

SAND REMOVAL CONTRACT

This contract, entered into this ____ day of _____, 20 __, by and between the Director of Taxation, Kansas Department of Revenue, State of Kansas, hereinafter referred to as the "Director", and _____ whose address is _____, hereinafter referred to as the "Lessee."

WITNESSETH: For the taking or removal of sand from the bed, stream or channel of the _____ River, said location approximately described at the following address _____, the Director and Lessee hereby agree to the following terms and conditions, to wit:

1. For the purposes of this Contract, the terms "river", "navigable river", "navigable stream", "river bed", "stream", or "channel" as used herein or in any statute, regulation or rule of the State of Kansas, shall mean the bed and channel of any river in this state or bordering on this state to the middle of the main channel thereof and all islands and sand bars lying therein which is the property of the state of Kansas.

2. Lessee agrees to make and file with the Director by the fifteenth (15th) day of each month, a verified report stating the amount of sand, from any river, removed or withdrawn, returned, stored and/or sold, and the name of the person(s) to whom the sand was sold to during the preceding month. This report shall be in such form as required by the Director.

3. Lessee agrees to make, keep and preserve records of all sand removed, withdrawn, returned, stored and/or sold, and the name of the person(s) to whom the sand was sold, such records to be made and kept in such manner and form and in such detail as may be required by the Director or his duly authorized agent. Further, such records shall be maintained for at least a period of two years.

4. Lessee agrees to remit to the Director by the fifteenth (15th) day of the month, a sum equal to fifteen cents (\$0.15) for each and every ton of sand removed from the river during the preceding month. For the purpose of converting tons removed to a cubic yard basis, a cubic yard shall be treated as weighing 2,700 pounds.

5. Lessee agrees to permit the Director, or his duly authorized agent, to make such inspections and examination of the books, records, papers, documents and correspondence for any such inspection or examination as the Director or his duly authorized agent may deem necessary and proper, and to submit any such books, records, papers, documents or

correspondence for any such inspection or examination at any time on demand of the Director or his duly authorized agent.

6. Lessee agrees to comply with the orders of the Director concerning locations, terms, and conditions under which sand shall be removed from any river, or from any land therein, of the state. Lessee agrees that it shall not take, move or remove any material from any river within 500 feet of any bridge pier or abutment; or within 200 feet of any stabilized bank or structure built or authorized by the United States government. Lessee shall not remove any sand from any river within a distance of 1,500 feet of the nearest tipple erected and maintained and used for the purpose of taking sand from the river. The aforementioned distances of 200, 500 and 1500 feet are to be construed as minimum distances with greater distances required as necessary to preserve the river bed and bank stability or which may be required by the Director or other authorized governmental body or agency.

7. Cancellation of Contract. In the event the Lessee violates or fails to perform any provision of this contract, or violates or fails to perform any provision or requirement of any law, regulation or rule of the State of Kansas, then the Director may, upon 60 days written notice, cancel and terminate this contract; except that should the Lessee fail to pay any royalty provided for herein, the Director may, upon 30 days written notice, cancel and terminate this contract. The Lessee may terminate this contract for removal of sand from a river at any time by giving written notice to the Director, provided that no payments for sand royalty are due the State of Kansas.

8. The Director reserves the right at all times, upon five days' written notice to the Lessee, to advance or reduce the rate of royalty payable under this contract or to change the basis of the royalty, such change to take effect upon the first day of the month following the date of notice of the change.

9. This Contract is subject to the provisions of the statutes and regulations of the State of Kansas, including but not limited to those contained in Chapter 70a, Sand and Gravel; and any applicable rules or regulations as authorized thereby.

10. Any person or corporation violating any provision of this contract, the statutes of the State of Kansas, or any duly authorized rule or regulation regarding the removal of sand from any river, may be guilty of a misdemeanor and upon conviction may be punished by a fine of not less than twenty-five dollars nor more than one thousand dollars, or by imprisonment in the county jail for not more than six months or by both such fine and imprisonment; and for purposes of prosecution it shall be prima facie proof that the river bed or island involved in such suit is the property of the State as shown by the records of the county clerk and/or register of deeds or otherwise shown by records of title.

Therefore, the Lessee agrees to do and perform all the conditions imposed by the terms of this contract and by law, and in the event that the said Lessee fails, neglects or refuses to comply with all the terms of this contract as herein imposed, then this contract and all rights and privileges inuring to the benefit of said Lessee shall be forever forfeited and canceled.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their signatures this ___ day of _____, 20__.

Director of Taxation
Department of Revenue
State of Kansas

Director of Taxation

Subscribed and Sworn To before me this _____, day of _____, 20__.

Notary Public _____ My commission expires:

Lessee

By: _____

Subscribed and Sworn To before me this _____, day of _____, 20__.

Notary Public _____ My commission expires: