STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND & WATER

Northern Regional Office

ENTRY AUTHORIZATION EXTENSION

Under AS 38.05.070

ADL 421107

Afognak Leasing, LLC ("Lessee") is issued this Entry Authorization (EA) by Department of Natural Resources (DNR), Division of Mining, Land & Water (DMLW) to continue use a parcel which comprises a total of 22 acres of State owned land located in the Kuparuk River Unit (KRU) approximately 1.6 miles southwest of Drill Site 2M for an additional 5 years. The EA Extension is set to expire on September 18, 2029, so the lessee has more time to satisfy the survey requirement. Upon expiration of the EA Extension, the lessee will have had an active authorization for the lease area for 10 years out of their 25-year authorization term. The lease is not effective until the survey requirement has been fulfilled.

The parcel can be more particularly described as follows:

Within the SW ¼ of Section 33 and SE ¼ of Section 32, Township 11 North, Range 8 East, and within the NW ¼ of Section 4, Township 10 North, Range 8 East, Umiat Meridian, containing approximately 22 acres.

This EA extension authorizes entry prior to lease issuance for the following:

1. The Lessee shall submit a survey to the standards of the Survey Section prior to the expiration of this Entry Authorization. The Lessee is required to submit a preliminary draft survey on December 31, 2025, to allow adequate time for the State's review and approval of a final survey.

This EA is effective on the date it is signed by the Authorized Officer. The effective date of the EA will become the start date of the lease term. The lease will be issued when the deliverables listed above are provided to the DMLW prior to the EA expiration, and the Lessee is in good standing.

This EA is issued subject to the following:

- 1. Acceptance of the terms and conditions of the attached Standard Lease Agreement and Additional Lease Stipulations;
- 2. Payment of an annual use fee in the amount of \$77, 175 which will be due on or before the effective date and subsequent anniversary date of the effective date;
- 3. Proof of insurance as required in the attached Additional Lease Stipulations;

- 4. Performance Guaranty in the amount of \$100,000 shall remain in effect for the term of this authorization and subsequent lease.
- 5. An Authorization to execute contracts or other form of proof that the signer of the Entry Authorization has the authority to execute a lease and related documents on behalf of Afognak Leasing, LLC.
- 6. Permanent structures or foundations require specific written approval if located within the 100' Section Line Easements (SLEs) that bisect the pad.

Entry Authorization Extensions: Any request for Entry Authorization extension will be considered upon receipt of a written request, the required filing fee, and any additional required documents.

Termination of Leasehold Interest: Failure to provide the required deliverables as described above and within the timeframe identified for the Entry Authorization may be considered cause for termination of any leasehold interest.

Signature of Lessee or Authorized Representative of Lessee hereby accepting and agreeing to comply with the terms and conditions of this Entry Authorization:

Afognak Leasing, LLC

By Afognak Commercial Group, LLC, its sole member

By Afognak Native Corporation, its sole member

Greg Hambright
Printed Name

Signature

Title

ノ<u>||ゆ</u>|a Date

5/23/24

Signature of Authorized DNR Representative:

Najural Presonre specialist 3

Date

Dianna Leinberger

Northern Regional Manager

Advisory Regarding Violations of the Entry Authorization Guidelines: A person who violates a condition of an authorization is subject to any action available to the Department of Natural Resources (DNR) for enforcement and remedy, including revocation, civil action for forcible entry and detainer, ejectment, trespass, damages, and associated costs, or arrest and prosecution for criminal trespass in the second degree. DNR may seek damages available under civil action, including restoration damages, compensatory damages, and treble damages under AS 09.45.730 or AS 09.45.735, for violations involving injuring or removing trees or shrubs, gathering geotechnical data, or taking mineral resources.

If a person responsible for an unremedied violation or a condition of an authorization applies for a new authorization from DNR under AS 38.05.035, DNR may require the applicant to remedy the violation as a condition of the new authorization, or to begin remediation and provide security to complete the remediation before receiving the new authorization. If a person who applies for a new authorization under AS 38.05.035 has previously been responsible for a violation of a condition of an authorization issued under this chapter, whether remedied or unremedied, that resulted in substantial damage to the

environment or to the public, DNR will consider that violation in determining the amount of the security to be furnished and may require the applicant to furnish three times the security that would otherwise be required.

