

**Washington Department of Natural Resources Land
Use License No. 60-104618 Valid 03/01/2023 -
02/29/2024 Gould Well Premises Permitted Uses &
Activities dated 04/12/2023**



HILARY S. FRANZ
COMMISSIONER OF PUBLIC LANDS

LAND USE LICENSE ("License")

License No. 60-104618

THIS LICENSE is between Horse Heaven Wind Farm, L.L.C, a Foreign Limited Liability Company, registered in Delaware, herein called the "Licensee" and the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called the "State" dated as of APRIL 12 2023.

Issuance. State, for and in consideration of Five THOUSAND AND 00/100 Dollars (\$5,000.00), hereby issues to Licensee a non-exclusive, revocable license (hereafter "License") over a parcel of land in Benton County legally described as set forth in Exhibit A, (collectively referred to as "Premises") subject to the applicable terms and conditions herein.

Permitted Uses and Activities. Activities may include:

- a. Vehicles may be operated on the Premises to access an unused well (known as the Gould Well);

- b. All vehicle traffic will use the route shown on Exhibit A, Site Map;
- c. Licensee shall use the route as specified to access the well, and shall minimize any damage to crops and soils;
- d. Licensee is authorized to remove the cap on the State's well, to perform evaluation and testing, and agrees to recap the well (a welded lid cap) upon State's request when activities under this license have been completed;
- e. Water discharged during the pump test well be designed to minimize any damage to the crops, soils, and erosion;
- f. The Licensee is authorized to access the Premises on foot to conduct authorized activities;
- g. Licensee shall coordinate with the State's Lessee, before entering the Premise, to outline their planned activities, and address any of the Lessee concerns before beginning activities. The Lessee's contact information can be provided by the State, upon request.

The permitted uses and activities of this License shall not interfere with DNR's land management activities, nor be changed or modified without the prior written consent of DNR, which shall be at its sole discretion. Any unauthorized use of the License may result in immediate suspension of the License followed by termination if the unauthorized use is not resolved to the satisfaction of DNR.

Prohibited Uses and Activities. Licensee will not engage in the following activities on DNR's managed lands while performing work under this License:

- a. Clearing;
- b. Construction of new roads;
- c. Camping;
- d. Lighting any type of campfire, cookfire, or any other fire; and,
- e. Recreational activities.

The preceding list of prohibited activities is not intended to be exhaustive, but is provided to illustrate the types of activities not permitted by this License.

Access. Provisions for the use of rights of way across DNR's managed land (hereafter "State Lands"), including the Premises and access to the Premises are as follows:

- a. A nonexclusive right to use the route over and across the location shown on the map(s) attached as Exhibit B ("Access").

Condition of Premises. Licensee accepts the Premises in its present condition. The State has no obligation to make any repairs, additions, or improvements thereto and expressly disclaims any warranty that the Premises are suitable for the intended use.

Term. This License is valid from March 1, 2023, through February 29, 2024.

Revocation. This License may be revoked by State at will or upon material breach of any of the conditions herein. State may suspend but shall not revoke this License without providing Licensee prior notice and a reasonable opportunity to satisfy State's concern(s); provided however, State shall retain sole discretion over the decision to revoke this License.

Permittees. Licensee may permit its respective employees, agents, contractors, sub-contractors, licensees, and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted herein. Acts or omissions of the Permittees operating under this License shall be deemed an act of the Licensee. Restrictions or requirements placed on the Licensee herein shall apply equally to the Permittees.

State Representative. State shall designate a representative from each applicable DNR Region who will authorize plans of operation, provide Licensee with the records or information referenced in this License, and resolve issues arising from this License (hereafter "Region Representative"). State may change the Region Representative by providing written notice to the Licensee.

Licensee Representative. Licensee shall designate a representative who will have the authority to take any actions necessary to administer this License, to include executing a plan of operations and resolving issues arising from this License (hereafter "Project Representative"). The Licensee may change its Project Representative by providing written notice to State.

Advertising. Licensee shall ensure any advertising related to the use of this License does not imply the endorsement by or affiliation with the Washington State Department of Natural Resources, the state or any other state entity. Licensee shall submit copies of all such advertising to the State's designated representative, prior to the publication of the advertising, to review for compliance with this requirement.

Timber and Reproduction. "Timber" is defined as merchantable trees at least 6 inches in diameter (measured at 4.5 feet from ground level). "Reproduction" is defined as a tree less than 6 inches in diameter that may be planted or naturally grown. Licensee shall not remove or damage timber or reproduction within or outside of the Premises without written prior approval from State.

Licensee shall pay State the appraised value of Timber damaged or cut, and Five and No/100 Dollars (\$5.00) for reproduction damaged or cut.

Restoration of Premises. Licensee assumes responsibility for restoration of Premises to a condition equal to or better than its condition immediately prior to Licensee's use. Such restoration shall be completed prior to expiration of this License.

License Inspection. A copy of this License must be available on the Premises at all times for inspection by the State or an authorized law enforcement agency during licensed activity.

Prior Rights. This License is subject to any rights and valid claims previously granted or conveyed by State, and to any rights and valid claims pending on or encumbering the Premises. Licensee's rights herein are subject to all matters of public record, and to all prior unrecorded easements, permits, leases and agreements affecting the Premises that are filed with the Department of Natural Resources in Olympia, Washington and with its Region offices (copies of which will be provided upon request).

Compliance with Laws. Licensee shall comply with all applicable laws, including but not limited to all State (Department of Natural Resources) regulations, county and municipal laws, ordinances, or regulations.

Required Permits and Licenses. Licensee shall obtain and be in possession of all permits and licenses required for the permitted use, and shall provide proof of such permits and licenses upon request by State.

Plan of Operations. For each applicable DNR Region, Licensee shall meet with the Region Representative and agree in writing to a plan of operations ("Plan of Operations") at least thirty (30) days prior to commencement of the activity on the Premises, including use of roads. DNR, at its sole discretion, may place restrictions on Licensee's use of the Premises that ensures protection of the Premises and other uses. Any material breach of the Plan of Operations will be considered a material breach of this License.

The Plan of Operations shall include, but not be limited to the following requirements as determined by DNR:

- a. access plan;
- b. a well inspection and upgrade plan;
- c. a plan for erosion control;
- d. confirm the route road to be used by Licensee;

- e. define all work that must be performed on the Premises or roads prior to, during, or upon completion of use under this License;
- f. fire prevention closures and restrictions;
- g. seasonal or weather restrictions on road use; and,
- h. vehicle type restrictions on road use.

Fire Prevention. Licensee shall take all reasonable measures to prevent and minimize the start and spread of fire on or adjacent to Premises. Measures shall include ensuring all vehicles carry a fire extinguisher of at least a 5 B/C rating and a serviceable shovel, following State safety operating procedures which include compliance with Washington Administrative Code (WAC) 332-24-301 (Industrial restrictions) and WAC 332-24-405 (Spark emitting requirements) as now written or later amended.

State shall have the right, but not the duty, to notify Licensee of fire hazards created by Licensee activities that need to be controlled on the Premises and adjacent State land. As soon as possible but no later than two weeks unless otherwise agreed upon, Licensee shall remediate the fire hazard created by Licensee, or provide an acceptable plan for such fire hazard remediation.

Roads. Roads may not be used when excessive damage due to weather or other conditions will result. During operations under this License, the Licensee shall take such precautions as necessary to minimize insofar as possible soil erosion, soil stream delivery, and damage to the soil as required under Washington State Forest Practices. Licensee shall not obstruct roads or take action that restricts the flow of traffic or use on roads without State's written permission.

Parking. Licensee shall display a copy of this License on the vehicle dashboard when parking on State lands. Licensee shall park so as to not obstruct roads, turnouts on active haul routes, or the operation of gates.

Repairs. Licensee shall repair damage to the roads, trails or facilities arising out of its use to a condition equal to or better than their condition immediately prior to such use with the exception of damage caused through normal and prudent usage.

Road Maintenance. During periods when a road, or portion thereof, is being used by the Licensee, that portion of the road so used shall be maintained by said party at its own expense and, at the termination of each period of such use, shall be left in a condition equal to or better than the condition of the road immediately prior to said use.

Survey Markers. Licensee shall not destroy any land survey corner monuments or reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from State, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during road construction or maintenance activities must be adequately referenced and replaced, at Licensee's cost, under the direction of a Professional Land Surveyor licensed in Washington, in accordance with all applicable state law in effect at the time of construction, including but not limited to RCW 58.24, and all state regulations pertaining to preservation of such monuments and reference points.

Protection of Natural Resources and Improvements. Licensee shall take all reasonable precautions to prevent or minimize damage to natural resources (e.g., vegetation, wildlife, soil, water) and improvements (crops, buildings, roads, etc.) within the Premises.

Licensee shall cut no State timber, remove no State-owned valuable materials (as defined in RCW 79.02.010), in addition to coal, minerals, oil or gas, not disturb or remove any cultural, historical or paleontological (fossil) resources, without the prior written consent of the State. All ground disturbance shall be kept within the Premises unless otherwise approved by State in advance. Survey and transportation equipment shall be set back from the stream, lake, pond and wetland bank so surveying activities will not damage or encroach on riparian or wetland areas.

Protection of Well. Licensee shall take all reasonable precautions to prevent or minimize damage to well and well improvements within the Premises. Licensee shall repair all damage to the well or well improvements to either its former state or to Washington State Department of Ecology well construction standards (WAC 173-160 and RCW 18.104).

Waste. Licensee shall not cause or permit any filling activity to occur in or on the Premises, except as approved by State. Licensee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the Premises except in accordance with all applicable laws.

The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*) as administered by the U.S. Environmental Protection Agency, or the Washington Model Toxic Control Act (MTCA RCW 70.105D) as administered by the State Department of Ecology.

Licensee shall immediately assume responsibility for a hazardous substance release (spill) caused by Licensee or its Permittees on or adjoining the Premises.

As responsible party, Licensee shall:

- Immediately notify all necessary emergency response agencies, as required under federal, state and local laws, regulations, or policies.

- After emergency response agency notifications are completed, notify State (Department of Natural Resources) of all spill releases, Licensee actions completed for spill reporting, and actions planned or completed toward spill cleanup. State notification requirements are “same business day” notification for normal state work days and “next available business day” notification for weekends and holidays.
- At Licensee’s sole expense, conduct all actions necessary to mitigate the spill release. Mitigation response actions may include, but are not necessarily limited to, initial release containment, follow-up site cleanup and monitoring actions, and continued contact and coordination with regulators and State, as defined under the aforementioned laws, regulations, policies and this License.
- Other than performing initial emergency response cleanup/containment actions, obtain approvals in advance of all site cleanup actions (e.g. site characterization investigations, feasibility studies, site cleanup and confirmation sampling, and groundwater monitoring) conducted on State lands, in coordination with regulatory agencies and State.
- Obtain and understand all necessary hazardous substance spill release notification and response mitigation requirements, in advance of conducting Licensee operations on State Land.

Clean Water Act. Licensee is subject to the federal Clean Water Act (CWA) enforced by the Washington State Department of Ecology (DOE) through its delegated authority. Licensee shall perform its activities on State lands in a manner to prevent entry, or spillage of solid matter, contaminants, debris, and other pollutants and wastes into flowing water, dry watercourses, lakes, ponds, and underground water sources. Activities near streams or other bodies of water shall not cause the water turbidity to exceed State DOE water quality standards for the stream. Licensee shall not block or divert water courses unless by permit. When State is aware of actual or potential noncompliance with applicable CWA requirements by Licensee that affect water quality, State will notify Licensee and DOE. Licensee shall work with DOE and notify State of any remedial actions or mitigation measures required by DOE or Licensee to cure the problem.

Noxious Weed Control. Licensee shall control, at its own cost, all noxious weeds on any portion of the Premises where Licensee’s activities may have caused or aggravated an infestation of noxious weeds, unless otherwise agreed upon. Licensee shall be responsible for its proportional cost for noxious weed control where Licensee’s activities may have caused or aggravated an infestation of noxious weeds on adjacent land. Payment for noxious weed control may include in-kind services or materials. Licensee is responsible for notifying State of noxious weed problems and mitigating noxious weed problems attributable to Licensee’s activities.

Insurance. Before using any of said rights granted herein and at its own expense, the Licensee shall obtain and keep in force during the term of this License and require its contractors and sub-contractors, to obtain while operating on the Premises, the following liability insurance policies, insuring Licensee against liability arising out of its operations, including use of vehicles. Additionally, insurance must cover permittees for claims arising out of or resulting from the event or activity. Failure to buy and maintain the required insurance shall result in the termination of the License. The limits of insurance, which may be increased by State, as deemed necessary, shall not be less than as follows:

- (a) Commercial General Liability (CGL) insurance with a limit of not less than \$1,000,000. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit.
- (b) Business Auto Policy (BAP) insurance, and if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 with such insurance covering liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later versions of CA 00 01. Licensee waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.
- (c) Employer's liability ("Stop Gap") insurance, and if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Licensee shall comply with all State of Washington workers compensation statutes and regulations. Workers compensation coverage shall be provided for all volunteers, employees of Licensee and employees of any contractors or sub-contractors. Except as prohibited by law, Licensee waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers compensation, employer's liability, commercial general liability or commercial umbrella liability insurance.

All insurance must be purchased on an occurrence basis and must be issued by companies admitted to do business within the State of Washington and have a rating of A- or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved, at the State's sole discretion, in advance by the Risk Manager for the Department of Natural Resources.

If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and Chapter 284-15 WAC.

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as additional insureds on all general liability, excess, and umbrella insurance policies.

Before using any said rights granted herein, Licensee shall furnish State with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified above. Certificate(s) must reference the State's Land Use License number.

State shall be provided written notice before cancellation or non-renewal of any insurance referred to herein, as prescribed in statute (Chapter 48.18 RCW or Chapter 48.15 RCW).

Licensee shall include all contractors, sub-contractors and other Permittees as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each. Contractors and sub-contractors must comply with all insurance requirements stated herein. Failure of contractors, sub-contractors to comply with insurance requirements does not limit Licensee's liability or responsibility.

All insurance provided in compliance with this License shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State. Licensee waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this License.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Licensee and such coverage and limits shall not limit Licensee's liability under the indemnities and reimbursements granted to State in this License.

If Licensee is self-insured, evidence of its status as a self-insured entity shall be provided to State. If requested by State, Licensee must describe its financial condition and the self-insured funding mechanism.

Indemnification. Licensee shall indemnify, defend (with counsel acceptable to State) and hold harmless State, its employees, officers and agents from any and all liability, damages (including, but not limited to, personal injury and damages to land and other natural resources), expenses, causes of action, suits, claims, costs, fees (including, but not limited to, attorneys' fees), penalties, or judgments, of any nature whatsoever, arising out of the use or occupation of the Premises by Licensee, its Permittees, contractors, concessionaires, agents, employees, guests, invitees, customers or affiliates, except as may arise solely out of the willful act of State or State's elected officials, employees, or agents. To the extent that RCW 4.24.115 applies, Licensee shall not be required to indemnify, defend, and hold State harmless from State's sole or concurrent negligence.

Notice. Unless otherwise specified herein, any notices required or permitted under this License may be delivered personally, sent by facsimile machine, emailed with acknowledgment of receipt, or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery or upon confirmation of facsimile, whichever is applicable.

To State:
Department of Natural Resources, Southeast Region
713 Bowers Road
Ellensburg, WA 98926
509-925-8510
chad.unland@dnr.wa.gov

To Licensee:
Scout Clean Energy
5775 Flatiron Parkway, Suite 120
Boulder, Colorado, 80301
480-766-1558
daphne@scoutcleanenergy.com

Temporary Markers. Unless otherwise agreed upon, State shall not be responsible for preserving any temporary markers such as stakes, flags, paint, tags or signs used by Licensee for purposes consistent with this License ("Temporary Markers"). State shall take reasonable precautions to avoid damage to Temporary Markers placed by Licensee, but State is not liable for third party damage to same. Prior to placing Temporary Markers on Premises, Licensee shall inform State in writing of location and provide a general description of such Temporary Markers. Licensee shall remove all Temporary Markers from Premises upon completion of operation or termination of License, whichever occurs first.

Billing and Payment. When Licensee is required to pay State under this License, State shall use its standard billing practices and invoice Licensee with reference to the State License number and Licensee Lead Tract Number. The invoice shall include an explanation for the billing, how the costs were calculated and any supporting documentation. Licensee shall pay State any undisputed amount within thirty (30) days receipt of a proper invoice or pay interest at a rate of one percent per month until such time as the amount due is paid in full.

Integrated Agreement; Modification. This License, including appendices and attachments, constitutes the entire agreement and understanding of the parties with respect to the subject matter of the License and supersedes all prior negotiations and representations. This License may not be modified except in writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this License.

Severability. If any provision of this License is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this License, and to this end, the provisions of this License are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this License.

Non-waiver. The waiver by State of any breach or the failure of State to require strict compliance with any term herein shall not be deemed a waiver of any subsequent breach.

Assignment. This License, and any of the rights granted herein, shall not be assigned.

Construction. The terms of this License shall be given their ordinary meaning unless defined herein and shall not be presumed construed against the drafter.

Exhibits. All exhibits referred to in this License are deemed to be incorporated in this License in their entirety.

Headings. The headings in this License are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this License nor the meaning of any of its provisions.

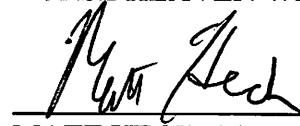
Survival. All obligations of Licensee to be performed prior to the expiration or earlier termination shall not cease upon the termination or expiration of this License, and shall continue as obligations until fully performed. All clauses of this License which require performance beyond the termination or expiration date shall survive the termination or expiration date of this License.

Counterparts. This License may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this License at different times and places by the parties shall not affect its validity so long as both parties execute a counterpart of this License.

WITNESS WHEREOF, the parties hereto have caused this License to be executed as below subscribed.

HORSE HEAVEN WIND FARM, LLC

Dated: April 5, 2023.



MATT HECK, Vice President

Address: Scout Clean Energy
5775 Flatiron Parkway, Suite 120
Boulder, Colorado, 80301

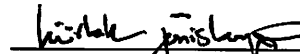
Phone: (480) 766-1558

UBI No. 604 055 142



STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: APRIL 12, 2023.



KAERLEK JANISLAMPI,
Acting Assistant Southeast Region Manager

Approved as to form
May 25, 2016
by Mike Rollinger
Assistant Attorney General
for the State of Washington

Exhibit A
Legal Description of Premises

All portions of State owned land in Section 36, Township 8 North, Range 25 East, W.M., located Benton County, Washington, as shown on the site map below.

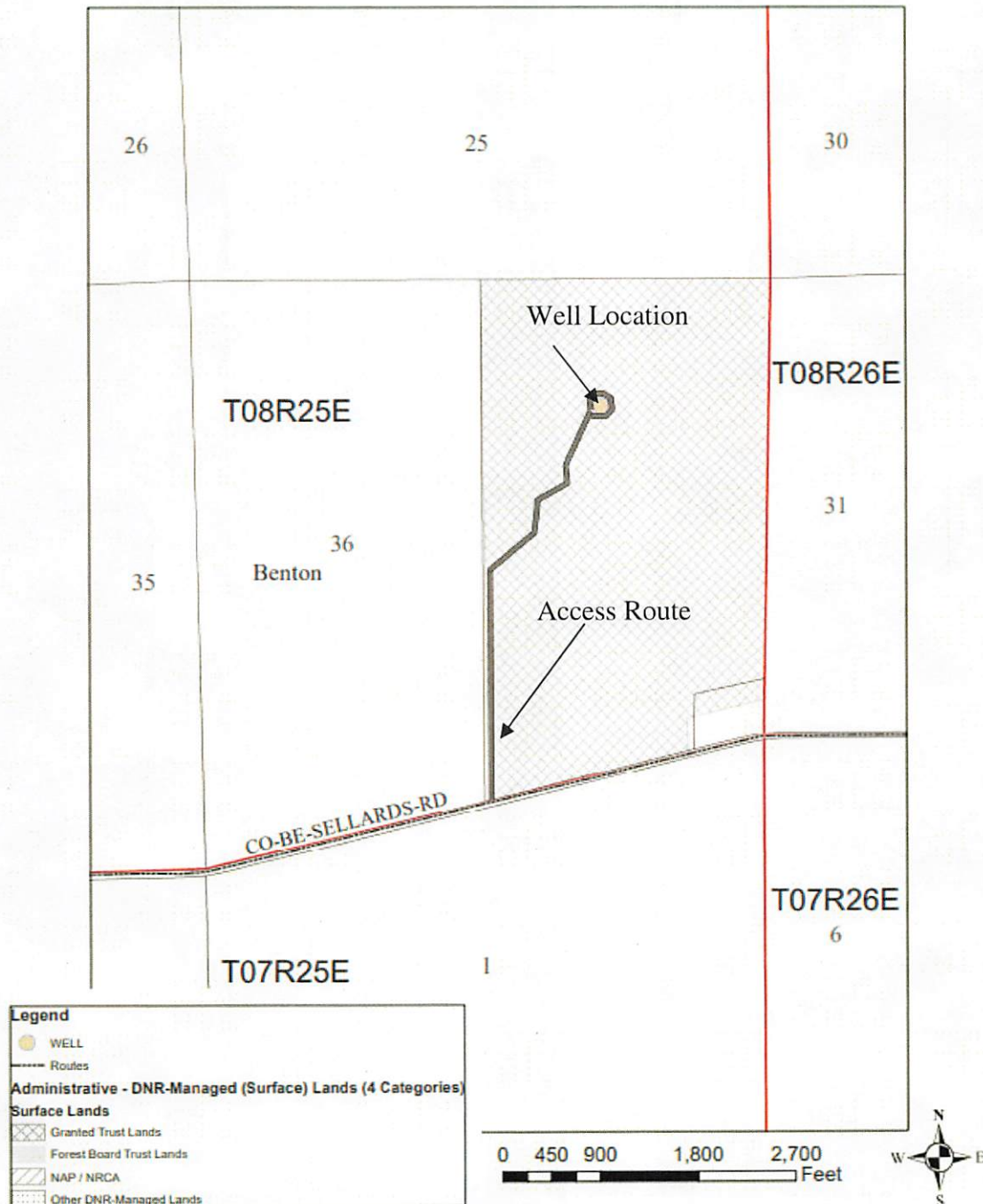


Exhibit B Access/Map

