

STATE OF NEVADA

BOB MILLER
Governor

PETER G. MORROS, Director

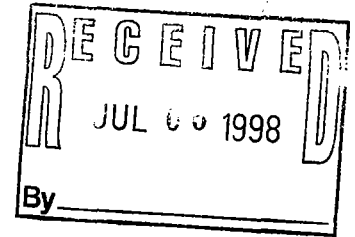
L.H. DODGION, Administrator

(702) 687-4670
TDD 687-4678Administration
Mining Regulation and Reclamation
Water Pollution Control

Facsimile 687-5856

Waste Management
Corrective Actions
Federal FacilitiesAir Quality
Water Quality Planning
Facsimile 687-6396DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION333 W. Nye Lane, Room 138
Carson City, Nevada 89706-0851

June 26, 1998

Mr. Dan H. Stewart
President and Chief Executive Officer
Basic Management, Inc.
P O Box 2065
Henderson, Nevada 89015

Re: BMI Center (Warm Springs Road Extension)

Dear Mr. Stewart:

The Nevada Division of Environmental Protection (NDEP) has completed its review of Basic Management, Inc.'s (BMI) request, dated May 11, 1998, for a no further action determination and a written assurance regarding future liability for the Warm Springs Road Extension (the "Property") within the BMI Industrial Complex in Henderson and Clark County, Nevada. The Property is more fully described in the legal description attached to your request, which is incorporated by this reference.

Our review has included available information regarding environmental conditions on the Property, including the Phase I Environmental Conditions Assessment for the Basic Management, Inc. Industrial Complex, Clark County, Nevada (Geraghty & Miller, Inc., April 1993); the Environmental Characterization Report, BMI Exclusion Areas 3, 4A, 4B, 5/6, Henderson, Nevada (ERM-West, Inc., August, 1996); a letter report, Response to Comments on Environmental Characterization Report, BMI Exclusion Areas, Henderson, Nevada (ERM-West, Inc., January 17, 1997); a final Environmental Characterization Report (ECR), BMI Exclusion Areas 3, 4A, 4B, 5/6, Henderson, Nevada (ERM-West, Inc., April, 1997); Subsurface Soil Evaluation, Warm Springs Road Extension, Phase I, U.S. Highway 95 to Eastgate Road, Henderson, Nevada (Western Technologies Inc., April 30, 1996); and Phase II Subsurface Soil Evaluation, Warm Springs Road Extension, Eastgate Road to Boulder Highway, Henderson, Nevada (Western Technologies Inc., June 24, 1996). These reports adequately describe and characterize environmental conditions on the Property. The map entitled Black Mountain Industrial Center, prepared by PBS&J and dated January 20, 1998, adequately describes those portions of Warm Springs Road for which release is currently being requested.

Based on our review of this information, we have concluded that no further actions are required or necessary with respect to the Property to protect human health or the environment. The Western Technologies, Inc. Reports referenced above fulfill the environmental assessment requirements of the NDEP's letter to BMI dated March 8, 1994. NDEP hereby excludes the Property from any further environmental assessment or other response action, and agrees that development may proceed on the

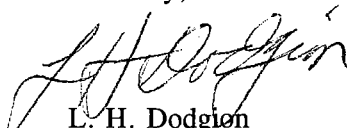
Mr. Dan H. Stewart
President and Chief Executive Officer
Basic Management, Inc.
June 26, 1998
Page 2

Property without environmental restriction based on known present conditions. The NDEP fully releases and discharges the Property from any and all terms, requirements and obligations of those certain Consent Agreements which were entered into by the NDEP respecting the BMI industrial Complex, dated April 25, 1991¹, and February 23, 1996².

In consideration of the fulfillment of NDEP's environmental assessment and no further action requirements, the State of Nevada, Department of Conservation and Natural Resources, Division of Environmental Protection ("Division") hereby releases, discharges and covenants not to seek to hold any purchaser, tenant, lender or other third party which acquires an interest in the Property, or any of their officers, directors, partners, employees, agents, successors, affiliates or assigns, (collectively "Parties") liable as owners, operators or in any other manner, in law or in equity, under any statute, regulation or any federal, state or common law, for contamination known to exist at, on, in or below the Property and described in the final ECR Report. The Division reserves, and the foregoing sentence is without prejudice to, all of its authorities with respect to the discovery of contaminated conditions at, on, in or below the Property that are not described in the final ECR Report, and the receipt by the Division of information, previously unknown to the Division, in the event that either such conditions or information indicate an actual or potential threat to human health or the environment. The Division acknowledges that BMI and Parties may rely on the covenants in this paragraph in connection with the purchase, sale and development of the Property, and consents to such reliance. The Division consents to the recordation of these covenants or a recordable notation of them in the Clark County Recorder's Office.

The undersigned certifies that he is authorized by the Director, Department of Conservation and Natural resources, to sign this letter.

Sincerely,



L. H. Dodgion
Administrator

LHD:kmf

cc: R. Kelso, NDEP
Mr. Gregory W. Schlink, Basic Management, Inc., P.O. Box 2065,
Henderson, Nevada 89015
Mr. David W. Tunderman, Esq., Parsons Behle & Latimer, P.O. Box 45898, Salt Lake City,
Utah 84145-0898
Mr. Barry Conaty, Esq., Cutler & Stanfield, 700 Fourteenth Street, N.W., Washington, D.C.
20005
Mr. Philip Speight, City Manager, 240 Water Street, Henderson, NV 89015

¹ The other parties are Chemstar, Inc., Kerr-McGee Chemical Corporation, Montrose Chemical Corporation of California, Inc., Pioneer Chlor Alkali Company, Inc., Stauffer Management Company, Inc., and Titanium Metals Corporation.

² The other parties are Kerr-McGee Chemical Corporation, Montrose Chemical Corporation of California, Inc., Pioneer Chlor Alkali Company, Inc., Stauffer Management Company, and Titanium Metals Corporation.

"EXHIBIT A"

APN: 178-11-501-001

A portion of the Northwest Quarter (NW 1/4) of Section 11, Township 22 South, Range 62. East, M.D.M., City of Henderson, Clark County, Nevada, described as follows:

The Northerly 50.00 feet of the Northwest Quarter (NW 1/4) of said section lying East of the Easterly right-of-way of I-515/95 Freeway.

The above described portion of land contains an area of 102,323 square feet more or less, and is a part of the Warm Springs Road right-of-way (100.00 foot in width).

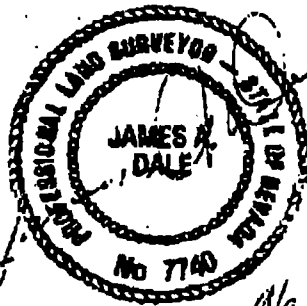


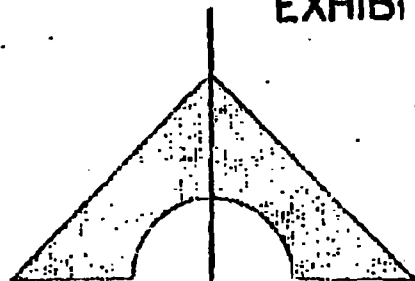
EXHIBIT " " FOR 178 - 11 - 501 - 001

A PORTION OF THE NW 1/4 OF SECTION 11

T. 22 S., R. 62 E., M.D.M.
CLARK COUNTY, NEVADA

BASIC MANAGEMENT INC.

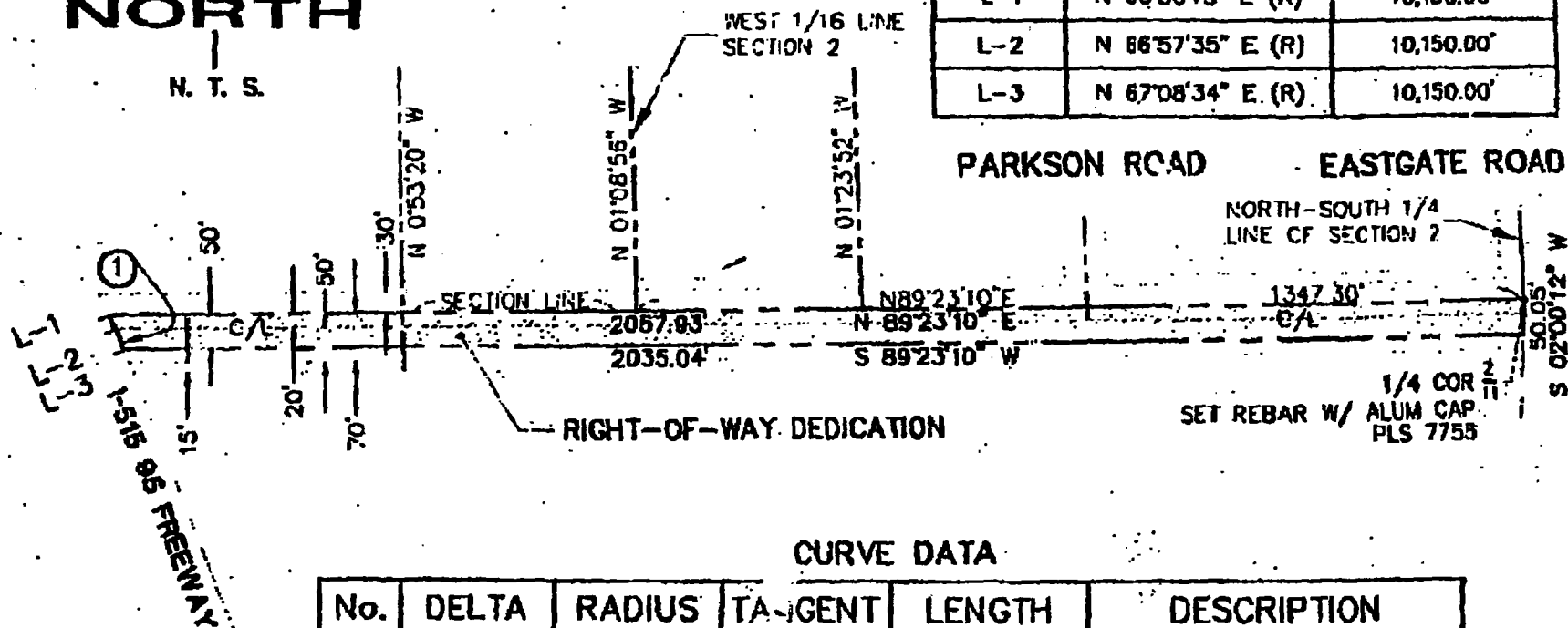
178 - 11 - 501 - 001
(DOCUMENT 0411 : 0331321)



N. T. S.

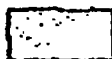
LINE TABLE

LINE	DIRECTION	DISTANCE
L-1	N 66°50'15" E (R)	10,150.00'
L-2	N 66°57'35" E (R)	10,150.00'
L-3	N 67°08'34" E (R)	10,150.00'



CURVE DATA

No.	DELTA	RADIUS	TANGENT	LENGTH	DESCRIPTION
①	018°19'	10,150.00'	1,04'	54.08'	B.M.I. R-O-W DEDICATION



RIGHT-OF-WAY DEDICATION

C/L CENTERLINE

P/L PROPERTY LINE

6/12/98
001--RWX.DWG

AREA = 102,323 SQ.FT.

"EXHIBIT B"

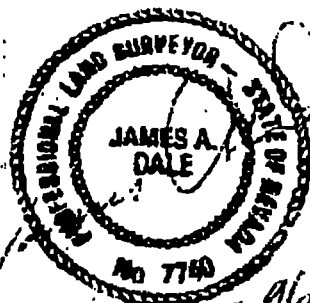
2938

APN: 178-11-501-001

A portion of the Northwest Quarter (NW 1/4) of Section 11, Township 22 South, Range 62 East, M.D.M., City of Henderson, Clark County, Nevada, described as follows:

The Southerly 20.00 feet of the Northerly 70.00 feet of the Northwest Quarter (NW 1/4) of said section, lying East of the Easterly right-of-way of I-515/95 Freeway.

The above described portion of land contains an area of 42,610 square feet more or less, and is a part of the Warm Springs Road right-of-way (100.00 foot in width).



6-13-96

04/13/98 13:33 FAX 04/13/98 03:43PM

EXHIBIT " " FOR 178 - 11 - 501 - 001

A PORTION OF THE NW 1/4 OF SECTION 11

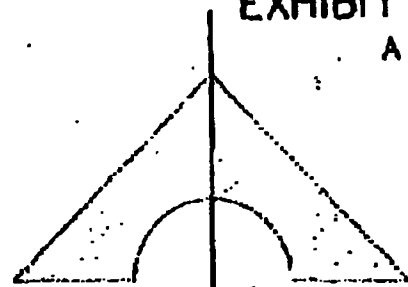
T. 22 S., R. 62 E., M.D.M.

CLARK COUNTY, NEVADA

BASIC MANAGEMENT INC.

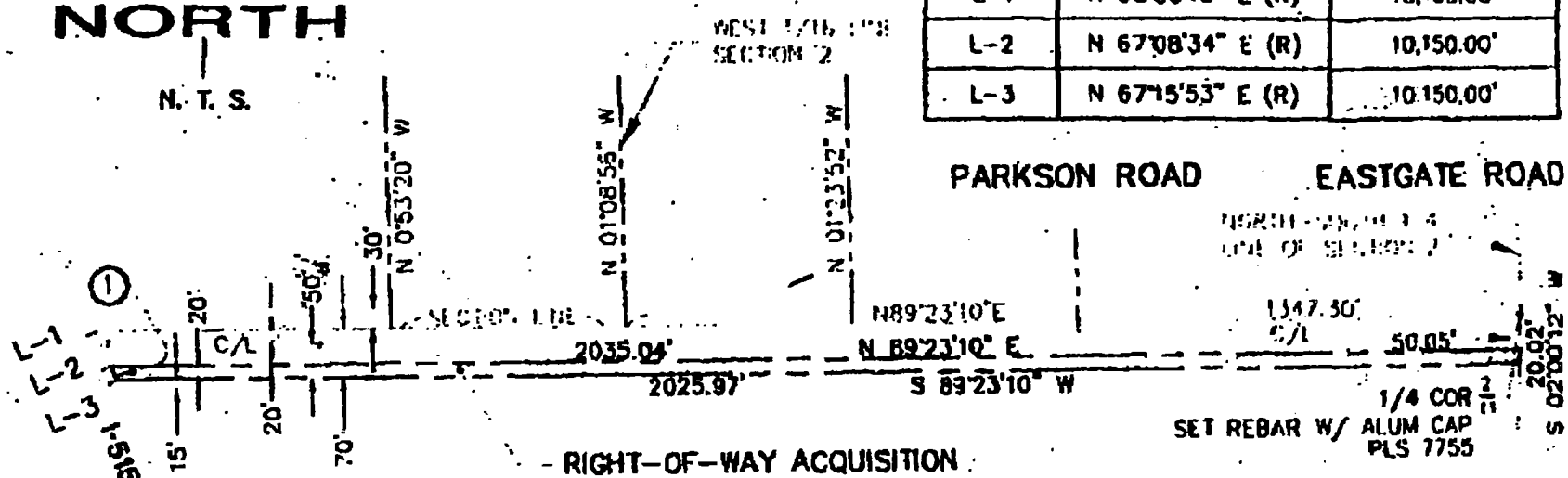
178 - 11 - 501 - 001

(DOCUMENT 0411 : 0331321)



NORTH

N. T. S.



LINE TABLE

LINE	DIRECTION	DISTANCE
L-1	N 66°50'15" E (R)	10,150.00'
L-2	N 67°08'34" E (R)	10,150.00'
L-3	N 67°15'53" E (R)	10,150.00'

CURVE DATA

No.	DELTA	RADIUS	TANGENT	LENGTH	DESCRIPTION
①	0°07'19"	10,150.00'	10.80'	21.60'	B.M.I. R-O-W ACQUISITION

RIGHT-OF-WAY ACQUISITION

C/L CENTERLINE

P/L PROPERTY LINE

AREA = 40,610 SQ.FT.

"EXHIBIT C"**LEGAL DESCRIPTION****APN 178-11-501-001**

A PARCEL OF LAND SITUATE THE NORTHEAST QUARTER (NE1/4) OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER (NE1/4) OF SAID SECTION 11; THENCE ALONG THE NORTH LINE THEREOF, SOUTH 88°58'43" WEST, A DISTANCE OF 582.04 FEET; THENCE DEPARTING SAID NORTH LINE, SOUTH 11°33'24" WEST, A DISTANCE OF 30.00 FEET **TO THE POINT OF BEGINNING**; THENCE CONTINUING, SOUTH 11°33'24" WEST, A DISTANCE OF 50.00 FEET TO A POINT OF NON-TANGENCY; THENCE ALONG A CURVE WHOSE RADIUS POINT BEARS SOUTH 11°33'24" WEST, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1170.00 FEET, ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 12°34'41", AN ARC LENGTH OF 256.85 FEET; THENCE SOUTH 88°58'43" WEST, A DISTANCE OF 1733.92 FEET; THENCE NORTH 01°01'17" WEST, A DISTANCE OF 50.00 FEET; THENCE NORTH 88°58'43" EAST, A DISTANCE OF 1733.92 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG SAID CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1220.00 FEET, ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 12°34'41", AN ARC LENGTH OF 267.82 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING APPROXIMATELY 99,812 SQ. FT. (2.28 ACRES).

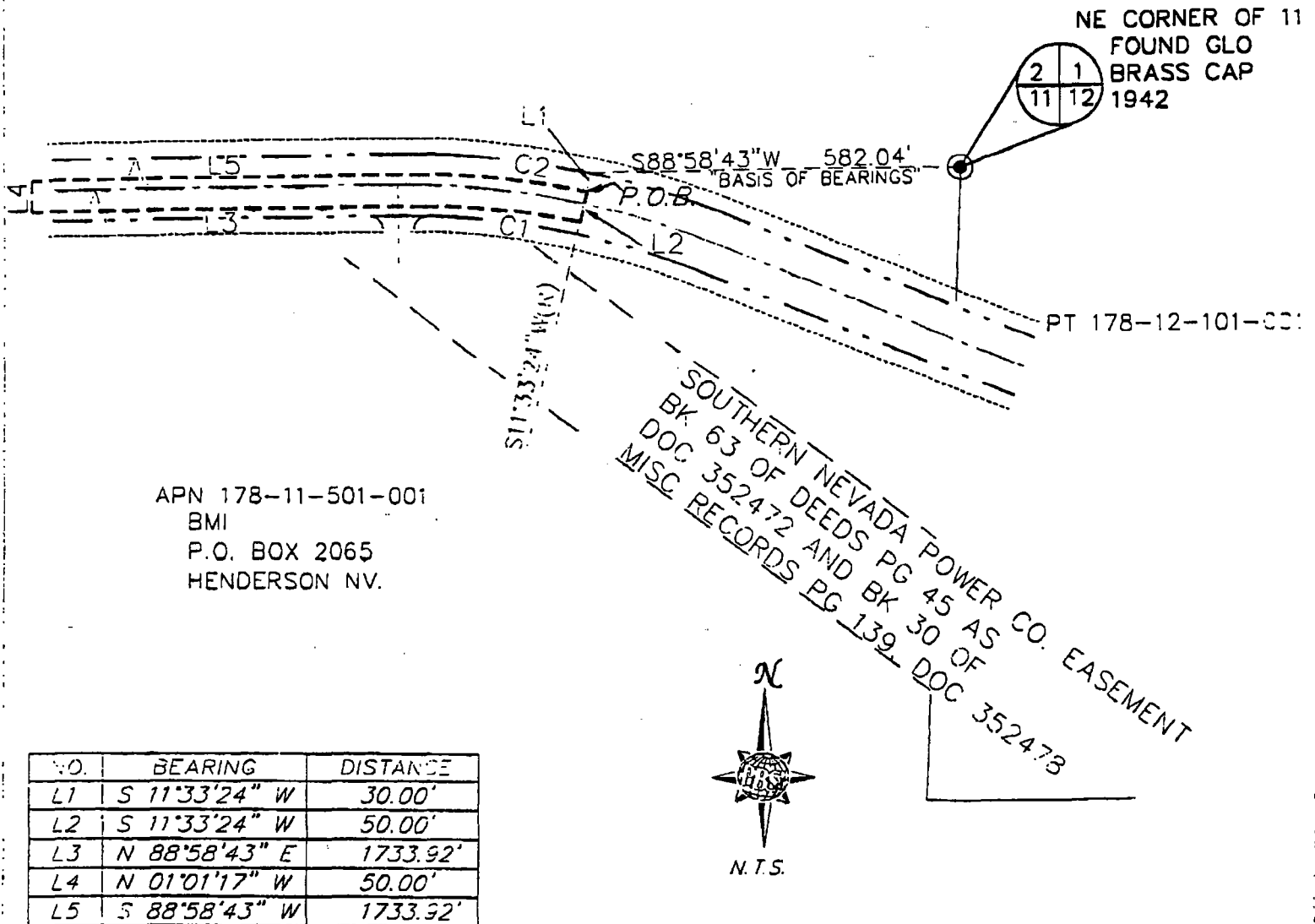
BASIS OF BEARING

SOUTH 88°58'43" WEST - BEING THE NORTH LINE OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA.



PROJECT No.: 51330
 DATE: 03-13-98
 CALC. BY TLH
 CHECKED BY EC 3/98
 DRAWN BY TLH

DESCRIPTION: RIGHT-OF-WAY ACQUISITION WARM SPRINGS ROAD



NO.	RADIUS	DELTA	LENGTH	TANGENT
C1	1170.00'	12°34'41"	256.85'	128.94'
C2	1220.00'	12°34'41"	267.82'	134.45'

[] AREA OF R/W TAKE

OWNER: BASIC MANAGEMENT INC PARCEL No.: 178-11-501-001
 SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST
 TOTAL AREA OF PARCEL: 234.57 AC.
 AREA OF R/W TAKE: 99,812± S.F. (2.279 AC.)
 AREA OF R/W TAKE WITHIN U.S.A. PAT. RES.: 0
 AREA OF R/W TAKE COVERED BY EXISTING STREET IMPROVEMENTS: 0
 TOTAL REMAINING AREA OF PARCEL: 232.28 AC.
 REFERENCE: 11501S-50

"EXHIBIT D"**LEGAL DESCRIPTION****APN 178-11-501-001**

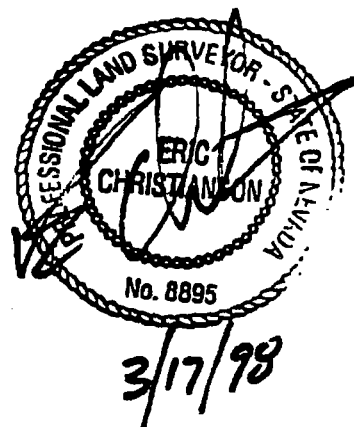
A PARCEL OF LAND SITUATE THE NORTHEAST QUARTER (NE1/4) OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER (NE1/4) OF SAID SECTION 11; THENCE ALONG THE NORTH LINE THEREOF, SOUTH 88°58'43" WEST, A DISTANCE OF 582.04 FEET; THENCE DEPARTING SAID NORTH LINE, SOUTH 11°33'24" WEST, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 11°33'24" WEST, A DISTANCE OF 20.00 FEET TO A POINT OF NON-TANGENCY; THENCE ALONG A CURVE WHOSE RADIUS POINT BEARS SOUTH 11°33'24" WEST, CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1150.00 FEET, ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 12°34'41", AN ARC LENGTH OF 252.46 FEET; THENCE SOUTH 88°58'43" WEST, A DISTANCE OF 1733.92 FEET; THENCE NORTH 01°01'17" WEST, A DISTANCE OF 20.00 FEET; THENCE NORTH 88°58'43" EAST, A DISTANCE OF 1733.92 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG SAID CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1170.00 FEET, ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 12°34'41", AN ARC LENGTH OF 256.85 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING APPROXIMATELY 39,771 SQ. FT. (0.91 ACRES).

BASIS OF BEARING

SOUTH 88°58'43" WEST - BEING THE NORTH LINE OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA.



PROJECT No.: 51330

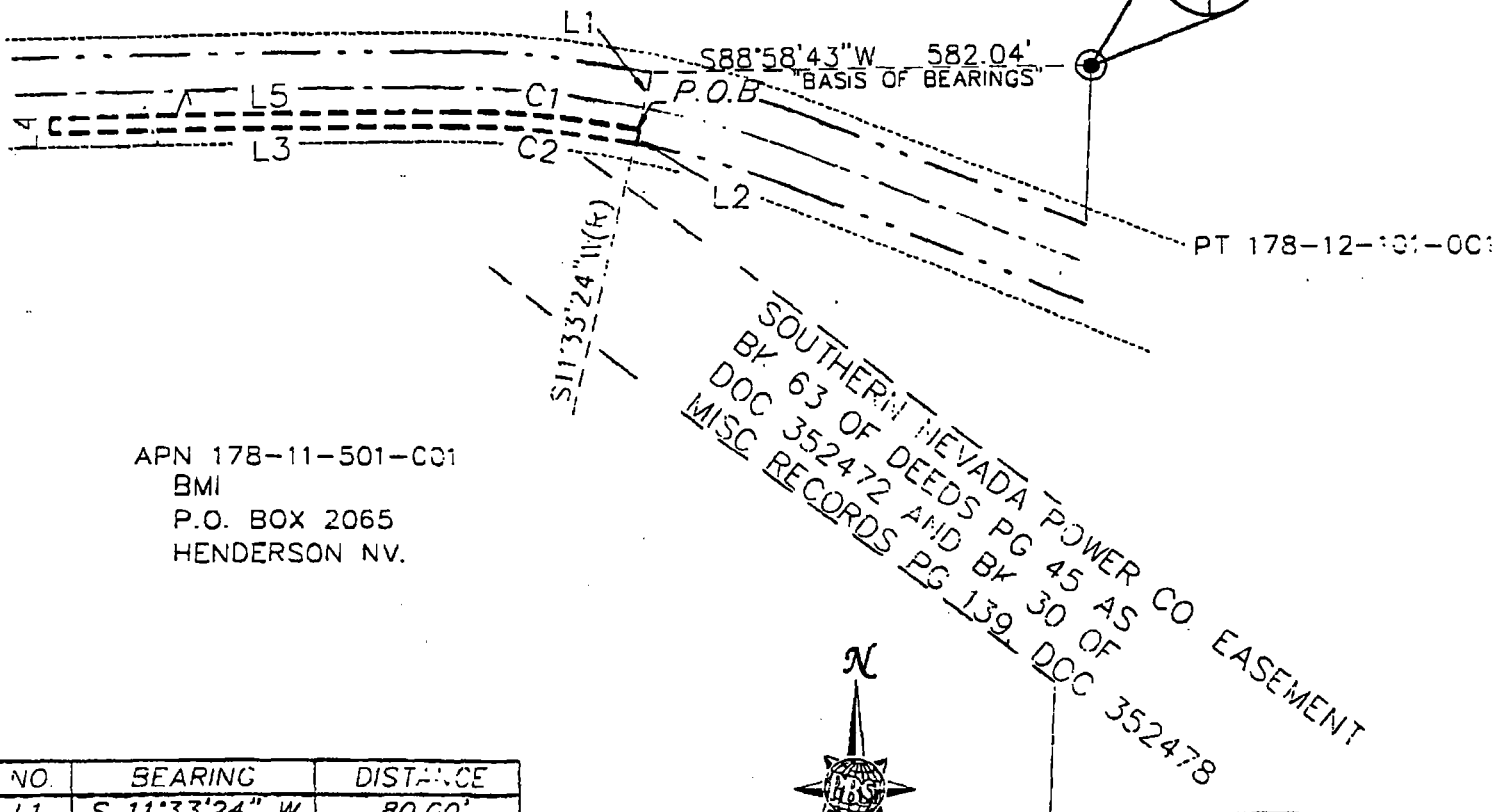
DATE: 03-13-98

CALC. BY TLH

CHECKED BY EC 3/98

DRAWN BY TLH

DESCRIPTION: RIGHT-OF-WAY ACQUISITION WARM SPRINGS ROAD

NE CORNER OF 11
FOUND GLO
BRASS CAP
1942APN 178-11-501-001
BMI
P.O. BOX 2065
HENDERSON NV.

NO.	BEARING	DISTANCE
L1	S 11°33'24" W	80.00'
L2	S 11°33'24" W	20.00'
L3	N 88°58'43" E	1733.92'
L4	N 01°01'17" W	20.00'
L5	S 88°58'43" W	1733.92'



NO.	RADIUS	DELTA	LENGTH	TANGENT
C1	1170.00'	12°34'41"	256.85'	128.94'
C2	1150.00'	12°34'41"	252.46'	126.74'

[] AREA OF R/W TAKE

OWNER: BASIC MANAGEMENT INC PARCEL No.: 178-11-501-001

SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST

TOTAL AREA OF PARCEL: 234.57 AC.

AREA OF R/W TAKE: 39,771± S.F. (0.91 AC.)

AREA OF R/W TAKE WITHIN U.S.A. PAT. RES.: 0

AREA OF R/W TAKE COVERED BY EXISTING STREET IMPROVEMENTS: 0

TOTAL REMAINING AREA OF PARCEL: 233.66 AC.

REFERENCE: 11501S-20

"EXHIBIT E"
LEGAL DESCRIPTION
APN 178-11-501-001

A PARCEL OF LAND SITUATE THE NORTHEAST QUARTER (NE1/4) OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER (NE1/4) OF SAID SECTION 11; THENCE ALONG THE EAST LINE THEREOF, SOUTH $01^{\circ}46'08''$ WEST, A DISTANCE OF 221.45 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH $01^{\circ}46'08''$ WEST, A DISTANCE OF 106.66 FEET; THENCE DEPARTING SAID EAST LINE, NORTH $67^{\circ}52'13''$ WEST, A DISTANCE OF 419.97 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG SAID CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1150.00 FEET, ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF $10^{\circ}34'23''$, AN ARC LENGTH OF 212.22 FEET; THENCE NORTH $11^{\circ}33'24''$ EAST, A DISTANCE OF 100.00 FEET TO A POINT OF NON-TANGENCY; THENCE ALONG A CURVE WHOSE RADIUS POINT BEARS, SOUTH $11^{\circ}33'24''$ WEST, CONCAVE SOUTHWESTERLY, HAVING RADIUS OF 1250.00 FEET, ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF $10^{\circ}34'23''$, AN ARC LENGTH OF 230.67 FEET; THENCE SOUTH $67^{\circ}52'13''$ EAST, A DISTANCE OF 382.86 FEET TO THE POINT OF BEGINNING.

SAID PARCEL OF LAND CONTAINING APPROXIMATELY 62,285 SQ. FT. (1.42 ACRES).

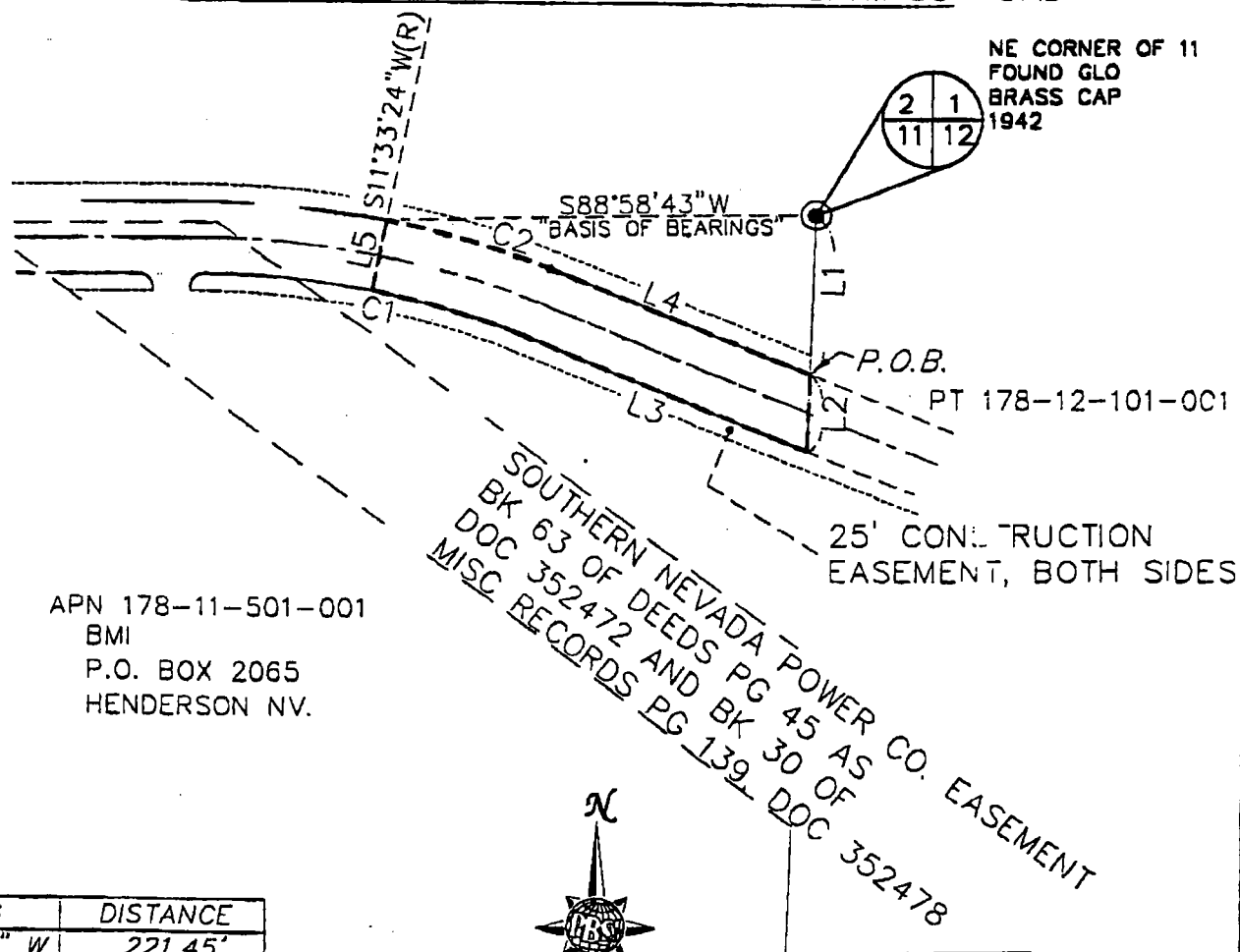
BASIS OF BEARING

SOUTH $88^{\circ}58'43''$ WEST - BEING THE NORTH LINE OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA.



PROJECT No.: 51330
 DATE: 03-13-98
 CALC. BY TLH
 CHECKED BY EC 3/98
 DRAWN BY TLH

DESCRIPTION: RIGHT-OF-WAY ACQUISITION WARM SPRINGS ROAD

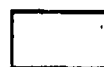


APN 178-11-501-001
 BMI
 P.O. BOX 2065
 HENDERSON NV.

NO.	BEARING	DISTANCE
L1	S 01°46'08\" W	221.45'
L2	S 01°46'08\" W	106.66'
L3	N 67°52'13\" W	419.97'
L4	S 67°52'13\" E	382.86'
L5	N 11°33'24\" E	100.00'



NO.	RADIUS	DELTA	LENGTH	TANGENT
C1	1150.00'	10°34'23\"	212.22'	106.41'
C2	1250.00'	10°34'23\"	230.67'	115.66'



AREA OF R/W TAKE

OWNER: BASIC MANAGEMENT INC PARCEL No.: 178-11-501-001
 SECTION 11, TOWNSHIP 22 SOUTH, RANGE 62 EAST
 TOTAL AREA OF PARCEL: 234.57 AC.
 AREA OF R/W TAKE: 62,285± S.F. (1.42 AC.)
 AREA OF R/W TAKE WITHIN U.S.A. PAT. RES.: 0
 AREA OF R/W TAKE COVERED BY EXISTING STREET IMPROVEMENTS: 0
 TOTAL REMAINING AREA OF PARCEL: 233.15 AC.
 REFERENCE: 11501001

SEC. 11-100FT

"EXHIBIT F"**LEGAL DESCRIPTION****APN 178-12-601-002**

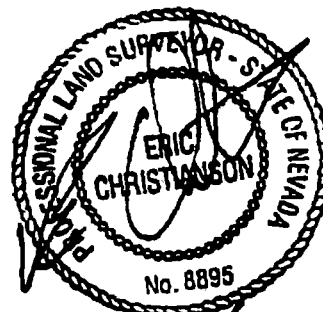
A PARCEL OF LAND SITUATE THE NORTHEAST QUARTER (NE1/4) OF SECTION 12, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER (NE1/4) OF SAID SECTION 12; THENCE ALONG THE EAST LINE THEREOF, NORTH 00°13'30" EAST, A DISTANCE OF 109.14 FEET TO A POINT OF INTERSECTION WITH THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF BOULDER HIGHWAY; THENCE DEPARTING SAID EAST LINE AND ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE, NORTH 42°44'30" WEST, A DISTANCE OF 407.04 FEET TO THE POINT OF BEGINNING; THENCE DEPARTING SAID RIGHT-OF-WAY LINE, SOUTH 76°47'56" WEST, A DISTANCE OF 276.87 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG SAID CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1250.00 FEET, ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 45°23'09", AN ARC LENGTH OF 990.16 FEET; THENCE NORTH 57°48'55" WEST, A DISTANCE OF 276.88 FEET; THENCE NORTH 09°19'23" WEST, A DISTANCE OF 133.54 FEET; THENCE SOUTH 57°48'55" EAST, A DISTANCE OF 365.37 FEET TO THE BEGINNING OF A TANGENT CURVE; THENCE ALONG SAID CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1150.00 FEET, ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 45°23'09", AN ARC LENGTH OF 910.95 FEET; THENCE NORTH 76°47'56" EAST, A DISTANCE OF 220.20 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF BOULDER HIGHWAY; THENCE ALONG SAID RIGHT-OF-WAY LINE, SOUTH 42°44'30" EAST, A DISTANCE OF 114.94 FEET TO THE POINT OF BEGINING.

SAID PARCEL CONTAINING APPROXIMATELY 152,022 SQ. FT. (3.49 ACRES).

BASIS OF BEARING

SOUTH 88°58'43" WEST - BEING THE SOUTH LINE OF SECTION 2, TOWNSHIP 22 SOUTH, RANGE 62 EAST, M.D.M., CLARK COUNTY, NEVADA.



14009
APR 13 '98 03:39PM

PROJECT No.: 51330

DATE: 02-09-98

CALC. BY TLH

CHECKED BY EC 2/98

DRAWN BY TLH

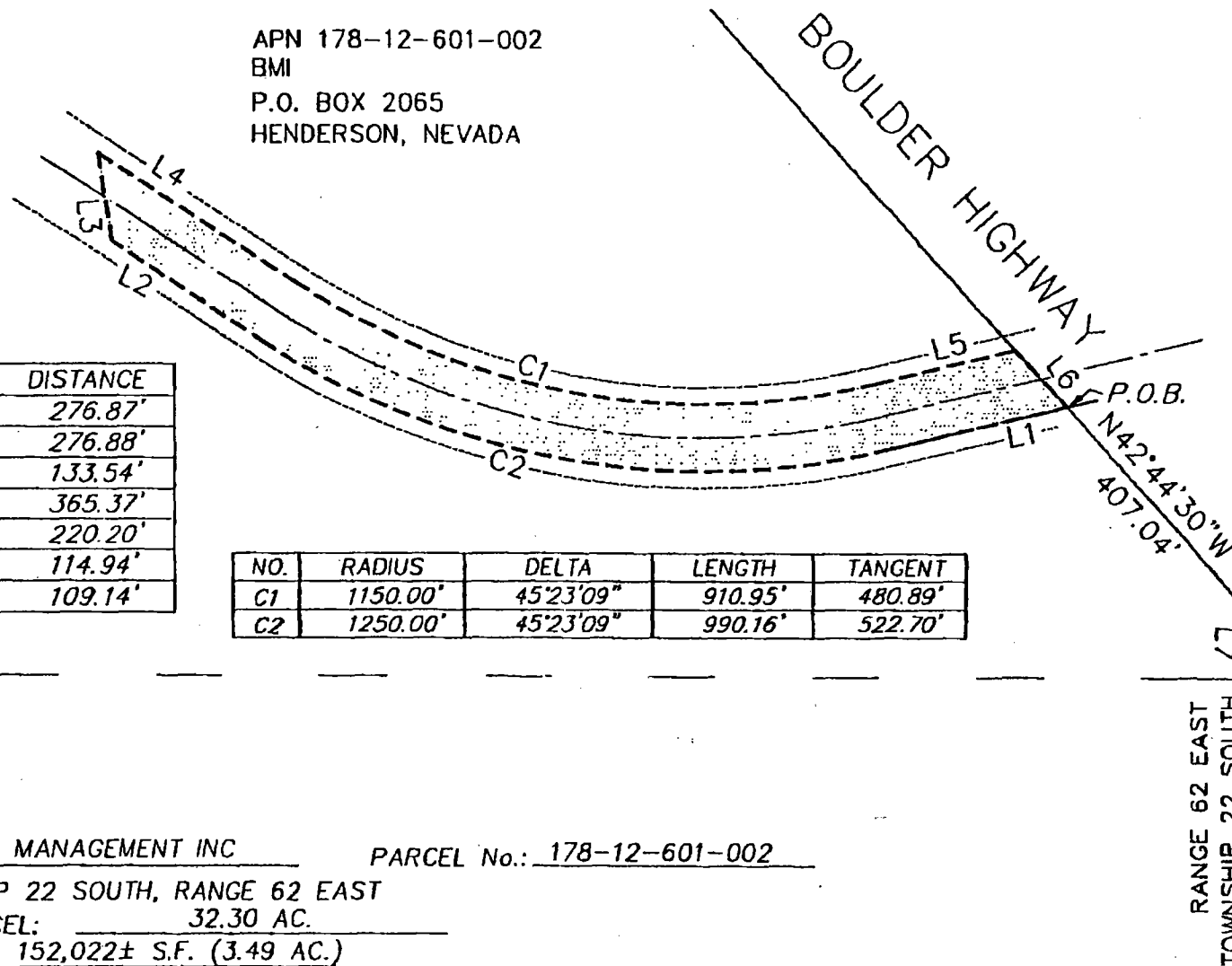
DESCRIPTION: RIGHT-OF-WAY ACQUISITION WARM SPRINGS ROAD

APN 178-12-601-002
BMI
P.O. BOX 2065
HENDERSON, NEVADA

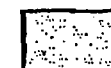


NO.	BEARING	DISTANCE
L1	S 76°47'56" W	276.87'
L2	N 57°48'55" W	276.88'
L3	N 09°19'23" W	133.54'
L4	S 57°48'55" E	365.37'
L5	N 76°47'56" E	220.20'
L6	S 42°44'30" E	114.94'
L7	N 00°13'30" E	109.14'

NO.	RADIUS	DELTA	LENGTH	TANGENT
C1	1150.00'	45°23'09"	910.95'	480.89'
C2	1250.00'	45°23'09"	990.16'	522.70'



OWNER: BASIC MANAGEMENT INC
SECTION 12, TOWNSHIP 22 SOUTH, RANGE 62 EAST
PARCEL No.: 178-12-601-002
TOTAL AREA OF PARCEL: 32.30 AC.
AREA OF R/W TAKE: 152,022± S.F. (3.49 AC.)
AREA OF R/W TAKE WITHIN U.S.A. PAT. RES.: 0
AREA OF R/W TAKE COVERED BY EXISTING STREET IMPROVEMENTS: 0
TOTAL REMAINING AREA OF PARCEL: 28.81 AC.
REFERENCE: 12601002



AREA OF R/W TAKE

04/13/98 15:33 FAX