

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Reclamation
Klamath Basin Area Office
Klamath Falls, Oregon

BID FORM
FOR LEASE OF LANDS FOR AGRICULTURAL PURPOSES

**BIDS ARE TO BE DEPOSITED IN THE AREA OFFICE AT
6600 WASHBURN WAY, KLAMATH FALLS, OR, BY 10:00 A.M., APRIL 18, 2012**

1. Pursuant to the advertisement and bidding instructions dated April 13, 2012, and subject to all provisions thereof, the undersigned proposes to lease:

Lease Area _____ (location) Lot _____ (number) for the 2012 crop season at the annual rental price of \$ _____ (bid amount).
2. Each individual bid must be accompanied by an individual bid deposit equal to or greater than the bid amount. *Important - a single bid deposit for multiple bids are not acceptable. Therefore, each individual bid must be accompanied by a separate bid deposit. The bid deposit(s) must be in the form of cashier's check(s), money orders(s) and or/or certified check(s). **CASH OR UNCERTIFIED PERSONAL CHECKS ARE NOT ACCEPTABLE.** The bid deposit must be payable to the Bureau of Reclamation.
3. With my signature below, I certify that I am a citizen of the United States and will be at least 18 years old on the date of the bid opening, and have read and fully understand all provisions listed in the bid advertisement and the bidding instructions with the sample lease contract.
4. By submission of this bid, I certify that the prices in this bid have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any other matter relating to such prices with any other bidder; and no attempt has been made or will be made by the bidder to induce any other person or firm to submit or not to submit a bid for the purpose of restricting competition.
5. The bidder authorizes the following person(s) (on line below) other than himself/herself to personally receive the bid deposit from the Bureau of Reclamation if this bid is not successful:

Authorized Person (name)

Bidder's Name - Print or Type
as it will appear on contract

Bidder's Signature - Date

Bidder's Address

Bidder's Phone Number

City/State/Zip

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Reclamation

Mid-Pacific Region
Klamath Basin Area Office
Klamath Falls, Oregon

LEASING ANNOUNCEMENT AND BIDDING INSTRUCTIONS

April 13, 2012

1. Sealed bids for the leasing of parcels of land for agricultural and grazing purposes WILL BE RECEIVED UNTIL 10:00 A.M., PACIFIC STANDARD TIME, APRIL 18, 2012, AT THE KLAMATH BASIN AREA OFFICE of the Bureau of Reclamation, located at 6600 Washburn Way, Klamath Falls, Oregon. Bids will not be accepted after 10:00 A.M. on APRIL 18, 2012.

Public bid opening will be conducted at the Klamath Basin Area Office shortly after 10:00 A.M., APRIL 18, 2012.

It is anticipated that the apparent high bids will not be announced until about 4:00 p.m., on APRIL 18, 2012, at the Area Office.

2. Location map(s) are attached to the back of this packet to aid in locating the lease lot(s). The lot(s) in white color represent available lot(s) in 2012, each with its own number. This number should be used on the bid form.
3. Attached is a form, which must be used in submitting bids and a sample of the lease contract, which successful bidders must enter into with the United States. Note: The Basic Lease Contract contains provisions that apply to all parcels available for lease, **with recent changes in bold print**. The Exhibit-A contains articles that apply to specific parcels of land.
4. The attached Appendix lists the following: parcels available for lease, approximate size of each parcel, maximum row crop acreage, maximum length of lease extension, applicable Exhibit-A, minimum acceptable bids, last annual rent, and type of crops grown in 2011.
5. Lot size figures, as listed in the attached Appendix, are considered sufficiently accurate for bidding purposes. However, the United States does not warrant the accuracy of the figures. Each bidder should personally inspect the lease area before submitting a bid and be cognizant of pesticide buffer zones.
6. Bids which are less than the minimum bid, as listed on the attached Appendix, will be rejected.

7. The United States reserves the right to reject any or all bids and to waive technical defects as the best interest of the United States may require.
8. Bids will be accepted from only those persons who are citizens of the United States and are at least 18 years of age on the day of the bid opening.
9. All bids must be accompanied by a bid deposit equal to or greater than the bid amount. The bid deposit must be in the form of cashier's check(s), money order(s) and/or certified check(s). **UNCERTIFIED PERSONAL CHECKS AND/OR CASH WILL NOT BE ACCEPTED.** The bid deposit must be payable to the Bureau of Reclamation. Should the deposit be greater than the successful bid amount, the excess portion of the deposit will be refunded to the bidder.

Bidders must submit separate bid deposits for each bid form offered. In the event that not all of the bids are successful, the bid deposit will be processed and the deposit for the unsuccessful bid(s) will be refunded. The processing of refunds may take four (4) to six (6) weeks if one deposit is made and not all bids are successful. It is required that persons bidding on more than one lot, use separate bid deposits for each individual bid form offered. This will facilitate the processing of the payments and the return of unsuccessful bid deposits.

Unsuccessful bid deposits may be picked up APRIL 19, 2012, until 1:00 P.M. After that date, they will be mailed to the unsuccessful bidders. The bidder may indicate on the bid form the person(s) that may personally receive the bid deposit from the Bureau of Reclamation if the bid is not successful. In the absence of such authorization, only the person who submitted the bid will be allowed to pick up the check for the bid deposit.

10. Bids shall be submitted in sealed envelopes. The outside of the envelope should be plainly marked with the following:
 - a. LEASE BID, TO BE OPENED ON APRIL 18, 2012
 - b. Addressed to: BUREAU OF RECLAMATION
6600 WASHBURN WAY
KLAMATH FALLS, OR 97603
 - c. Bidder's return address

To avoid delay caused by the mail, it is recommended that bidders personally deposit bids. Deposits will be received at the Bureau of Reclamation, Klamath Basin Area Office reception desk between the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday. The attached bid proposal form must be used.

11. No bids or bid amendment forms will be accepted at the Klamath Basin Area Office AFTER 10:00 A.M., APRIL 18, 2012. Bids submitted by mail must be received in the Area Office prior to: 10:00 A.M., APRIL 18, 2012, in order to be accepted. A bid

Area Office prior to: 10:00 A.M., APRIL 18, 2012, in order to be accepted. A bid amendment form is to be used in the event the bidder wishes to amend or retract his/her bid. Bid amendment forms are available from the Area Office. Envelopes containing bid amendment forms should be clearly marked as such.

12. Successful bidders will be determined based on the highest dollar amount bid for the specified lot that meets all of the conditions for acceptable bids of this "Leasing Announcement and Bidding Instructions"; however, no lease award to a successful bidder is final until the following conditions are satisfied.

a. Successful bidders must sign the lease contract by APRIL 25, 2012, unless an extension is given by the Area Manager, or the bid will be rejected and the bid deposit subject to forfeiture as follows: If another bidder is found to accept the lot and the new bidder offers an amount equal to or greater than the first bid, the full amount of the bid deposit will be refunded, less any administrative costs, or \$200, whichever is greatest. If the new bid amount is less than the first bid amount, then a partial refund of the bid deposit will be provided, calculated as follows: the amount of the first bid minus the difference between the two bids, less administrative costs of \$200. If no bidder is found, the full amount of the bid deposit will be forfeited; and

b. by APRIL 25, 2012, unless an extension is given by the Area Manager, a "Statement of Operations" [identified in Article 7.(d) of sample lease contract] must be completed and signed by the successful bidder and approved by the Area Manager, or an authorized representative. If any successful bid is rejected for any reason the lease lot may or may not be awarded to another bidder from this bid opening or offered in a subsequent bid opening.

13. In the event there are no acceptable bids on any parcel or parcels, or a bid(s) is rejected as provided in Paragraph 12, the parcel(s) may be offered in a subsequent bid opening. Bid documents will be available on the designated date, soon to be announced (TBA). Bidders in subsequent bid openings are reminded that bidding provisions may vary from the provisions published in this document. Bidders must use bid documents dated TBA, to participate in the TBA, bid opening.



Jason Phillips
Area Manager

Enclosures: Appendix
Bid Proposal Form
Bid Amendment Form
Sample Contract
Location Maps

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Reclamation

Mid-Pacific Region
Klamath Basin Area Office
Klamath Falls, Oregon

BID AMENDMENT FORM

FOR LEASE OF LANDS FOR AGRICULTURAL PURPOSES

BID AMENDMENT FORMS ARE TO BE DEPOSITED IN THE PROJECT OFFICE AT
6600 WASHBURN WAY, KLAMATH FALLS, OR, BY 10:00 A.M., APRIL 18, 2012

1. Pursuant to the advertisement and bidding instruction dated April 13, 2012 and subject to all provisions thereof, the undersigned amends his/her prior submitted bid as follows:

Lease Area _____ Lot _____,
(location) (number)

/___/ Retract bid.

/___/ Increase bid by \$ _____, for a total bid amount
of \$ _____ (additional bid deposit attached).

/___/ Decrease bid to \$ _____.

/___/ Change my bid to cover Lease Area _____ Lot _____,
(location) (number)

/___/Other(explain) _____

2. Each individual bid must be accompanied by an individual bid deposit equal to or greater than the bid amount or bid increase. Important - A single bid deposit for multiple bids will no longer be accepted. Therefore, each individual bid must be accompanied by a separate bid deposit. Bid deposit must be in the form of cashier's check, money order and/or certified check. Cash and/or uncertified personal checks are NOT acceptable. Bid deposit must be payable to the Bureau of Reclamation. Should the deposit be greater than the successful bid amount, the excess portion of the deposit will be refunded to the bidder.

3. With my signature below, I certify that I am a citizen of the United States and will be at least 18

years old on the date of the bid opening, and have read and fully understand all provisions listed in the bid advertisement and the bidding instructions with the sample lease contract.

4. By submission of this bid, I certify that the prices in this bid have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any other matter relating to such prices with any other bidder; and no attempt has been made or will be made by the bidder to induce any other person or firm to submit or not to submit a bid for the purpose of restricting competition.

Bidder's Name _____
Signature _____

Mailing Address _____
City State Zip

Bidder's Phone Number _____

Date: _____

WARNING: The penalty for making false, fictitious or fraudulent statements or representations is prescribed in the United States Criminal Code, 18 U.S.C. 1001.

BASIC CONTRACT
x-12

Sample Contract
No. 12-LC-20-xxxx
Rev. 2/11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Klamath Basin Area Office

LEASE OF LAND FOR AGRICULTURAL PURPOSES

THIS LEASE, made this _____ day of _____, 2012, in pursuance of the Act of Congress of June 17, 1902 (32 Stat., 388), and acts amendatory thereof or supplementary thereto, between the UNITED STATES OF AMERICA, acting by and through the Bureau of Reclamation, Department of the Interior, hereinafter styled the United States, and represented by the Area Manager, Klamath Basin Area Office, Klamath Falls, Oregon; and _____ hereinafter styled the lessee.

WITNESSETH, that in consideration of the rents and covenants herein contained, it is hereby mutually agreed by the parties hereto as follows:

DESCRIPTION OF LAND LEASED

1. Subject to the conditions hereinafter set forth, the United States does hereby lease to the lessee, for agricultural purposes, the following described premises in the State of California to wit: Lease Area xxxx Lot No. xxx, shown on Bureau of Reclamation Drawing No. 12-201-5491, containing xx.x acres, more or less, with privileges and appurtenances, subject however, to the exceptions and reservations set out in Article 5 herein.

RENTAL CHARGES

2. The lessee shall pay to the United States rental charges as follows: The sum of \$xxxx (amount of bid) for the period ending January 15, 2011, and the sum of \$xxxx (amount of bid) for each renewal or extension of the lease.

TERM OF THE LEASE

3. The lease of the premises described shall be for the period from the date hereof to January 15, 2012, inclusive, unless sooner terminated as hereinafter provided.

EXTENSION OF THE LEASE

4. (a) The term of the lease as set forth in Article 3 may be extended for successive additional periods of one (1) year each, but not beyond October 31, xxxx, with prior written approval of the Bureau of Reclamation: provided, that the lease may be extended for additional successive periods of one year each for 1) up to five (5) years from the above date if the lessee has achieved organic status as provided in Article 4(b); 2) up to 3 years from the above date for an approved summer flood fallow program as provided in Article 4(c), or 3) up to one year from the above date if the lessee has an approved fall flooding program as provided in Article 4(d). The Bureau of Reclamation may condition its approval of the lease extension on acceptance of new or modified terms and conditions of the Lease. If an extension is approved, an advance payment as stated per Article 2 for the succeeding lease year must be paid in full and received no later than the date specified on the bill of collection evidencing approval to extend the lease (usually by January 15th). Receipt of the advance payment per Article 2 is lessee's agreement to the terms and conditions in any lease extension.

(b) To obtain the extension provided in Article 4 (a) (1) the lessee must have achieved organic status on the entire lease premises according to the USDA-National Organic Program standards. As a condition of

extension, the lessee shall submit an organic certification prior to approval of any lease extension as provided above. Experimental leases, alfalfa, and grass hay fields are not eligible for this extension.

(c) To obtain the extension provided in Article 4 (a) (2) the lessee must agree, as of the date of this lease agreement and any extension of the lease, to have an approved "summer" flood fallow plan. As a condition of extension, the lessee must agree to flood the entire lot continuously, beginning immediately after harvest, for a period of time determined by the Area Manager, but no later than February 15 of the second year following the harvest. This extension is available only in lots with pre-existing infrastructure to accommodate flooding and water level manipulation. Water charges pursuant to Article 18 shall be waived during any flood following period, however the lessee would be required to pay all other charges (ie: rent) pursuant to this lease.

(d) To obtain the extension provided in Article 4 (a) (3) the lessee must have an approved "fall" flood following plan. As a further condition of extension, the lessee must agree that the lot may be flooded, at the Area Manager's discretion, in any year within the term of the lease from post-harvest to February 15. This extension is available only in Tule Lake lots with pre-existing infrastructure to accommodate flooding and water level manipulation.

EXCEPTIONS AND RESERVATIONS

5. There are excepted and reserved from this lease:
 - (a) The right to take from said lands material for the construction of irrigation works, and to construct, operate, and maintain such works thereon.
 - (b) The right to prospect and carry on developments for oil, gas, coal, and other minerals, on said lands, under the Act of October 2, 1917 (40 Stat., 297), and the Act of February 25, 1920 (41 Stat., 437).
 - (c) The right to control public access for the purposes of recreation, such as hunting and fishing. The lessee will not be allowed to post the leased premises to prevent such activities.

REPAIRS

6. The lessee shall, at his/her own cost and expense, repair any damages to any Government-owned irrigation or drainage facilities located on or adjoining the lease premises, resulting from farming, irrigation, or drainage practices, and associated farming activities.

STATEMENT OF OPERATIONS

7. Before this lease is executed, and each year before consent to extension, as set forth in Article 4, the lessee must prepare an annual Statement of Operations, including information relating to the previous year's operations under this contract, and the coming year's operations, and submit it for the review and approval of the Area Manager.

The information relating to the previous year's operations will include a report of planting date, cultivar (variety), seed/seed piece treatment and crop yield in units of tons/ac, and harvest date. Additional information required includes: irrigation, tillage, burning, and fertilizers used on each crop grown on the lease, which will include specific fertilizer formulations, rates (reported in lbs/ac for each product), number of applications, total area treated on each crop, and cover crops. This report will be due upon lease renewal for which the Statement of Operations is due.

All of the lease premises must be planted to agricultural crops by June 1, unless approved in writing by the Area Manager. Field checks will be made to determine if crops planted are in agreement with the Statement of Operations.

The lessee will be notified within ten (10) days following the review if the Statement of Operations is not approved. If the Statement is not modified into an approved form within ten (10) days after notification, the United States reserves the right to not renew and to terminate the lease under Article 9.(d).

Making false statements on the Statement of Operations is grounds for termination of the lease. The lessee must notify the Area Manager of any changes in lease operations.

FUEL STORAGE

8. All above ground tanks used on the lease premises shall be double-walled (meeting UL Label 142), equipped with automatic shut-off valves (Murphy SV-12), and reinforced (weather and chemical resistant) fuel lines. All tanks shall be maintained by appropriate measures and removed by November 1 of each year this lease is in effect, or as directed by Area Manager.

PEST MANAGEMENT

9. The use of pesticides on land covered by this lease shall be in compliance with all applicable Federal and State laws, rules, and regulations, and any amendments thereto. Lessees may apply only pesticides that have been approved by the Department of the Interior. Application of pesticides shall be made in such a manner as to assure compliance with the manufacturer's instruction label and with approved pesticide use proposals: Crop scouting by a Refuge Certified individual according to the IPM plan and refined by the Refuge IPM Coordinator and consideration of known action thresholds shall be required prior to all pesticide applications. For each pesticide (insecticide, fungicide, herbicide, etc.) application, a Pest Control Report shall be submitted to the U. S. Fish and Wildlife Service, Klamath Basin NWR, Tulelake, CA, 96134, annually not later than November 15. The Pest Control Report should include, but not limited to, the following: 1) Grower name, business address, and phone number; 2) crop, cultivar, field location, and acres; 3) pest identification (insect, weed, disease, nematode, vertebrate, etc.), common name, and scientific name if known; 4) pest level or damage severity or preventative; 5) known economic/action thresholds; 6) sampling date and procedures; 7) pesticide, rate (gal/treated acre), method and date of application; and 8) additives (adjuvants, buffers, etc.) and amounts (pints/100 gallons).

All fields and crops will be subject to routine year around monitoring by Service and Reclamation personnel and submission of false statements on Pest Control Reports are grounds for lease termination.

GENERAL CONDITIONS

10. In the use of the leased premises, in addition to the foregoing, the lessee agrees that:

(a) No unlawful business shall be conducted. The lessee shall comply with all local, State, and Federal laws, ordinances, and/or regulations.

(b) Subleasing of all or a portion of the leased premises may be allowed upon the written approval of the Area Manager. The sub-lessee shall agree, in writing, to the provisions of this contract. The lessee shall be responsible for the activities of the sub-lessee on the leased premises.

(c) The lessee shall be responsible for the activities of his/her employees, agents, and contractors working on the leased premises.

(d) Portable irrigation pumps shall not be installed on any irrigation lateral or drain without approval from Tulelake Irrigation District for leases in the Tule Lake NWR Lease Area or from the Area Manager for leases in the Lower Klamath NWR Lease Area. The lessee shall be liable for any damage to Government-owned structures resulting from the installation or use of any pumping equipment. A minimum five (5)-foot horizontal setback must separate irrigation pumps, fuel tanks and bulk chemical storage tanks from the high water mark of any permanent or intermittent surface water resource such as but not limited to canals, drains, sumps, marshes or wetlands, unless written authorization is granted by the Area Manager.

(e) The dumping of cull potatoes and other waste on the leased premises is prohibited.

(f) The lessee shall, for the purpose of maintaining the crop history of the leased premises, annually report the crop acreage to the Farm Service Agency (FSA). Copy(s) of the report shall be submitted to the Area Manager two weeks prior to the end of the FSA reporting period.

(g) The lessee shall comply with all applicable Federal, State, and local laws and regulations, and

Reclamation policies and instructions, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored or disposed of on or in lands, waters or facilities owned by the United States or administered by Reclamation.

"Hazardous material" means any substance, pollutant or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 1901, et seq., and the regulations promulgated pursuant to that Act.

The Lessee may not allow contamination of lands, waters or facilities owned by the United States or administered by Reclamation by hazardous materials, thermal pollution, refuse, garbage, sewage, effluent, industrial waste, petroleum products, mine tailings, mineral salts, pesticides (including, but not limited to, the misuse of pesticides), pesticide containers or any other pollutants, including treated grain spills and fertilizer.

The lessee shall report to Reclamation, within 24 hours of its occurrence, any event which may or does result in pollution or contamination adversely affecting lands, water or facilities owned by the United States or administered by Reclamation.

Violation of any of the provisions of this Condition (j) shall constitute grounds for immediate termination of this contract and shall make the lessee liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

(h) The lessee shall obtain Fish and Wildlife Service authorization to conduct certain field operations during specific periods of the year as follows:

January through June 30:

No authorization is required for tillage operations, except as provided by the Special Lease Area Stipulations.

July 1 through December 31:

Written authorization is required from Fish and Wildlife Service to conduct tillage operations on any portion of the leased premises, except annual row crop fields.

(i) Herding/harassing waterfowl or other wildlife which may depredate crops is permitted, except as otherwise provided in Special Lease Area Stipulations. Herding or harassment which involves the taking (shooting/killing) of wildlife is NOT permitted. Only non-toxic shot may be used in non-lethal harassment activities on lease lands. Lead shot may NOT be used to harass wildlife on lease lands.

(j) Planting and cultivation of genetically engineered crops, also commonly known as genetically modified crops, is not permitted without prior written authorization from U.S. Fish and Wildlife Service, Southwest Pacific Region, Assistant Regional Director-National Wildlife Refuge System. For the purpose of this contract genetically engineering crops are defined as any plants that have been genetically modified using recombinant DNA technology.

The lessee agrees to include this Condition (j) in any sublease or third party contract entered into pursuant to this lease.

TRANSFER OF LEASE

11. Transfer of the lease may be made only upon the written consent of the Area Manager and upon payment of a \$100.00 transfer fee to the United States.

TERMINATION OF LEASE

12. This lease shall terminate and all rights of the lessee hereunder shall cease, and the lessee shall quietly and peaceably deliver to the United States possession of the leased premises in like condition as when first occupied, reasonable wear and damage by the elements excepted:

- (a) At the expiration of the term as provided by Articles 3 and 4; or,
- (b) Without notice, upon default in payment to the United States of any installment of rental charges

as provided by Articles 2 and 4; or,

(c) On February 15, of any year, upon written notice to the lessee, served thirty (30) days in advance thereof; or,

(d) After failure of the lessee to observe any of the conditions of this lease contract and/or referenced exhibits, and on the tenth day following service of written notice on the lessee of termination because of failure to observe such condition.

(e) As may be required by the U. S. Fish and Wildlife Service pursuant to a determination made in accordance with the Kuchel Act and/or National Wildlife Refuge System Administration Act, as amended. Such termination may be avoided if the lessee agrees to terms and conditions satisfactory to the Area Manager and consistent with the Service's determination.

The notices provided by this article shall be served by certified mail addressed to the respective post office addresses given at the foot of this lease, and the mailing of any such notice properly enclosed, addressed, stamped, and certified, shall be considered as service. If the termination under Article 9.(c), Article 9.(d), or Article 9.(e) should be effective at a date prior to the date of the termination of the then current lease or extension, for which prepayment of rental shall have been made, an appropriate refund (as conclusively determined by the Secretary of the Interior or a representative) or part of the rental for such then current lease or extension may be made.

If this lease contract is terminated under Article 9.(d), the United States reserves the right to bar the lessee from leasing public land in the lease lands for a period of time, as determined by the Area Manager.

INSUFFICIENT SUPPLY OF WATER

13. In the event there is an insufficient supply of water available, irrespective of cause, to the Lease Lands on Lower Klamath and/or Tule Lake National Wildlife Refuges, based on notification by Reclamation, the lessee must provide to the Area Manager written notification, from the irrigation or drainage district in which the lease lot(s) are located, stating that irrigation water will be provided to the lease in question or demonstrate that sufficient soil moisture is available for crop establishment, before stubble burning or tillage will be allowed.

FIRE MANAGEMENT

14. All fire management activities shall comply with all federal, state, and local laws, rules and regulations governing the burning of crop residues. Agricultural burning is contingent on soil moisture, Klamath Project irrigation water availability and Service authorization. In addition, agricultural burning must be in accordance to the following conditions:

(a) Only qualified contractors will be utilized to implement burning of crop residue on Service managed land. Contractor personnel will meet standards identified in the National Wildfire Coordinating Group publication PMS-310-1 National Interagency Management System Wildland Fire Qualifications Guide. Contractors must provide proof of qualification and fitness levels by submitting a copy of the Incident Qualification Card (Red Card) for all personnel to the Service Fire Management Officer.

(b) Lessee will be responsible for all costs associated with hiring a contractor.

(c) A Burn Plan must be completed for all prescribed burning of crop residue. Burn Plans must meet the standards identified in The Interagency Prescribed Fire Planning and Implementation Procedures Reference Guide. Lessee is responsible for all costs associated with developing a draft Burn Plan. Multiple field units may be covered by one burn plan. Draft Burn Plans must be submitted to the Service Fire Management Officer for review and approval.

(d) The lessee or contractor must complete a written draft Smoke Management Plan and

submit it to the appropriate county Air Pollution Control District for approval. Contractors must ensure that Burn Day guidance and stipulations of the Smoke Management Plan are followed.

(e) Contractors shall provide all personnel, equipment, fuel and supplies needed to implement a burn, including any contingency resources required by the Burn Plan.

(f) Contractors shall only burn crop residue within the immediate harvested field. All requests to burn ditches or berms must be submitted to and approved by the Service Project Leader.

(g) Contractor must have direct radio communication with Modoc Interagency Command Center. Contractors shall notify Modoc Interagency Command Center when initiating ignition and again when burning is complete. Burning must be completed during Modoc Interagency Command Center normal business hours.

(h) Contractor must abide by any national, regional or local prescribed fire moratoriums or restrictions.

(i) Contractor will notify Service Fire Management Officer prior to igniting any unit. Service Fire Management Officer in consultation with the Service Project Leader will have go/no-go authority. In addition, any approvals required by this Article 14 shall be obtained prior to any burning taking place.

(j) Contractor must notify Service Fire Management Officer immediately in the event of any escapes.

(k) Lessee is responsible for any escapes from their leases to other lands and may be responsible for any suppression or damage costs.

COVENANT AGAINST CONTINGENT FEES

15. Lessee warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by the lessee for the purpose of securing business. For each breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to require the lessee to pay, in addition to the contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

OFFICIALS NOT TO BENEFIT

16. No member of or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise therefrom. Nothing, however, herein contained shall be construed to extend to any incorporated company if the contract be for the general benefit of such corporation or company.

HOLD HARMLESS AGREEMENT

17. The United States, its officers, agents and employees and its successors and assigns, shall not be held liable for any claims arising from failure to identify any or all existing conditions or problems on the leased premises. Prior to bidding, the lessee is expected to make an onsite inspection to determine the conditions and the problems on the leased premises.

Also, the United States, its officers, agents and employees, and its successors and assigns shall not be held liable for damages because irrigation water is not available or because of an inability to drain the leased premises in a timely manner.

The lessee hereby agrees to indemnify and hold harmless the United States, its officers, agents and employees, and its successors and assigns from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death arising out of the lessee's activities under this agreement.

OTHER STIPULATIONS

18. The attached statement marked Exhibit A entitled, Special Lease Area Stipulations, is by reference incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names as of the date first above written.

THE UNITED STATES OF AMERICA

By _____
Area Manager, Klamath Basin Area Office
Bureau of Reclamation
6600 Washburn Way
Klamath Falls, Oregon 97603

Lessee

SPECIAL LEASE AREA STIPULATIONS

Tule Lake Lease Areas:
Sump 2, Sump 3, and Area J

18. (a) Lands covered by this lease are located within a National Wildlife Refuge and are subject to regulations of the Service as set forth in 50 CFR for management of National Wildlife Refuges.

(b) Tule Lake Sumps 2 and 3 are reserve sumps of the Klamath Project. The reserve sumps, and the agricultural leases situated therein, are subject to inundation for flood control purposes during periods of high runoff. The Reclamation Area Manager will determine when the reserve sumps are to be utilized for flood control purposes and the decision shall be final. The United States shall not be liable for any injuries to persons or damage to crops, equipment, or improvements resulting from actions of the United States requiring utilization of these sumps for flood control purposes.

(c) Livestock grazing is not permitted except as provided by Article 15(j).

(d) Irrigation Water: The lessee is responsible for the water service charges of Tulelake Irrigation District, except during years with approved summer flood-fallowing as provided by Article 4(c). These charges will be collected by the District. If the lessee does not pay all water charges plus penalties by June 1 of each year, this lease shall be subject to termination under Article 12(d) of this contract.

Lessees irrigating after November 1 of each year shall obtain authorization from the Service prior to the irrigation of any portion of the leased premises. A one (1) year lease extension is available as provided in Article 4.

(e) All machinery, farm equipment, litter, and harvested crops must be removed from the leased premises by December 1 each year, other than the last year of the lease. For the last year of the lease, removal must be complete by October 31, unless written authorization is granted by the Area Manager. Any storage of pipe or parking of equipment outside of the lease lot will be limited to pre-approved, concise locations; pipe must be stacked in a neat manner.

If these items are not removed from the leased premises by the above dates, the lessee will be held responsible for all costs of removal incurred by the United States. The lessee will be barred from future leasing until all costs so incurred are paid by the lessee.

(f) The following agricultural practices must be strictly observed on lands covered by this lease:

(1) The lessee shall comply with all federal, state, and local laws, rules and regulations, and Department of the Interior policies governing the burning of crop residues and disposal of all pollutants and waste substances.

(2) Row crops may not be grown on more than _____ acres of the leased premises. The lessee will be required to plow under any crop in excess of this acreage. The only row crops which may be grown are potatoes and onions, any other row crop requires approval by the Area Manager.

(3) Only certified potato seed may be planted.

(4) All seed planted must meet the seed certification standards of California regarding restricted and prohibited noxious weeds. Treatment for seed borne disease is optional.

(5) Outlet valves on subsurface drains must be opened after each irrigation is complete (for location of subsurface drains, contact Reclamation or Tulelake Irrigation District).

(6) Weeds, within each lease lot, both common and noxious, shall be controlled by the lessee at the lessee's expense in a manner satisfactory to the Area Manager.

(7) Surface drainage water shall not be discharged into drains in a manner which will result in

excessive silting of the drains.

(8) Water levels in drains are not maintained for pumping irrigation water and any pumping from the drain by the lessee is at the lessee's own risk.

(9) Carcass of domestic animals shall be removed from Refuge within 48 hours of death or knowledge of death.

(10) Irrigation water from the N-16-b canal is not available to Lot 401 within Area J, although lessee may pump water from the 100 Drain.

(g) Commercial access through the Lava Beds National Monument (Monument) is prohibited. Vehicle use within the Monument is limited to designated routes only. Use of unauthorized routes and off road vehicle use are subject to citation by Monument personnel.

(h) A hunter parking area is located in the southeast corner of Lot 23, Sump 3. The dimensions of this parking area are approximately 200 feet wide by 200 feet long. The parking area is not within the boundary of the leased premises.

(i) Nematode Controls:

(1) All equipment coming into and leaving the Tule Lake lease lands must be thoroughly washed. Washing facilities are provided at the following locations: Sump 2--Q-Canal headworks (along Hill Road) and near the English Channel Bridge; Sump 3--entry points at Pump R, County Line Road, Pump 5, and N-15a Canal headworks; Area J--at Pump B.

(2) The following lease lots are known to be infested with barley root-knot nematode, Meloidogyne nassi: All lots in Sump 2; Lots 5, 41, 43, 44, 45 and 48 in Sump 3; and all lots in Area J. Crop rotation must be followed on the above leased premises which will avoid the production of host crops. Host crops include wheat and barley and must not be planted on any portion of the lot for more than two (2) consecutive years. The requirement for planting a nonhost rotational crop, row crops or nematicidal oat cultivars, for suppression of barley root knot nematode in susceptible small grain crops may be waived if the following condition is met on an annual basis:

The absence of barley root knot nematode in barley or wheat is documented by an annual comprehensive soil testing program, OR crop scouting to identify infested fields using a field bioassay technique.

(1) *Soil Testing*. - Soil samples will be collected by a third party designated by the Reclamation lease land manager and Refuge IPM specialist. The third party will collect a composite soil sample from each quadrant of a lease land lot within 1 month following harvest. A composite sample will consist of a minimum of 100 core samples collected to a depth of 1-foot using a standard soil probe. Each core will be collected randomly from throughout the quadrant. Composite soil samples are to be thoroughly mixed from which 1 pint of soil will be submitted to a laboratory designated by Reclamation and the Refuge for analysis. Excess soil will be saved for future testing if deemed necessary by Reclamation and the Refuge. A report for each soil sample will be submitted to Reclamation and the Refuge verifying presence or absence of barley root knot nematode.

(2) *Field Bioassay*. - Lease land lot will be scouted annually for field symptoms of barley root knot nematode by a third party designated by the Reclamation lease land manager and the Refuge IPM specialist. The third party will be trained in field identification of barley root knot nematode and associated crop symptoms. The third party will thoroughly scout each lot using standard scouting techniques up to three weeks prior to harvest. Soil and root samples will be collected from sites where crop growth and development indicate the presence of barley root knot nematode and inspected for root galls typically associated with root knot nematodes. A report for each lease land lot will be submitted to Reclamation and the Refuge verifying the presence or absence of barley root knot nematode.

(3) Tare soil from potato sheds shall not be returned to any lease land administered by Reclamation. Tare soil from sheds handling potatoes grown on the lease premises must be disposed of in accordance with County and State regulations.

(j) Alfalfa leases:

(1) With prior approval of the Area Manager, the lessee may have the alfalfa portion of the lease grazed to aid in the control of rodents. The grazing is restricted to only sheep and only during the period of November 1 through January 15. This provision applies specifically to the alfalfa leases.

(2) Trailing sheep outside lease lot is prohibited, unless written authorization is granted by Area Manager.

(3) Flushing bars are required on all hay cutting equipment when used prior to July 15, or as specified by Area Manager.

(4) Alfalfa Flaming: Lessees will notify the Service Fire Management Officer of any alfalfa flaming operations (530) 667-8304. During declared Fire Season, Modoc Interagency Command Center will need to be notified of any flaming operations. Lessees may call the center directly (530) 233-8880 or relay the information through the Service Fire Management Officer (530) 667-8304. The Service may restrict flaming operations during periods of critical fire weather conditions.

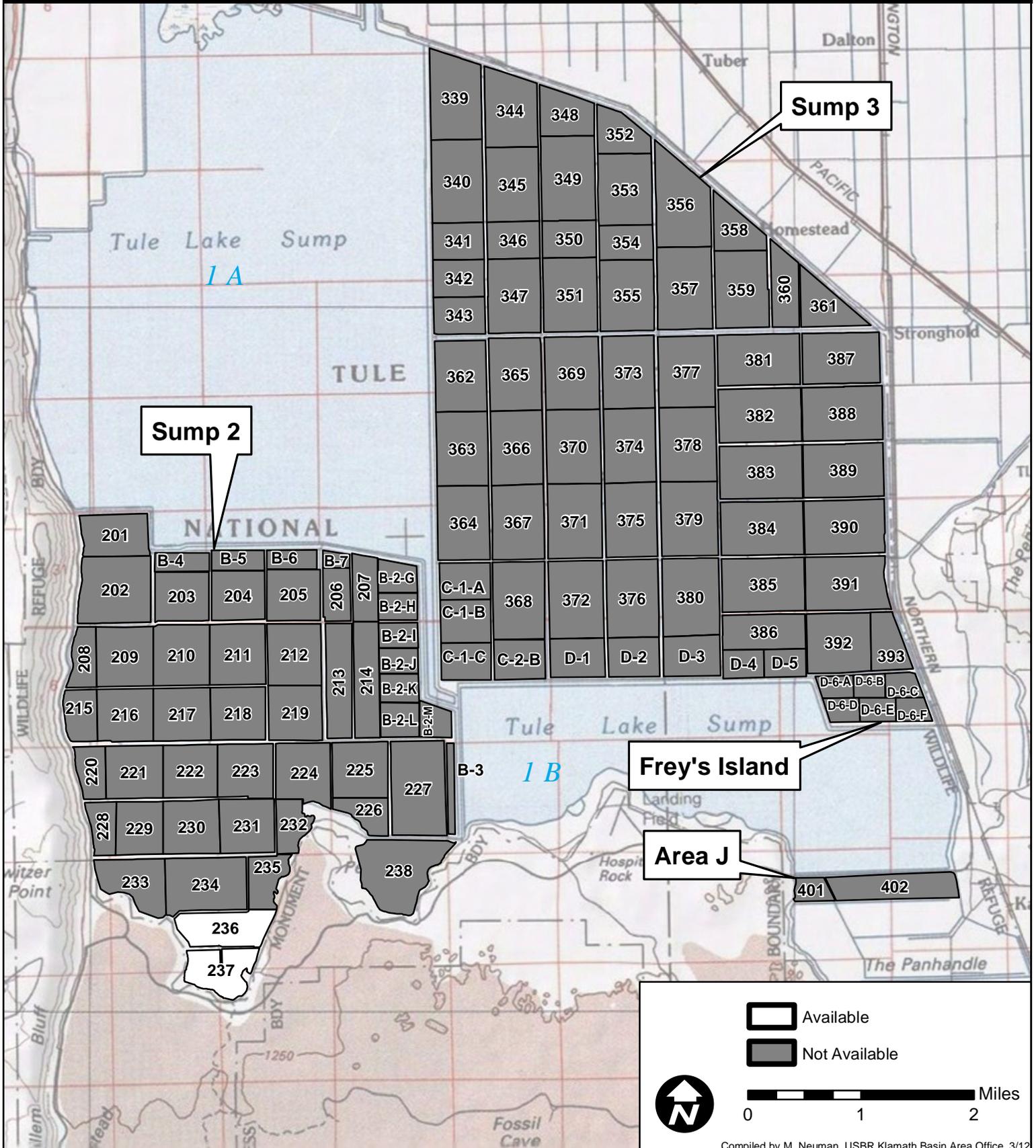
(k) To the extent any provision of this article conflicts with any other provision of this lease, this article takes precedence.

Lessee's Initials

APPENDIX - 2012 BUREAU OF RECLAMATION, KLAMATH BASIN AREA OFFICE, TULE LAKE AVAILABLE LOT LIST

Updated: 4/13/2012

New Lot No.	Old Lot No.	Assessed Acreage	Approx. Net Acreage	Maximum Row Crop Acreage	Lease Will Not Be Extended Beyond This Date	Exhibit That Applies To This Lot	Crops Grown in 2011	Previous Bid Amount	Previous Bid Amount (\$/ac)	Minimum Bid Accepted
SUMP 2, SISKIYOU COUNTY, CALIFORNIA										
236/237	64/65/66/67	289.5	267.7	96.5	31-Oct-2016	A-3	GRAIN/POTATOES	\$58,000.00	\$200.35	\$19,333



Compiled by M. Neuman, USBR Klamath Basin Area Office, 3/12

Map 1. Tule Lake Lease Lands