| Return to:  |   |  |  |
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| [Fill in]   |   |  |  |
|   |   |  |  |
| DECLARATION OF ENVIRONMENTAL COVENANT   |   |  |  |
| Reference numbers of related documents: n/a   |   |  |  |
| Grantor(s):   | Teck Washington Incorporated, a Washington corporation  |  |  |
| Grantee(s):   | State of Washington, Department of Ecology  |  |  |
| Legal Descri  | ption:  |  |  |
| 1.  | Abbreviated form: [fill in]   |  |  |
| 2.  | Additional legal descriptions are on pages 7 through of document  |  |  |
| Assessor's Pr   | roperty Tax Parcel Account Number(s): [fill in]   |  |  |
| ******  | ******************  |  |  |
| DECLARATION OF ENVIRONMENTAL COVENANT   |   |  |  |
| The undersigned, Teck Washington Incorporated, a Washington corporation (hereafter "Teck"), is the fee owner of real property (hereafter the "Property") in the County of Pend Oreille, State of Washington, that is subject to this Declaration of Environmental Covenant (hereafter the "Covenant"). The Property consists of separate parcels, each of which is legally described in Attachment A of this Covenant and incorporated herein by reference. |   |  |  |
| Recitals  |   |  |  |
| 173-340-440. Property that  | at is made by Teck pursuant to RCW 70.105D.030(1)(f) and (g) and WAC A remedial action (hereafter "Remedial Action") is being conducted at the is the subject of this Covenant. The Remedial Action conducted at the Property is the following documents: |  |  |
| 1.<br>1 and 2 in Me   | Cleanup Action Plan for the Pend Oreille Mine Tailings Disposal Facilities Nos. staline Falls, Washington dated   |  |  |
| 2.  | Design documents dated  |  |  |

These documents are currently on file at the Washington State Department of Ecology's (hereafter "Ecology") Eastern Regional Office, located at N. 4601 Monroe, Spokane,

Washington. The Remedial Action includes installation of a cover system over the tailings on the Property. The components of the cover system are depicted on the engineering design drawings which is this covenant is a part of and is incorporated herein by reference.

This Covenant is required because a conditional point of compliance has been established for groundwater. Iron and manganese are present in groundwater upgradient of the conditional point of compliance in concentrations that exceed the Model Toxics Control Act Method B cleanup levels established under WAC 173-340-720.

Teck makes the following declaration as to limitations, restrictions, and uses to which each of the parcels on the Property may be put and specifies that such declarations shall constitute covenants to run with the land, as provided by law and shall be binding on the legal representatives, successors and assigns of all persons having or in the future acquiring any right, title, or interest in any of the parcels on the Property (hereafter "Owner"). Teck hereby binds Owner to the land use restrictions identified herein and grants such other rights under this Covenant in favor of the State of Washington, Department of Ecology (hereafter "Ecology"). Ecology shall have full right of enforcement of the rights conveyed under this Covenant pursuant to RCW 70.105D.030(1)(g) and the Uniform Environmental Covenants Act, chapter 64.70 RCW.

### Covenant

| <b>Limitations, Restrictions, and Uses for Parcel</b> : [If multiple parcels are involved, the following lists all of the restrictions that could apply to various parcels. If appropriate, we can determine which restrictions apply to which parcels and specify that below.]  |
|--|
| Section 1. No groundwater may be taken from the parcel, except for purposes related to the Remedial Action, such as groundwater monitoring.  |
| Section 2. The Owner shall maintain components of the Remedial Action installed on this parcel in accordance with the maintenance requirements of the Operations and Maintenance Plan, prepared in accordance with requirements of Exhibit C to the Consent Decree filed on  |
| Section 3. The Owner shall maintain a suitable barrier that restricts unauthorized access to the cover system as described in the Operations and Maintenance Plan, prepared in accordance with requirements of Exhibit C to the Consent Decree filed on, 201 in State of Washington, Department of Ecology v. Teck Washington Incorporated, Pend Oreille County Superior Court No, as now written and hereafter amended. |

<u>Section 4.</u> Any activity on the parcel that may result in the release or exposure to the environment of a hazardous substance that remains on the parcel as part of the Remedial Action, or create a new exposure pathway, is prohibited without prior written approval from Ecology. Such activities include, but are not limited to, the following: drilling or digging; placing any objects or using any equipment that deforms or stresses the ground surface beyond its load-

bearing capability; or bulldozing or earthwork.

Section 7. Any activity on the parcel that may interfere with the integrity of the Remedial Action and the resultant continued protection of human health and the environment is prohibited.

Section 8. The Owner must give thirty (30) days advance written notice to Ecology of the Owner's intent to convey any interest in the parcel. No conveyance of title, easement, lease, or other interest in the parcel shall be consummated by the Owner without adequate and complete provision for continued monitoring, operation, and maintenance of the Remedial Action. The Owner must include in any instrument conveying any interest in the parcel notice of this Restrictive Covenant

<u>Section 9</u>. The Owner must restrict leases to uses and activities consistent with the Restrictive Covenant and notify all lessees of the restrictions on the use of the parcel.

<u>Section 10</u>. The Owner must notify and obtain approval from Ecology prior to any use of the parcel that is inconsistent with the terms of this Restrictive Covenant. Ecology may approve any inconsistent use only after public notice and comment.

<u>Section 11</u>. The Owner shall allow authorized representatives of Ecology the right to enter the parcel at reasonable times for the purpose of evaluating the Remedial Action, to take samples, to inspect the Remedial Action conducted at the parcel, and to inspect records that are related to the Remedial Action. Except in an emergency, Ecology shall notify the Owner of its intention to enter the parcel at least 48 hours before entry.

<u>Section 12</u>. The Owner of the parcel reserves the right under WAC 173-340-440 to record an instrument that provides that this Restrictive Covenant shall no longer limit use of the parcel or be of any further force or effect. However, such an instrument may be recorded only if Ecology, after public notice and opportunity for comment, concurs.

### **Miscellaneous Provisions**

**Governing Law**. The validity, performance, and enforceability of this Covenant shall be governed by the laws of the State of Washington.

**Notices**. All notices or other communications that are required or permitted to be given under this Covenant shall be in writing, and either personally delivered or mailed to the following addresses:

Notices or other communications to Ecology:

Washington State Department of Ecology Eastern Regional Office Toxics Cleanup Program N. 4601 Monroe Spokane, WA 99205 Notices or other communications to Teck Washington Incorporated:

Teck Washington Incorporated 1382 Pend Oreille Mine Road Metaline Falls, WA 99153

(Signature blocks appear on next two pages)

## TECK WASHINGTON INCORPORATED, a Washington corporation By:\_\_\_\_\_ STATE OF WASHINGTON COUNTY OF PEND OREILLE On this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared , to me known to be the person who signed WASHINGTON TECK as INCORPORATED, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and action as said officer of the corporation, that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation. IN WITNESS WHEREOF I have hereunto set my hand and official seal the day \_\_\_\_\_ day of \_\_\_\_\_\_, 201\_\_.

| _ | •          | _   |
|---|------------|-----|
| • | $\Delta$ t | . 1 |
| J | OΙ         | _/  |

Print Name:

Notary Public in and for the State of Washington

Residing at \_\_\_\_\_

My commission expires:\_\_\_\_\_

### STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY

| By:                                 |   |
|-------------------------------------|---|
| Its:                                |   |
|                                     |   |
| APPROVED AS TO FORM:                |   |
|                                     |   |
| By:                                 |   |
| By:Assistant Attorney General       |   |
|                                     |   |
|                                     |   |
| STATE OF WASHINGTON)                |   |
| OUNTY OF)                           |   |
| COUNTY OF)                          |   |
|                                     |   |
| On this day of                      | , 201, before me personally appeared                        |
|                                     | , to me known to be the duly appointed                      |
|                                     | of the STATE OF WASHINGTON                                  |
|                                     | and that executed the within and foregoing instrument and   |
|                                     |   |
|                                     | to be the free and voluntary act and deed of said State of  |
| Washington, for the uses and pu     | rposes therein set forth, and on oath stated that he/she is |
| authorized to execute said instrume | nt.   |
|                                     |   |
| D. WATERES WATER FOR                |   |
|                                     | F I have hereunto set my hand and official seal the day     |
| day of, 2                           | 201   |
|                                     |   |
|                                     |   |
|                                     | Print Name:   |
|                                     | Notary Public in and for the State of Washington            |
|                                     | Residing at   |
|                                     | My commission expires:                                      |

# Attachment A Legal Description