

CONTRACT NO. - \_\_\_\_\_

CONTRACT FOR THE STORAGE AND DELIVERY OF HELIUM  
Between

\_\_\_\_\_ and the  
UNITED STATES OF AMERICA

This Contract is made between \_\_\_\_\_ (hereinafter called Person, as defined in the Helium Stewardship Act, 50 U.S.C. 167), a corporation organized and existing under the laws of the State of \_\_\_\_\_, with its principal offices at \_\_\_\_\_, and the UNITED STATES OF AMERICA (hereinafter called United States), acting through the Bureau of Land Management (BLM) of the Department of the Interior.

In consideration of the mutual promises and covenants contained herein, the United States and Person agree as follows:

ARTICLE I  
Definitions

1.1 Acceptance/Delivery Point - The term "Acceptance/Delivery Point" means any pipeline tap or connection to the Federal Helium Pipeline.

1.2 Authorized Officer – The term "Authorized Officer" means the person authorized to act on behalf of the BLM in approving, revising, managing, and terminating this Contract.

1.3 Contained helium - The term "contained helium" means the amount of helium in a "helium-gas mixture."

1.4 Contract Year - The term "Contract Year" means a period of time beginning at 8 a.m. Central Time on October 1 of each year and ending at 8 a.m. Central Time on the following October 1.

1.5 Day - The term "day" means a period of twenty-four (24) consecutive hours beginning and ending at 8:00 a.m. Central Time.

1.6 Existing Agreement - The term "Existing Agreement" means any written agreement between the United States and Person for any helium storage, delivery, or transportation services in or related to the Federal Helium System that is in effect as of the date that both Person and the United States have executed this Contract.

1.7 Federal Helium Pipeline – The term "Federal Helium Pipeline" has the same meaning as defined in 50 U.S.C. § 167(2). The Federal Helium Pipeline extends from the vicinity of Bushton, Kansas, to the Cliffside Field, with lateral extensions to various helium extraction plants connected to said pipeline used or designed for the purpose of gathering and transporting helium-gas mixture to and from the Bush Dome, Cliffside Field, near Amarillo, Texas.

1.8 Federal Helium System – The term "Federal Helium System" has the same meaning as defined in 50 U.S.C. § 167(4).

1.9 Federal user – The term "Federal user" has the same meaning as defined in 50 U.S.C. § 167(5).

1.10 Helium-gas mixture - The term "helium-gas mixture" means the gaseous product contained in the Federal Helium System which is comprised predominantly of helium together with other chemical constituents of natural gas.

1.11 Mcf - The term "Mcf" means one thousand (1,000) standard cubic feet.

1.12 MMcf – The term "MMcf" means one million (1,000,000) standard cubic feet.

1.13 Metering facility – The term "metering facility" means the meter run, gas chromatograph, electronic flow computer and associated equipment at a point of custody transfer on the Federal Helium Pipeline.

1.14 Month - The term "month" means a period of time beginning at 8:00 a.m. Central Time on the first day of a calendar month and ending at 8:00 a.m. Central Time on the first day of the succeeding calendar month.

1.15 Operational capacity – The term "operational capacity" means a person's capacity to take and process crude helium delivered from the Federal Helium System, expressed in MMcf of crude helium per year.

1.16 Standard cubic foot - The term "standard cubic foot" means the volume of helium-gas mixture or contained helium, as applicable, which occupies the space in one cubic foot when at a temperature of 60 degrees Fahrenheit and at an absolute pressure of 14.65 pounds per square inch.

## ARTICLE II

### Acceptance and Delivery of Helium-Gas Mixtures

2.1 The United States agrees to accept and to store Person's helium-gas mixture that Person, or the party from whom Person purchases, delivers into the Federal Helium Pipeline as hereinafter provided at such flow rates and in such quantities as Person delivers, subject to the following conditions:

- (a) Person's helium-gas mixture contains:
  - 1) at least 65 percent helium by volume, except as allowed in paragraph 4.1.d
  - 2) no more than 20 parts per million of neon,
  - 3) no more than 200 parts per million of carbon dioxide,
  - 4) no more than 3 percent methane (CH<sub>4</sub>) by volume,
  - 5) no more than 96 parts per million of heavy hydrocarbons (C<sub>3</sub>+),
  - 6) no more than 2.3 percent hydrogen by volume, and
  - 7) no more than 7 pounds of water (H<sub>2</sub>O) per million cubic feet of gas.

(b) The temperature of Person's helium-gas mixture will not exceed 110 degrees Fahrenheit.

(c) Person's helium-gas mixture is delivered at a pressure high enough to enable it to flow directly into the Federal Helium Pipeline against whatever pressure exists in the pipeline at the time and point of acceptance of Person's helium-gas mixture for storage, but not more than 1600 pounds per square inch gauge (psig).

(d) The helium-gas mixture does not contain any component that the United States has determined is detrimental to the Federal Helium System.

(e) Acceptance of Person's helium-gas mixture is subject to the physical limitations of the Federal Helium System and prudent procedures as determined by the Authorized Officer. Person may not tender its helium-gas mixture at a pressure in excess of 1,600 psig. The United States will accept Person's helium-gas mixture for storage at the point where the Federal Helium Pipeline is connected with the outlet of the measurement facilities that Person designates.

2.2 (a) Upon execution of this Contract and on or before July 1 of each succeeding year, Person will provide the Authorized Officer an estimate of the volumes of helium-gas mixture that Person anticipates it will deliver or arrange to be delivered to the Federal Helium Pipeline during the Contract Year beginning on the succeeding October 1.

(b) On or before the twentieth day of each calendar month, Person will notify the Authorized Officer of any changes to the estimated volume of helium-gas mixture that Person expects to deliver or arrange to be delivered for storage during the succeeding calendar month.

(c) If Person fails to provide the information required under paragraph (a) or paragraph (b) of this section at the time required, Person agrees to pay \$2,000 in liquidated damages to compensate the United States for its administrative costs.

2.3 Subject to the terms and conditions of this Contract, the limitations of the Federal Helium System to deliver, and the rights of the other storage contract holders within the Federal Helium System, the United States agrees to deliver to Person during the term of this Contract as much of the volume of helium owned by the Person and stored by the United States in the Federal Helium System that Person requests. The helium will be delivered to Person at the point where the Federal Helium Pipeline is connected with a line that goes to Person's facilities, and in a helium-gas mixture containing not less than 50 percent helium by volume, and at the pressure existing in the system at the time and at the point of delivery, and will be delivered under conditions that permit suitable measurement and analysis specified by Article VI. Person agrees to compensate the United States, pursuant to Article IV, for any costs that the United States incurs to deliver a helium-gas mixture containing not less than 50 percent helium by volume.

2.4 The parties agree that title to the constituents other than helium of any helium-gas mixture accepted from Person for storage will pass to United States at the point of acceptance. The parties agree that upon delivery to Person of helium stored under this Contract, title to all constituents of the helium-gas mixture delivered to Person will pass to Person at the point of delivery.

2.5 (a) Person agrees that upon execution of this Contract and on or before July 1 of each succeeding year, it will advise the Authorized Officer of the volume of stored helium of which it expects to request delivery during the Contract Year beginning on the following October 1, so that the United States may estimate the total volume of helium which the United States may need to deliver from the Federal Helium System during each Contract Year.

(b) On or before the twentieth day of each calendar month, Person will notify the Authorized Officer of any changes to the estimated volume of stored helium of which Person expects to request delivery during the succeeding calendar month.

(c) If Person fails to provide the information required under paragraph (a) or paragraph (b) of this section at the time required, Person agrees to pay \$2,000 in liquidated damages to compensate the United States for its administrative costs.

2.6 (a) If at any time in the sole opinion of the Authorized Officer the deliverability capacity of the Federal Helium System is inadequate to meet the total expected delivery requirements (referred to in this section as a "shortage"), and notwithstanding any other provision of this Contract, the available delivery capacity of the Federal Helium System will be used first to supply the helium needs of Federal users and second to meet other requests for the delivery of helium.

(b) In the event of a shortage, the Authorized Officer will allocate the delivery capacity of the Federal Helium System in excess of the needs of Federal users among all parties storing helium in the Federal Helium System. That allocation will be calculated as a percentage of the remaining production capacity of the Federal Helium System according to the proportion of each storage contract holder's stored volume to the total volume stored by all storage contract holders as of the preceding October 1. The Authorized Officer may, in his sole discretion, change the allocation method when technical or operational considerations make such changes necessary or appropriate, but the Authorized Officer will consult with all storage contract holders before making any such change.

(c) If Person overdraws during a shortage for which companies are under an allocation by the Authorized Officer, the United States will reduce delivery to Person in the next month by a volume equal to Person's overdrawn volume.

2.7 Person agrees to notify the United States of scheduled plant turnarounds and major unscheduled plant problems that affect the operations of the helium storage system or any other operational events that affect deliveries of helium from, or acceptance of helium-gas mixture into, the Federal Helium System as soon as practicable after learning of such problems or events. The United States agrees to keep this information confidential to the extent permitted by law.

2.8 Person will report its excess refining capacity, operational capacity, future capacity estimates, and tolling activities at the time this Contract is executed and no later than July 1 of each subsequent year, using forms provided by the United States.

### ARTICLE III Effective Date, Term, and Existing Agreements

3.1 The provisions of this Contract that require reporting of information at the time of execution of this Contract are effective on the date on which both parties have executed this Contract.

3.2 Except as provided in section 3.1, this Contract will be effective on October 1, 2015, at 8:00 a.m. Central Time and will continue thereafter for an initial term of three years. The United States and Person may renew the Contract following the initial term, on an annual basis. Each party will notify the other party of its intention to renew this Contract a minimum of six months prior to the expiration date of this Contract. Unless the United States assigns this Contract under Article XII, or Congress amends the authorities contained in 50 U.S.C. §§ 167-167q as they exist on the date of execution of this Contract, the total duration of this Contract, including the exercise of any options under this section, will not extend beyond 8:00 a.m. on October 1, 2021.

3.3 This Contract supersedes and replaces all Existing Agreements between the United States and Person for storage, delivery, or transportation services on the Federal Helium System. All Existing Agreements are terminated as of the effective date of this Contract, and all helium stored under Existing Agreements is subject to the terms and conditions of this Contract. Person will pay amounts due to the United States for accrued storage charges under any Existing Agreements within 30 days of the effective date of this Contract or in accordance with the payment schedule agreed upon between the United States and the Person.

### ARTICLE IV Fees

4.1 Person will pay the United States for the acceptance, delivery, storage, transportation, and other services provided under this Contract the following fees, subject to adjustments as hereinafter provided:

(a) Contract Administration Fee. For each year that Person holds this Contract whether used or not, Person will pay to the United States eighteen thousand dollars (\$18,000) due at the beginning of each Contract Year. New storage contracts signed during the Contract Year will have their Contract Administration Fee prorated from the effective date of the Contract. If this Contract covers any portion of a Contract Year, then that period will be prorated on a monthly basis.

(b) Acceptance/Delivery Point Assessment Fee. For each Acceptance/Delivery Point that Person has to move helium-gas mixtures to or from the helium storage pipeline, Person will pay twenty-thousand (\$20,000) dollars per year due on the first day of each Contract Year. If this Contract covers any portion of a Contract Year, then that period will be prorated on a monthly basis. Person has \_\_\_\_\_ Acceptance/Delivery Points located at \_\_\_\_\_.

(c) Transportation and Storage Fees. The transportation and storage fees will be calculated at the beginning of each Fiscal Year according to the following formula:

$$TR = \frac{B}{(sf \times S) + A + D}$$

$$ST = sf \times TR$$

Where:

**B** is the annual budget amount for the Federal Helium System and its supporting services for each succeeding fiscal year. Any costs of capital improvements in the budget will be limited to expenditures made after the date of enactment of the Helium Stewardship Act (October 2, 2013). The annual budget will be adjusted by any over or under collections from the previous Fiscal Year.

**TR** is the Transportation Fee in \$ per Mcf to be charged for helium delivered to Person or helium accepted from Person during the month. Invoicing and payment procedures are described in Article V below.

**S** is the total volume, in Mcf, of helium in storage in the Federal Helium System owned by all private owners at the beginning of the Fiscal Year.

**A** is the total volume, in Mcf, of helium that all storage contract holders delivered for acceptance into the Federal Helium Pipeline during the previous Fiscal Year. If the above volume varies significantly from the total of all contract holders' estimate in Article 2.2a, the United States may choose to use the estimate, in whole or in part.

**D** is the total volume, in Mcf, of helium that all storage contract holders delivered through the Federal Helium Pipeline during the previous Fiscal Year. However, D will not exceed the estimated productive capacity of the Federal Helium System. If the above volume varies significantly from the total of all contract holders' estimate in Article 2.5a, the United States may choose to use the estimate, in whole or in part.

**ST** is Storage Fee in \$ per Mcf to be charged for its helium in storage at the beginning of the Fiscal Year. Company will pay its portion in ten equal installments with the first installment due by December 15<sup>th</sup> each Fiscal year and the final installment due on September 15<sup>th</sup> of the Fiscal Year.

**sf** is the storage factor. The sf is initially set at 1.0 on October 1, 2015. The sf will increase whenever the total privately-owned storage volume for all storage contract holders at the beginning of the Fiscal Year is more than the total storage at the beginning of the previous Fiscal Year. The sf will increase by the same proportion as the total storage volume increased over the previous Fiscal year, rounded to the nearest tenth. The sf will decrease whenever the total privately-owned storage volume for all storage contract holders at the beginning of the Fiscal Year is less than the total storage at the beginning of the previous Fiscal Year. The sf will decrease by the same proportion as the total storage volume decreased over the previous Fiscal Year, rounded to the nearest tenth. The value for sf will never be less than 1.0.

(d) **Low Purity Fee.** For all crude helium plants, the United States agrees to accept crude helium that is below 65 percent helium by volume, but will not credit to Person's storage account crude helium that is less than 50 percent helium by volume. If Person delivers crude helium that is greater than 50 percent but less than 65 percent helium by volume, Person agrees to pay a low purity fee of 2 percent per Mcf of the posted price at which suppliers of Federal users may purchase crude helium during the Fiscal Year.

(e) **Transfer Fee.** For each transfer of ownership of helium stored by Person to another storage contract holder, Person will pay to the United States \$200.

(f) **Low Sample Pressure Fee.** Person will conduct sample collection as required under Article VI, paragraph 6.11. Person will pay an administrative fee of \$500 for each sample cylinder selected for laboratory analysis that does not have sufficient pressure at the time it is retrieved to allow a laboratory analysis for the previous month's composite accumulated sample. No fee will be assessed for days of plant inactivity.

Sufficient composite sample gas cylinder pressures are:

1. 115 psi for 1-liter containers
2. 450 psi for 250cc containers
3. 900 psi for 125cc containers

4.2 (a) In addition to the fees specified in paragraph 4.1, Person will reimburse the United States for the full amount of any expenses incurred by the United States (and not included in the fees identified in paragraph 4.1) for repair, construction, installation, or modification of any facilities, pipeline connections, metering stations, compressor stations, gas measurement software necessary for Person's connection to, or delivery into or from the Federal Helium Pipeline for the purpose of this Contract.

(b) Any such activity described in paragraph 4.2(a) which will require the expenditure of more than \$ 5,000, will be made only with the prior written consent of Person.

(c) In the event that Person refuses to consent to any such activity or fails to pay or reimburse the United States for any expense incurred by United States under this paragraph 4.2, the United States, in addition to any other remedies available by law, will be relieved of any obligation to Person to deliver or accept helium under this Contract.

(d) Any facilities constructed or installed by the United States and paid for by Person pursuant to this paragraph 4.2 that may be removed without damaging or otherwise adversely affecting the Federal Helium System will become the property of Person after any such facilities are no longer necessary for the purpose of this Contract, and may be removed by Person within a reasonable time.

4.3 If Person takes delivery of crude helium from the Federal Helium System, Person will pay a Reservoir Management Fee (RM) on a per Mcf basis for each Mcf of helium that Person has in storage in the Federal Helium System at the beginning of the Fiscal Year. The per-Mcf RM for the Contract Year will be calculated according to the following formula:

$$\frac{EA \times 0.2}{S} = RM (\$/Mcf)$$

Where:

**EA** is the annual enrichment charge, which equals the Crude Helium Enrichment Unit (CHEU) Service Fee as calculated under the Enrichment Services Agreement and Helium Reserve Management Agreement (BLM HRMA NM090-0002) and the BLM's costs to operate the CHEU. Any adjustments to the Fixed Enrichment Services Fee under those agreements will be limited to adjustments resulting from transactions occurring before the date of enactment of the Helium Stewardship Act (October 2, 2013).

**S** has the same meaning as defined in paragraph 4.1

**RM** is the Reservoir Management Fee in dollars per Mcf.

Person agrees to pay the RM for the volume that Person has in storage in the Federal Helium System at the beginning of the Fiscal Year in 10 equal installments, with the first payment included in the November billing statement under Article V below. Subsequent installments will be included in each of the following monthly billing statements until the full amount of the RM is billed.

## ARTICLE V Billing and Payment

5.1 On or before the 15th day of each month, the United States will transmit to Person a statement for the preceding month showing: (1) the volume of helium-gas mixture accepted by the United States into the Federal Helium System from Person; (2) the percentage of helium in such volume; (3) the volume of contained helium; (4) the volume of helium-gas mixture delivered to Person by the United

States; (5) the percentage of helium in such delivered helium-gas mixture; (6) the volume of contained helium delivered; (7) the net volume of Person's contained helium remaining in the Federal Helium System; and, (8) the sum of money due and payable to the United States for the succeeding month for the applicable fees specified in paragraphs 4.1 and 4.3, together with whatever calculations and any other information as may be required to substantiate the monthly activity.

5.2 Person will pay the amounts due the United States as billed under paragraph 5.1 within 30 days of the date of the bill.

5.3 The United States will bill Person separately for any amounts due the United States under Article II, paragraph 4.2, or Article VII within 60 days after the United States determines the amounts due.

5.4 In the event of any error in the billing statement, Person shall notify the BLM upon receipt regarding any obvious errors in billing amount. The BLM may revise and resend the billing statement based upon obvious errors or, for more complex errors, require Person to pay the amount billed notwithstanding such error. Any adjustment resulting from any overpayment by Person will be shown as a credit in the next billing statement after the error is resolved. Any underpayment by Person will be included in the next billing statement after the error is resolved.

5.5 In the event that Person fails to pay any amount due by the date due, interest will accrue on the unpaid amount, and the United States may collect the amount due together with interest, penalties, and any other applicable fees or amounts, under the Debt Collection Act of 1982, as amended, 31 U.S.C. §§ 3701 *et seq.*, and implementing regulations.

## ARTICLE VI Measurement

6.1 Person will install, operate, and maintain at the points of acceptance and delivery of contained helium hereunder all of the equipment necessary for the measurement and analysis of the helium-gas mixture tendered by Person to the United States and delivered by the United States to Person which is suitable, in the United States' opinion, for the intended purpose. The United States will not be obligated either to accept contained helium from Person for storage or to deliver contained helium to Person from storage whenever, in the United States' opinion, any of the said equipment is unsuitable for the intended purpose.

6.2 The United States may, at its option and expense, install data communication equipment on Person's measurement installation; however, no such data communication equipment will be installed by the United States in any way that would, in Person's opinion, interfere with the operation or the accuracy of Person's measurement equipment.

6.3 The unit of measurement for the helium-gas mixture and contained helium will be "Mcf" as defined in Article I of this Contract. The helium-gas mixture will be measured at the pressure and temperature conditions in the measurement equipment. The measured volumes of helium-gas mixture and contained helium will be adjusted in accordance with Ideal Gas Laws, corrected for deviation as provided in this Article VI or as the parties may otherwise mutually agree in writing, to derive the accepted or delivered volume at standard temperature and pressure. For purposes of that adjustment calculation, the atmospheric pressure at the meter will be assumed to remain constant at the standard barometric pressure at the altitude of the measurement equipment.

6.4 The helium-gas mixture will be measured by orifice meters installed and operated in accordance with methods prescribed by the American Gas Association, Gas Measurement Committee Report No. 3, dated April 1955, as amended. Person will use the *Emerson ROC 809 Electronic Flow Meter (EFM) using Detailed Characterization Method (DCM)*, including the super-compressibility factors. The United States may approve or require other meters that meet operational and technical specifications.

6.5 Person will not install or use any new or replacement meter or measuring equipment to which this Article VI applies before the United States has approved the design and installation of the meter or

equipment.

6.6 Person will perform the following minimum inspections and tests on orifice meters in the presence of authorized BLM officials:

(a) Person will remove and inspect the orifice plates at least once every 6 months (with no more than 200 days between inspections) or whenever data indicates to either party a potential error of the measurement system, upon notification.

(b) Person will inspect the meter tubes whenever requested by the United States and upon initial plant startup or installation of a new or replacement meter tube.

(c) Person will comply with all calibration requirements for EFM and Multi Variable Sensors (MVS) in the ROCLINK 800 User manual, ROC 809 Remote Operations Controller Instruction Manual, and all other related manufacturer manuals.

(d) The parties may agree upon additional tests and inspections or alternative times for the tests and inspections required under this Article VI.

6.7 Person will not install any attachments between the point of measurement and the Federal Helium Pipeline after initial startup without the written consent of the Authorized Officer.

6.8 Person will calculate specific gravity and determine the percentage of helium by volume in the helium-gas mixture based on gas chromatograph analysis. Person will maintain and calibrate the gas chromatograph in accordance with its manufacturer's recommendations. Person must provide the gas used in calibration procedures and must obtain BLM's approval of that gas as the calibration standard. The chromatograph must measure helium, nitrogen, methane, and hydrogen. Person will measure other components as necessary so that at least 99.8 percent of the gas stream components are directly measured.

6.9 Person will maintain at the point of measurement suitable equipment to collect a sample each day proportionate to flow that is representative of the 24-hour helium-gas mixture tendered by Person or delivered by the United States that is adequate for laboratory analysis, consistent with the pressures and cylinder sizes specified in Section 4.1(f). Person will provide this sample to the United States. The United States will retain this sample until the United States witnesses the next meter inspection.

6.10 In addition to the inspections provided for under paragraph 6.6, each party will have the right, at reasonable times, to inspect metering facilities installed and operated by the other party in the presence of a representative of the installing party, and to request tests and witness tests thereof but not to alter or in any manner disturb or adjust the facilities of the other party. If either party desires a test or inspection of any meter, or if a party observes a variation between meters upon which a billing statement is based and any check meter, such party will promptly notify the other party thereof. Each party will give the other party reasonable notice of the time of monthly and annual tests and inspections of metering facilities 72 hours in advance of such tests and inspections so that the other party may have its representatives present.

6.11 If, upon test or inspection, operation of any equipment at any metering facility is found to be inaccurate by an amount exceeding 1.0 percent at a reading corresponding to the average rate of flow or condition for the period since the last preceding test or inspection, then the equipment will be adjusted to zero error and any previous readings will be corrected for zero error for the period which is known or agreed upon; but in case the period is not known or agreed upon, such correction will be for a period equal to one-half of the time elapsed since the date of the last such test or inspection.

6.12 The volume of contained helium will be determined by multiplying the volume of helium-gas mixture by the volume percentage of helium. The helium percentage used in this computation will be determined by the recording analytical instrument described in paragraph 6.8 if it is operative; otherwise, a laboratory analysis of the representative sample described in paragraph 6.9 will be used to determine the contained helium for the day. One such computation will be made for the volume of contained helium tendered for delivery hereunder each 15-minute period or as determined by EFM.



6.13 Person will retain all records and electronic data generated by Person's metering facilities and any other information used for billing purposes for the period of this Contract and for two additional years thereafter. Person agrees to promptly provide to the BLM all records or data that the BLM may request.

6.14 In the event that any of the samples or any of the records or analyses mentioned in this Article VI are lost, damaged, or destroyed, and the parties are unable to otherwise agree on a basis for determining any calculation elements or measurement factors that are unknown by reason of such loss or damage, then the readings of such records or results of data analyses will be computed the same as the average corresponding readings or results prevailing in either a 5-day interval preceding or following the period in question, or both intervals if readings and results are available for each.

## ARTICLE VII Overdrawn Account

7.1 If Person takes more crude helium from the Federal Helium System than it has in storage in the Federal Helium System (referred to as an overdrawn account), Person agrees as follows:

(a) Verbal notification from the United States that the storage account is overdrawn constitutes sufficient initial official notification. The United States will confirm the notification by subsequent mail or e-mail.

(b) Person will shut the valve connecting its facilities to the Federal Helium Pipeline, and keep it closed until notified by the United States that it can be opened.

(c) Person agrees to pay \$5,000 to the United States as liquidated damages and to transfer to the United States' ownership two times the volume of helium overdrawn.

(d) If Person overdraws its storage account for more than 30 days in a Contract Year, the United States may, at its discretion, declare Person ineligible to receive helium deliveries for a period of up to one year.

(e) The remedies provided in this Article are not in derogation of any other remedy available to the United States by law.

## ARTICLE VIII Right of Access

8.1 Person will grant to the United States such rights of access to land and facilities owned or controlled by Person as may be necessary for the performance of this Contract. Person further agrees to grant to the United States such rights-of-way as may be necessary for the BLM to install appropriate equipment for acceptance and delivery of helium into or from the Federal Helium Pipeline. All equipment placed by the United States upon land owned or controlled by Person will remain the property of the United States. The United States will comply with the Person's reasonable environmental, health and safety rules.

## ARTICLE IX Liability and Force Majeure

9.1 Subject to the United States' authority under the Helium Act, as amended by the Helium Stewardship Act enacted on October 2, 2013, and any other applicable law, the United States shall be responsible for the safe storage of Person's volume of helium accepted by the United States under Article II, and the United States agrees to tender for delivery all of Person's helium accepted by the United States under Article II and all of the volume of helium owned by the Person and stored in the Federal Helium System. Provided, however, that the United States shall have no liability to Person for any loss or

damage to Person's volume of helium as a result of Force Majeure while such helium is in the possession of United States.

9.2 (a) In the event of either party being rendered unable, in whole or in part, to carry out any non-monetary obligation under this Contract as a result of force majeure, upon such party giving notice in writing to the other party as soon as possible after the occurrence of the force majeure event describing the particulars of the event, the obligations of the party giving notice that are affected by the force majeure event will be suspended. Such suspension will continue for the duration of the party's inability to carry out the obligation, but for no longer period.

(b) The party giving notice agrees to remedy such inability to perform as soon as practically possible.

(c) Any loss of helium-gas mixture from the Federal Helium System as a result of force majeure will be borne by all parties, including the United States, in proportion to each party's ownership of the gas stored in the Federal Helium System as of the first day of the month in which the force majeure event occurs, except as provided in paragraph (d) of this section. Any such losses will be reduced by the same proportion of any recovery from any third party for causing a force majeure event. For losses only involving the pipeline, the Authorized Officer will determine each party's proportional loss based on the party's withdrawal of helium from the Federal Helium System during the previous 24 hours, including helium for Federal users.

(d) The United States will have no liability to Person for any delay in delivery or loss of Person's helium as a result of force majeure.

9.3 The term "force majeure" means acts of God, acts of public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, civil disturbances, explosions, breakage or accident to machinery or equipment, perforation or breakage of lines of pipe (whether caused by nature or act of a third party), freezing of wells or lines of pipe, partial or entire failure of gas wells or pressure protection devices, inability to obtain materials, supplies, or permits, and any laws, orders, rules, regulations, acts, or restraints of any government or governmental body of authority whether civil or military and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to avoid.

## ARTICLE X Termination

10.1 (a) The United States may, at its option, terminate this Contract if Person continues to fail to comply with any provision of this Contract for a period of 60 days after receipt of notice of the non-compliance. The termination will be effective on the last day of the second month following the month in which Person receives notice of termination.

(b) In the event of termination by the United States, Person agrees:

- 1) The United States may take title to and sell that portion of Person's stored helium as is necessary to cover any unpaid amounts owed to the United States under this Contract.
- 2) Person may sell all of Person's stored helium above the volume referred to in paragraph (b)(1) of this section to a third party who has a helium storage contract with the United States within 90 days after termination of this Contract.
- 3) To the extent that Person fails to sell all of its remaining stored helium under paragraph (b)(2) of this section, the United States may, on behalf of Person, sell such helium. The United States will arrange for the purchaser to pay the purchase price directly to Person, and Person agrees that the United States

bears no liability to Person for any part of the purchase price.

10.2 (a) The United States may, at its option, terminate this Contract in the event that Congress amends, repeals or withdraws, in whole or in part the appropriations or authorities contained in 50 U.S.C. §§ 167-167q as they exist on the date of execution of this Contract. Termination will be effective on the last day of the month in which Person receives notice of termination. In the event of termination by the United States under this section, the parties agree as follows:

- 1) The United States bears no further obligation to deliver any of Person's remaining volumes of helium stored in the Federal Helium System.
- 2) Person retains ownership of its helium stored in the Federal Helium System, but Person is not required to pay any fees to the United States under this Contract.

10.3 Person may, at its sole option, terminate this Contract if—

- (a) Person has given the United States 90 days written notice of its election to terminate;
- (b) Person pays all applicable fees due through the end of the Contract Year; and
- (c) All of Person's stored helium is removed or title thereto is transferred to a third party who has a helium storage contract with the United States by the proposed termination date.

10.4 If this Contract terminates by expiration of its term under Article III, and Person has helium stored in the Federal Helium System, the United States shall allow Person to withdraw all of Person's helium at a maximum daily rate of withdrawal determined by the United States, or, with United States' approval, transfer Person's helium into a newly-negotiated helium storage contract. Upon termination of this Contract by expiration, Person will continue to pay the United States fees related to Person's helium remaining in the Federal Helium System in accordance with Article IV.

ARTICLE XI  
Disposal of Federal Helium System

11.1 The parties acknowledge that under applicable provisions of the Helium Act, as amended by the Helium Stewardship Act enacted on October 2, 2013, as they exist on the date of execution of this Contract, the United States must “designate as excess property and dispose of all facilities, equipment, and other real and personal property, and all interests” in the Federal Helium System not earlier than two years after “the date on which the volume of recoverable crude helium at the Federal Helium Reserve (other than privately owned quantities of crude helium stored temporarily at the Federal Helium Reserve under [50 U.S.C. §§ 167c and 167d]) is 3,000,000,000 standard cubic feet” and “not later than September 30, 2021.” 50 U.S.C. § 167d(d)(1), (c)(3), and (b)(4)(B). The parties acknowledge that the volume of recoverable crude helium in the Federal Helium Reserve may still exceed 3,000,000,000 cubic feet on September 30, 2019. In that event, and without regard to any privately stored helium in the Federal Helium System, the United States would be required to dispose of the Federal Helium System on September 30, 2021, and, absent congressional action, could not dispose of the Federal Helium System before that date.

11.2 The Parties agree that if the United States sells or transfers ownership of the Federal Helium System to a private entity, the United States will, subject to applicable law at the time of sale or transfer, including but not limited to subtitle I of title 40 of the United States Code, require as a condition of sale or transfer, that (i) the purchaser or transferee will take the Federal Helium System subject to Person’s ownership interest in its helium stored in the Federal Helium System; (ii) the purchaser or transferee will assume the obligations of the United States under this Contract to deliver Person’s helium stored in the Federal Helium System; and (iii) the purchaser or transferee will allow Person to withdraw all of Person’s helium stored in the Federal Helium System within a reasonable time and subject to fees that are generally consistent with the fees imposed by the United States immediately prior to the sale or transfer of the Federal Helium System, or allow Person to transfer Person’s helium into a newly-negotiated helium storage contract. Upon sale or transfer of ownership of the Federal Helium System to a private entity, Person agrees that the United States’ obligation to deliver Person’s helium terminates.

ARTICLE XII  
Assignment of Contract

12.1 This Contract and all terms, conditions, and the covenants hereof, will be binding upon and inure to the benefit of the parties hereto, their successors, and assigns.

12.2 Person will have the right to transfer title to any part of the Person-owned helium stored in the Federal Helium System as provided for in this Contract. Title may be transferred to any party that has a helium storage contract with the United States.

12.3 If Person is acquired by or merges with another entity holding a helium storage contract with the United States, Person agrees that all fees under this Contract will continue until this Contract is terminated pursuant to Article X or the two contracts are replaced by one contract between the United States and the entity resulting from the merger.

ARTICLE XIII  
Disputes

13.1 Any dispute concerning a question of fact or law arising under this Contract which is not disposed of by agreement will be decided by the Authorized Officer, who will render a decision and serve a copy thereof on Person. If Person disagrees with the Authorized Officer’s decision, Person and the United States agree to incorporate the administrative review procedures of 43 C.F.R. 3165.3(b), and Person may appeal the Authorized Officer’s decision to the State Director of the BLM State Office having jurisdiction over the Authorized Officer. Pending a final non-appealable decision of a dispute hereunder, both parties will proceed diligently with the performance of their obligations under this Contract and in accordance with the Authorized Officer’s decision.

ARTICLE XIV  
Complete Agreement

14.1 This Contract constitutes the complete agreement between the United States and Person, and there are no oral promises, prior agreements, understandings, obligations, warranties, or representations between the United States and Person relating to this Contract other than those set forth herein or as amended.

ARTICLE XV  
Notices

15.1 All notices required under Article X of this Contract will be served by certified mail, return receipt requested, at the following addresses:

United States: Authorized Officer  
Field Manager–Amarillo Field Office  
U.S. Bureau of Land Management  
801 South Fillmore Street, Suite 500  
Amarillo, Texas 79101-3545

Person: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

UNITED STATES OF AMERICA  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
\_\_\_\_\_

By \_\_\_\_\_  
Field Manager–Amarillo Field Office

By \_\_\_\_\_  
Its \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_