

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RIGHT-OF-WAY NOTICE TO PROCEED

Certified/Registered Mail-Return Receipt Requested

Right-of-Way or Temporary Use Permit (TUP) Serial Number NVN-084650 (NTP No. 53)	
Date 2/24/2011	Issuing Office Nevada State Office
Right-of-Way or TUP name Ruby Pipeline	

INSTRUCTIONS — Use Certified or Registered Mail or hand deliver. Send or give original to Holder. Distribute other copies as indicated after receipt date.

Holder:

In accordance with the terms and conditions of the above referenced right-of-way grant or TUP you are hereby authorized to proceed with the activities noted below in the locations specified. Map(s) are attached. Yes No

Activity	Location
<p>Approval of Ruby's Implementation Plan 2 and authorization to commence construction in the areas specified under location heading. Ruby will file at a later date for authorization to commence construction in those areas presently excluded due to pending cultural mitigation.</p> <p>Approval for the following: Commence pipeline construction in the right-of-way areas identified here and in the referenced alignment and quadrangle sheets.</p> <p>All activity shall comply with the stipulations and mitigation measures detailed in the Record of Decision and Right-of-Way Grant (July 12, 2010) and Decisions to Amend Right-of-Way and Temporary Use Permit (December 10, 2010 and February 24, 2011).</p> <p>The BLM-Klamath Falls NTP 53 in Spread 7 (approximate Mileposts [MP] 658.5 to 662.4) is approved with the following stipulations:</p> <ul style="list-style-type: none"> • NTP does not authorize any activity within the Project Modification No. 160 and No. 170 that are outside of MP 658.5 to 662.4. • Stipulations from previously approved NTPs (e.g. 2 and 8) and Variances (e.g. 07-012-AR and 07-002M-BG) are included by reference in this NTP. • Ruby must comply with all terms and conditions and stipulations as outlined in the Bureau of Land Management's Right-of-Way Grant Serial Number NVN-084650 dated July 12, 2010. • Ruby must comply with the practices and procedures Ruby Pipeline Project Plan of Development (POD), as amended, or as identified in Attachment A "NTP53_BLM_KFRA_Mile-by-Mile_Stipulations_110218.xlsx". This document clarifies stipulations from the POD and includes General Stipulations, and Mile-by-Mile stipulations for: <ul style="list-style-type: none"> ○ Juniper treatment including meeting Coarse Woody Debris requirements, ○ Juniper deck locations, 	<p>This NTP applies only to federal lands located within the following mileage range:</p> <p>1. BLM Klamath Falls Resource Area, OR. In Spread: 7</p> <p>Mileposts (MP): MP 658.5 to 662.4</p> <p>And</p> <p>Project Modification No. 160: Centerline from 657.70 to 659.20 Project Modification No. 170: Centerline from 659.50 to 662.75</p> <p>Alignment Sheets Referenced: 300A-270 through 300A-272</p> <p>Quadrangle Sheets Referenced: 112A-113</p>

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- Roads,
 - Riparian crossings,
 - Wildlife Habitat planting.
 - Ruby must provide at least 48 hours notice prior to implementation of construction on BLM lands.
 - These general stipulations for cultural resources must be followed:
 - Ruby shall follow all appropriate avoidance and mitigation measures for cultural resources, as appropriate.
 - If unanticipated cultural resources discoveries are identified on Reclamation withdrawn lands, Ruby shall work with the Oregon State Historic Preservation Officer (SHPO) and Reclamation to resolve the discovery pursuant to the Unanticipated Discovery Plan outlined in Appendix A of the September 2010 Historic Properties Treatment Plan for Oregon (HPTP) accepted by Reclamation through the execution of the Memorandum of Agreement (MOA) and the implementing stipulations within dated July 29, 2010.
 - If human remains are discovered, the stipulations of the Native American Graves Protection and Repatriation Act (NAGPRA) apply. Reclamation cultural resources staff shall be notified immediately and all project work shall halt in the immediate vicinity pursuant to the September 2010 HPTP and the BLM/Reclamation NAGPRA Plan of Action.
 - Thirty-eight (38) resource sites have been identified on maps supporting this NTP. Of those, twenty-five (25) have been identified as Cultural Resource Sites. BLM made recommendations for cultural site eligibility determinations to Laurie Boros, FERC. Not all Final determinations have been received.
 - Four (4) of those sites, 35LK3446, AKF-1, 35KL3447, AKS-R38, would be directly impacted, were recommended as eligible, and the stack rock features should be avoided.
 - Nine (9) of those sites, AJF-R101, AJV-R23, AL-15, AJV-R25, AJV-R26, AJV-R27, 35KL3449, 35KL3448, AKS-R37, would be directly impacted, are unevaluated, and the stack rock features should be avoided.
 - Twelve (12) of those sites, 35KL3300, AL-9, AL-10, AL-11, AL-12, AL-13, AL-14, AJV-R21A, AJV-R21B, AJF-R100, AJV-R22, AJV-R24, would be directly impacted, were recommended ineligible and no protection was recommended.
 - BLM has verbally approved use of juniper decking sites outside the ROW if material exceeds available space within the ROW, contingent on a variance being approved. Variance 07-010-MM-A is being processed and will address protection of sensitive resources
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outside the ROW.

Authorized officer is:

Amy Leuders Acting Director, BLM, Nevada State Office
Name Title

Onsite inspection and compliance of the Right-of-Way or TUP stipulations will be conducted by the authorized officer's representative

Mark Mackiewicz, National Project Manager, WO-350 Price Field Office, 125 South 600 West, Price, Utah 84501
Name of Authorized Officer's Representative Office, Street, Address, City, State, Zip

(435) 636-3616
Office Phone Number Home Phone Number (Optional)

/s/Mark Mackiewicz February 24, 2011
Authorized Officer's or Representative's Signature Date
Holder's acknowledgement when notice is delivered in person.

Ruby Pipeline, LLC
Signature of Recipient Firm Name

Daniel G. Gredvig February 24, 2011
Name of Recipient Date

Attachment A

NTP 53 Mile-By-Mile Construction and Restoration Stipulations For BLM Klamath Falls Resource Area

General Stipulations

1. Follow POD Guidance unless clarified below
2. Restoration and final grading should result in a surface level enough to assure adequate seeding of the selected grass-forb mix. Rocks that were removed from the trenchline are to be removed from the ROW. Some of these may be used to block access points along the ROW to discourage off-road vehicle use.
3. Following seeding, naturally occurring surface rock that was moved to the edge of the ROW to create a "level" working surface should be spread back over the ROW. Care should be taken to minimize scraping the seed and remaining topsoil and piling it elsewhere across the ROW.
4. The entire ROW ground surface does not need to be tilled or disked to be left in a "roughened" condition. At most the first 150 to 200 feet of the ROW adjacent to access points can be roughened to discourage off-road vehicle use if sufficient rock is not available to block the access.
5. For sections that have approval for "lop and scatter" of the original vegetation, or where vegetation has been set aside to meet Coarse Woody Debris requirements, the vegetative material should be scattered on the ROW preferably after seeding has occurred.
6. Direct seed drilling will be the primary method for seeding within the ROW, (POD Appendix E – Oregon, Page 5-14) except for areas that are too steep or rough for a drill. These areas can be broadcast seeded per POD Appendix E – Oregon, Page 5-14 but a harrow or "drag" (such as behind an ATV) should be used to cover the seed with soil. Fall seeding is preferred.
7. Clarification of Planting Information
 - A. Curleaf mountain mahogany –
 - BLM and BOR only need bitterbrush planted. No mahogany is necessary in this stretch.
 - B. Bitterbrush –
 - MPs for the shrub seedling plantings = The locations for replanting of shrubs are mapped and listed in the KFRA Ruby Pipeline "Mile-by-Mile" Stipulations and shown below.
 - Bitterbrush seed should be collected locally and grown out at a nursery. Stone Nursery in Medford is a preferred nursery for the BLM.
 - 1-0 bareroot seedlings are preferred; containerized seedlings ("plugs") are acceptable.
 - When planting, if there is any established vegetation or recent seeding, a 24 inch diameter scalp or basin should be made and seedlings planted in the center.
 - Plant on approximate 10 foot x 10 foot spacing. Ideally it is better to plant in an irregular (less of a grid) pattern, but it is difficult to write that into a "contract". In this type of planting there is a high mortality due to the competition from new vegetation (i.e., grasses) therefore, we plant even spacing and let the mortality develop the patchiness of the seedlings as you would find in a more natural setting. Ultimately, the 10 x 10 spacing will give the proper number of seedlings per acre considering mortality.
 - In extreme rocky areas (greater than 30% ground surface coverage) you can skip planting.
 - Timing of planting is crucial. Winter/Spring planting is required. Summer/Fall planting is not acceptable.
 - Vexar tubing is essential and we use two stakes per tube. The tubes would remain for 4-5 years until the root system is established.

8. Cultural - Make sure that juniper deck landings and firewood storage areas are away from cultural sites.

9. Visuals - buffer (leave any vegetation not required to be removed) along Willow Valley Road wherever possible, especially with any realignments. Include an undulating clearing boundary for Rock Creek camp area.

Mile-By-Mile Stipulations

The following stipulations are described to be implemented at a milepost; or start at that point and be in effect from that point westward until the stipulation changes. If point is not exactly at a milepost on the map then the distance from the nearest milepost to the east is estimated.

Juniper Treatment Stips					
From_MP	To_MP	Stips	From_Sta	To_Sta	treatment
R658.5	R658.73	Meet CWD reqs. Lop and scatter or chip and haul all remaining Juniper	34758+50	34780+00	Lop/Scatter
R658.73	R658.97	Meet CWD reqs. Move remaining juniper boles >= 8" dia. at the small end to north ROW edge at road K-3 near station 34790+00; Lop and scatter or chip and haul remaining Juniper material	34780+00	34793+20	Firewood
R659.01	R659.51	Meet CWD reqs. Lop and scatter or chip and haul all remaining Juniper	34796+45	34825+90	Lop/Scatter
R659.51	R660.95	Meet CWD reqs. Lop and scatter or chip and haul all remaining Juniper	34821+85	34898+30	Lop/Scatter
R660.95	R661.53	Meet CWD reqs. Move remaining juniper boles >= 8" dia. at the small end to north ROW edge at road near station 34913+80; Lop and scatter or chip and haul remaining Juniper material	34898+30	34928+85	Firewood
R661.53	R662.4	Meet CWD reqs. Lop and scatter or chip and haul all remaining Juniper	34928+85	35016+50	Lop/Scatter

Juniper Deck Locations

Note: BLM has verbally approved use of juniper deck sites outside the ROW if material exceeds available space within the ROW, contingent on a variance being approved. Variance 07-010-MM-A is being processed and will address protection of sensitive resources outside the ROW.

Approx. MP Location	Purpose	Stips	Approx. Sta. Location
R658.89	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34789+20
R658.9	Deck Location	Deck juniper boles >= 8" dia. at the small end for Firewood.	34790+00
R659.24	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34810+00
R659.3	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34814+65
R659.32	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34812+50
R659.37	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34808+80
R659.78	Deck Location	Deck a portion of the 200 whole juniper trees (with root wad & limbs attached) to be stored for future fish habitat project.	34836+35
R661.24	Deck Location	Deck juniper boles >= 8" dia. at the small end for Firewood.	34913+80
Roads Stips			
Road #	Approx. Milepost (if applicable)	Stips	Sta.
K-3 (Willow Valley Res. To East)		Road K-3 (Willow Valley Road BLM# 41S 14E 13.00) - No widening per Variance 07-012-AR. Replace gravel to BLM specifications after project.	
K-3 (Willow Valley Res. To West)		Road K-3 (Willow Valley Road - County Road#1239) maintain to County specifications.	
K-3B	R659.2+8	K-3B - Widening OK. Return to original width after construction.	34810+00
New Village Reroute Access Road	R661.2+5	New Village Reroute Access Road (T41S-R14E-Sec. 13) - If no Cultural Resource sites are located along this road, widening is OK. Return to original width after construction.	34913+75

Riparian Stips				
From_MP	To_MP (if not a Point Location)	Stips	From_Sta	To_Sta (if not a Point Location)
R658.96	R659.05	Intermittent stream. Reduce TWS width to 115 feet within 150 feet each side of crossing (riparian reserve)	34793+20	34797+85
R660.15	R660.29	Perennial Stream (East Branch Lost River) riparian buffer is 300 feet from either side. Keep workspace width to 115 feet within 300 feet of stream.	34856+15	34863+25
R661.66 (Point Location)	Ditch	Restore irrigation conveyance ditch to previous condition including impermeable lining if necessary.	34935+45	

Wildlife Habitat Planting Stips				
From_MP	To_MP	Stips	From_Sta	To_Sta
R658.50	R658.97	Plant Antelope Bitterbrush at 10 foot x 10 foot spacing	34628+65	34793+20
R659.04	R662.40	Plant Antelope Bitterbrush at 10 foot x 10 foot spacing	34797+85	35120+25