards and guidelines will be implemented through Allotment Management Plans (AMPs). The following Forest Plan standards and guidelines apply:

- Prescription applicable to all areas of Forest—pp 27-46
- Prescription Management Area 1—pp 48-49
- Prescription Management Area 4—pp 62-66
- Prescription Management Area 7—pp 67-70
- Prescription Management Area 9—pp 79-82
- Standards & Guidelines for Range Management, Appendix C—pp 116-118

5. **Annual Operating Instructions.** Each year the permittee will meet with District Range personnel and prepare/review an Annual Operation Instruction (AOI). It will to be prepared substantially in advance of the desired grazing season. Approval of the AOI by the District Ranger, in whole or in part, will be reflected in the ensuing Bill for Collection.

If fees assessed through the Bill for Collection are not paid by the date specified thereon and livestock are placed on (or in the case of yearlong permits, are on) the allotment, Term Permit numbers and / or season of use may be suspended and/or canceled. In addition, grazing use by livestock during the delinquent period will be assessed at the unauthorized use rate.

6. **Livestock Counting.** If requested by the District Ranger, the permittee will present their livestock for counting prior to entry and at any time thereafter during the permitted season. The District Ranger may require the rounding up and holding, for counting, all permittee owned livestock on the allotment.

7. **Basis for Charge.** For **seasonal permits** all animals 6 months of age or older at the time of entering the National Forest System, those which will become 12 months of age during the grazing season, and all weaned animals regardless of age are counters for which fees must be paid. They will also be counted as to numbers permitted.

For **yearlong permits** all animals that are old enough to have been weaned under normal animal husbandry practices or are six months of age when placed on Forest land are considered “counters” for which fees must be paid. They will also be counted as to numbers permitted.
Special Terms and Conditions

8. **Monitoring.** Monitoring will occur as specified in the Allotment Management Plan. Implementation monitoring is conducted to determine compliance with annual instructions. Effectiveness monitoring is conducted to determine if the applied management is leading to or meeting Forest Plan or AMP goals and objectives. Although the permittee is not required as a term and condition of this permit to conduct monitoring it is preferable for them to take an active part in monitoring in coordination with the Forest Officer.

Monitoring is often conducted in designated Key Areas, although is not limited to these areas. A key area is a relatively small portion of a range selected because of its location, use or grazing value as a monitoring point for grazing use. It is assumed that key areas, if properly selected, will reflect the overall acceptability of current grazing management over the range.

9. **Allowable Use.** Utilization of key upland herbaceous forage species will be managed to achieve the goal of light to moderate utilization as a pasture average as described in the Allotment Management Plan. Utilization levels of key species can ultimately determine the length of the grazing period in each pasture. The permittee is expected to move livestock before allowable use guidelines are exceeded. The purpose is to protect plant vigor, provide herbaceous residue and to increase forage production.

Time, frequency and duration of grazing may be adjusted within the AOI schedule to meet resource needs.

10. **Salt and Supplements.** Salt, mineral blocks, and other approved supplements will be used as an attractant for improving livestock distribution and will normally be placed in lightly used areas until the desired level of forage use is achieved. Salt and supplements will usually not be placed within 1/4 mile of water or drainage bottoms and ideally no closer than 1/2 mile. Blocks will not be placed in over used areas, meadow bottoms, along roads, along trails, or in heavily used recreation areas unless approved in writing by the Forest Officer in charge. Salt and supplement locations should be periodically moved during annual use to prevent over concentration of livestock. Salt and supplement locations should be placed in different locations on a year-to-year basis to prevent repeated impacts to the same locations. No hay or bulk feed may be fed on Forest System lands.

11. **Cultural Resources.** The permittee, contractor, or operators shall be responsible for the protection from damage by their actions of all the cultural resources so identified by the Forest Service within the affected area. The permittee, contractor, or operators shall immediately notify the Forest Service Project Administrator or Contracting Officer if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until authorized to proceed.
12. **Base Property.** Base property is land owned and used by the permittee for a farm or ranch operation. In accordance with Coronado NF policy, base property must be at least 40 acres in size and include water and handling facilities.

The Base Property for this permit is identified as follows:
Approximately 77.62 acres located in parts of Sec. 16, 17, 21 of T19S, R16E, Gila and Salt River Base and Meridian, Pima County, Arizona.

Changes in the designation of the base property must be applied for and approved in writing by the District Ranger.

13. **Attachments:** Map(s) showing details of the allotment including pastures and range improvement maintenance responsibilities accompany this permit and are included as page(s) 16.

14. **Review.** I have reviewed the provisions of the grazing permit, the standards & guidelines and management requirements of the Coronado National Forest Plan as amended applicable to the Thurber Allotment area & the Allotment Management Plan with the grazing permittee.

[Signature]
KENDALL BROWN 02/16/2008, District Range Staff
Print name