



***Proposed Leasing Notice
Commonwealth of the Northern
Mariana Islands OCS Mineral
Lease Sale PACM-2***



Lease Stipulations

The Bureau of Ocean Energy Management (BOEM) would apply the following lease stipulations to all leases issued as a result of the proposed Commonwealth of the Northern Mariana Islands (CNMI) Outer Continental Shelf (OCS) Mineral Lease Sale (PACM-2).

The lease stipulations for CNMI OCS Mineral Lease Sale (PACM-2) are as follows:

Table of Contents

Stipulation No. 1 – Lease Preliminary Activities and Survey Notices	2
Stipulation No. 2 – Endangered Species Act and Essential Fish Habitat Consultation Requirements	3
Stipulation No. 3 – Fisheries Communication Plan	6
Stipulation No. 4 – Protection of Birds	7
Stipulation No. 5 – Marine Archaeology Requirements for Preliminary Activities	7
Stipulation No. 6 – Unanticipated Discovery Requirements	8
Stipulation No. 7 – Research Site Access	8
Stipulation No. 8 – Preliminary Activities Reporting	8
Stipulation No. 9 – Confidential Information	10
Stipulation No. 10 – Community Investment and Economic Development	10
Stipulation No. 11 – Local Content and Labor Utilization	10
Stipulation No. 12 – Supply Chain Statement of Goals	11
Stipulation No. 13 – Port Utilization and Infrastructure Investment	11
Stipulation No. 14 – Coordination with the Department of War	11

Stipulation No. 1 – Lease Preliminary Activities and Survey Notices

For purposes of this lease, “Preliminary Activities” means activities performed by the Lessee that are consistent with the activities described in the Commercial Leasing for Minerals Offshore the Commonwealth of the Northern Mariana Islands (CNMI) Environmental Assessment (EA), provided to the Lessee with this lease. If the Lessee proposes any other activities not included in the EA prior to submitting a Delineation, Testing, and/or Mining Plan(s), they must notify the Lessor (through BOEM) at least 60 days prior to undertaking the activity. BOEM will notify the Lessee if any additional analysis or consultation to protect species listed under the Endangered Species Act (ESA) or Marine Mammal Protection Act (MMPA), or to protect historic or cultural properties, are required prior to the Lessee undertaking the activity.

The Lessee must give written notice to BOEM at least 30 days prior to initiating any Preliminary Activities on the lease. In the notice, the Lessee must describe in detail those activities that will be conducted and the time schedule for conducting those activities (30 CFR 582.21(d)) necessary to develop comprehensive Delineation, Testing, and/or Mining Plan(s). Each distinct activity (e.g., mobilization) must be identified in one or more written notices.

The Lessee must include in each written notice details of the proposed Preliminary Activities (e.g., bathymetric, geological, geophysical, mapping, or other surveys) to be conducted and timelines for the activities. The Lessee must demonstrate in its notice that these proposed Preliminary Activities conform to the requirements of the Outer Continental Shelf Lands Act (OCSLA; 43 U.S.C. §§ 1331 *et seq.*); are safe; do not unreasonably interfere with other uses of the Outer Continental Shelf (OCS), including those for national security and defense; conform to sound conservation practices for the Leased Minerals (as well as other OCS resources not subject to this lease) and protect the rights of the Lessor; and do not cause undue or serious harm or damage to the human, marine, or coastal environment. The notice must also demonstrate that it complies and is consistent with the analyses in the Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response issued by National Marine Fisheries Service (NMFS) related to this lease, and the Incidental Take Authorization issued by NMFS under the Marine Mammal Protection Act (if applicable) in place at the time of submission. The Lessor will review the notice and report to the Lessee if the notice is insufficient to demonstrate compliance with these provisions.

The Lessee must provide sufficient detail in each notice to reasonably enable the Lessor’s review, including, but not limited to the following information:

- A description and illustration of the geographic areas involved in the activity;
- Details of the activities to be conducted and the time schedule of activities;
- The specifications of each vessel and each piece of equipment including towed, deployed, and/or autonomous with associated operating specifications such as source level, transmission frequency, directionality, beamwidth, and pulse repetition rate;
- A brief synopsis of proposed baseline environmental survey methods for surveys listed above, and sampling approaches, the spatial/temporal design, and data and metadata standards used for collection and reporting.

The Lessor may require meeting(s) with the Lessee regarding proposed Preliminary Activities prior to the commencement of such activities. The request will be made promptly after the Lessor

receives the notice of Preliminary Activities, as provided by this lease, and the meeting(s) will be scheduled so as not to unreasonably delay the Preliminary Activities. The Lessee must ensure the presence at this meeting of all relevant personnel, crew members, and subject matter experts, as requested by the Lessor. Topics may include responsibilities, chains of command, communication procedures, monitoring procedures, operational procedures, and content of the notice. New personnel must be briefed as they join the work in progress.

Stipulation No. 2 – Endangered Species Act and Essential Fish Habitat Consultation Requirements

a. Vessel Speed

The Lessee must ensure that all vessels associated with Preliminary Activities (regardless of whether they are conducted by the Lessee, operators, or contractors) reduce speeds to 10 knots or less when mother-calf pairs, pods, or large assemblages (greater than three) of any Endangered Species Act (ESA) protected marine mammal species are observed or suspected (e.g., cannot be definitively identified as not an ESA-protected species) near a vessel. Operators must be particularly vigilant to watch for sea turtles at or near the surface in areas of known or suspected turtle activity, and if practicable, vessel speeds must be reduced to five (5) knots or less.

b. Vessel Strike Avoidance Zone

All vessels associated with Preliminary Activities (regardless of whether they are conducted by the Lessee, an operator, or contractor), including during transit to the Lease Area, must have a Protected Species Observer (PSO) or trained observer monitoring the vessel strike avoidance zone for protected species at all times. While in the Lease Area, there must be a certified PSO present on the vessel. Regardless of vessel size, if sperm whales are detected at or within 100 meters, any baleen whale is detected within 500 meters, or any other ESA-protected species is detected or suspected within 50 meters, including sea turtles and large jellyfish aggregations, the vessel must slow down, stop, or alter course, as appropriate to avoid striking any protected species. The only exception is when the safety of the vessel or crew necessitates deviation from these requirements. If any such incidents occur, they must be reported as outlined below under the protected species reporting requirements in paragraph (f).

c. Moon Pools

During all times a vessel related to Preliminary Activities is equipped with a moon pool, there must be a hull door that can be kept closed, to the maximum extent practical, and monitored prior to and after closure to prevent ESA-protected and marine mammal species from entering during Preliminary Activities or related transit. If an ESA-protected or marine mammal species is detected in the moon pool, the Lessee, operators, and contractors must ensure that the animal(s) leave the moon pool prior to closing the doors. Any observed ESA-protected or marine mammal species observed in the moon pool must be reported as outlined below under the protected species reporting requirements in paragraph (f), including how long the animal was observed and whether it was able to leave the moon pool without assistance.

d. Equipment Deployment and Retrieval

The Lessee must have a deployment plan for autonomous underwater vehicle and/or remotely operated vehicles (AUV/ROV) and configure all Preliminary Activities to reduce the risk of potential entanglement of ESA-protected and marine mammal species. Within the Lease Area, PSOs meeting the requirements of paragraph (e) must observe a 500 m exclusion zone around the vessel for at least 30 minutes prior to and during deployment and retrieval of AUV/ROV, and buoys. If there are no sightings of ESA-protected and marine mammal species, the equipment deployment or retrieval can proceed. If there are sightings of ESA-protected and marine mammal species, the Lessee, operators, and contractors must wait until the PSO determines that the animals have cleared the area for at least 30 minutes before retrieval or deployment can commence. In the unlikely event that entanglement does occur, the Lessee, operators, or contractors must undertake reasonable efforts to free the animal and ensure proper reporting of entanglement events according to the protected species reporting requirements specified below in paragraph (f).

e. Protected Species Observers

A minimum of one qualified third-party PSO is required on each vessel while in the Lease Area for the purpose of Preliminary Activities. The number of required PSOs per vessel must be sufficient to provide complete viewing coverage of the surrounding marine environment. The Lessee must ensure that PSOs have adequate safety and monitoring equipment to conduct their activities (including night-vision equipment for nighttime survey operations). All third-party PSOs must have completed a NMFS-approved commercial PSO training course.

The Lessee must ensure that the PSOs have the authority to stop any transit or activity that could result in harm to an ESA-protected or marine mammal species, except when the stopping of the activity would put the safety of the vessel or crew at risk. If an ESA-listed species or marine mammal is struck by a vessel or survey equipment or becomes entangled in any cable or lines, the PSO must immediately notify NMFS so that appropriate response measures can be implemented. Similarly, the PSO must immediately notify NMFS if the vessel, Preliminary Activities, or crew causes any harassment or incidental take of an ESA-protected or marine mammal species.

f. Protected Species Reporting

The Lessee must immediately report to both NMFS and the Lessor (through BOEM) any incident of serious harm, injury, or death to an ESA-protected or marine mammal species observed during Preliminary Activities. In addition, should there be any incidental take of ESA-protected species (e.g., through harassment), the Lessee will immediately notify BOEM and NMFS to determine if additional ESA consultation is required. If an incident of serious harm, injury, or death occurs, the Lessee will ensure activities in the area are halted or modified as necessary to protect the animal and other species until such time as NMFS and BOEM determine the Preliminary Activities may proceed.

The Lessee must submit a final report summarizing the results of monitoring activities to BOEM and other appropriate agencies no more than 90 days following the completion of Preliminary Activities. Preliminary activity completion dates must be defined in the associated Preliminary Activities notice described in Stipulation No. 1, "Lease Preliminary Activities and Survey Notices." If there are delays or changes to the completion dates, the Lessee must notify the Lessor as soon as practical. The final report must, at a minimum, include: (a) an evaluation of the effectiveness of monitoring protocols and (b) reporting of: (i) marine mammal, sea turtle, and other ESA-protected

species sightings (species and numbers); (ii) any behavioral changes of the species in these sightings; and (iii) any interactions or conflict with ESA-protected and marine mammal species, including reporting of any project delays or cessation of operations due to the presence in the project area of marine wildlife species subject to ESA and Marine Mammal Protection Act (MMPA) protection. More details are found in the current ESA Letter of Concurrence (LOC), Essential Fish Habitat (EFH) Response, and any issued MMPA Incidental Take Authorization (ITA).

g. Marine Trash and Debris Prevention

The Lessee, operators, and contractors must comply with the marine trash and debris awareness and elimination terms and conditions within the 2026 ESA LOC and EFH Response from NMFS.

h. Protection of Biological Resources

Lessee(s) must avoid unnecessary or substantial disturbance to sensitive seabed habitats and biodiversity hotspots, including areas of high biological productivity. If previously unidentified sensitive habitats or biological communities are discovered, the Lessee must notify the BOEM Pacific Regional Director within 48 hours. BOEM may require the Lessee to modify or suspend operations, implement additional mitigation measures, relocate activities, and/or require a buffer of up to 500 meters around designated sensitive features, unless otherwise justified by site-specific conditions or methodology. The Lessor may require additional documentation from the Lessee at any point based on the nature of the activity, the sensitivity of the environment, or the results of environmental monitoring reporting or incidents described in Stipulation No. 8, "Preliminary Activities Reporting." Documentation requests could include additional protective measures, monitoring protocols, and/or adaptive management strategies as determined by BOEM, pursuant to its authority under 43 U.S.C. § 1334 and 30 CFR 582.1(a).

i. Fisheries and Wildlife Awareness Training

To reduce potential conflicts with fishers and minimize adverse interactions with wildlife during lease activities, the Lessee must ensure that all personnel and contractors who will be present on vessels or platforms within the Lease Area complete a Fisheries and Wildlife Awareness Training prior to marine operations (e.g., transit, surveys, equipment deployments), consistent with vessel and worker safety. This training must address: (1) identification of common wildlife species; (2) best practices for avoiding vessel strikes and minimizing noise and light impacts; (3) protocols for reporting wildlife sightings and entanglements; and (4) cultural and economic importance of regional fisheries. Training must also include a briefing by the Lessee's environmental compliance officer or designated representative on the importance of minimizing conflicts with local fishers and adhering to all applicable environmental protection measures. The Lessee must ensure that a copy of the environmental lease stipulations and related ESA, EFH, and MMPA (if applicable) conditions of approvals are made available and reviewed with all appropriate personnel aboard every project-related vessel.

j. Communicating Protected Species Requirements

The Lessee, operators, personnel, and contractors must comply with the approved measures to safeguard ESA-listed species and designated critical habitat included in the proposed action for the

ESA LOC and EFH Response for the Bureau of Ocean Energy Management's Commercial Leasing for Minerals Offshore the Commonwealth of the Northern Mariana Islands issued by the NMFS on February 17, 2026, and any ITA issued by NMFS under the MMPA (if applicable) in place at the time. The 2026 ESA LOC and EFH Response may be found at <https://www.boem.gov/marine-minerals/commonwealth-northern-mariana-islands-cnmi-activities>.

The Lessee, operators, personnel, and contractors must ensure that applicable sections of the 2026 ESA LOC, EFH Response, and MMPA ITA (if applicable) are made available during operations on all project-related vessels. The Lessee, operators, and contractors must ensure that these documents are reviewed by all appropriate personnel aboard every project-related vessel. Preliminary activities must be within the scope of activities described in the above-referenced ESA LOC, EFH Response, and MMPA ITA (if issued) or the Lessee will be required to consult further with BOEM and NMFS, as appropriate.

The Lessee, operators, personnel, and contractors will be required to comply with the most current ESA consultation, EFH consultation, and MMPA ITAs (if any) in place at the time of the submission, review, and approval of any Delineation, Testing, and/or Mining Plan(s) or other authorization related to activities on the lease. The ESA, EFH, and MMPA requirements may be included as conditions of approval for these plans or other authorizations.

Stipulation No. 3 – Fisheries Communication Plan

The Lessee must develop and submit a Fisheries Communication Plan (FCP) for Preliminary Activities to the Lessor (through BOEM) at least 90 days prior to conducting any Preliminary Activities under this lease. The Lessee must consult with National Marine Fisheries Service (NMFS) Pacific Islands Regional Office, the Western Pacific Regional Fishery Management Council, and the CNMI Department of Lands and Natural Resources during its development of the FCP. These consultations are for informational purposes only and do not create any substantive or procedural rights enforceable by private parties with regard to the FCP.

The Lessee must include the following components in its FCP: (1) identification of potentially affected fisheries; (2) procedures for early and ongoing communication and training among fishing communities, the Lessee(s), operators, and contractors; and (3) a conflict-avoidance strategy, including notification protocols and vessel routing measures to minimize interference with fishing operations. The Lessee must make the FCP publicly available, such as through their website.

The Lessee must document interactions with fishing vessels and/or gear when conducting Preliminary Activities in the Lease Area, including summarizing written letters, meetings, and gear or boat damage, and provide a fishery interaction report in Stipulation No. 8, "Preliminary Activities Reporting." BOEM may share these reports with NMFS, as appropriate, under any relevant interagency agreements. The Lessee must include locations of the interactions and any avoidance or remedial actions. If the Lessor determines, based on documented interactions or stakeholder complaints, that substantial and repeated interference with fishing operations is occurring, the Lessor may require the Lessee to modify operations, implement additional measures, or participate in a fisheries liaison program consistent with applicable federal law.

Stipulation No. 4 – Protection of Birds

a. Lighting

Any lights used to aid marine navigation by the Lessee, operators, or contractors during any lease activities, except during times of emergency, must be described on the [U.S. Coast Guard Private Aids to Navigation Application form](#). Lighting on project vessels must be directed inboard and downward, or shielded, to reduce upward illumination and illumination of adjacent waters, thereby reducing the potential for birds to be attracted to work areas. Light from cabin windows must be reduced with shades, blinds, or shields that block exiting light. A protected species observer (PSO) or crew member must inspect lighted work areas daily for birds that may have been attracted to artificial lighting.

b. Injured Bird and Annual Bird Reporting

If an injured bird is discovered on a vessel, the bird will be transported on the next returning work vessel to an approved wildlife care facility. A log of all birds found onboard a vessel that may have been attracted by artificial light during a particular project will be maintained, with the status and health of birds on retrieval and release as applicable. The log will be provided to BOEM no more than 90 days following the completion of Preliminary Activities as part of the protected species reporting requirements described in paragraph (f) of Stipulation No. 2, “Endangered Species Act and Essential Fish Habitat Consultation Requirements.”

The protected species report provided to BOEM must document any dead birds found on vessels and structures during Preliminary Activities. The report must contain the following information: the name of species; date found; location; a picture to confirm species identity (if possible); and any other relevant information. Carcasses with federal or research bands must be reported to the [U.S. Geological Survey’s Bird Band Laboratory](https://www.usgs.gov/labs/bird-banding-laboratory) (<https://www.usgs.gov/labs/bird-banding-laboratory>).

Stipulation No. 5 – Marine Archaeology Requirements for Preliminary Activities

- A. In no case may the Lessee knowingly impact a potential archaeological resource without the Lessor’s prior consent, following appropriate compliance with the National Historic Preservation Act.
- B. The Lessee must ensure that its Qualified Marine Archaeologists (QMAs) meet the Secretary of the Interior’s Professional Qualifications Standards listed in 48 *Federal Register* 44738–44739.
- C. The Lessee must ensure a QMA visually examines retrieved box core and free fall grab samples for potential cultural material and artifacts and photo-documents cores and samples prior to sub-sampling. The Lessee, if technically feasible, will acquire bottom imagery from seabed disturbance or sampling activities. The Lessee will ensure the QMA reviews all imagery to identify if any potential archaeological resources are present in the sampled areas.
- D. The QMA must monitor the video feed in real time if a remotely operated vehicle (ROV) survey is conducted near a potential or newly discovered archaeological resource.
- E. Review and monitoring by the QMA may be conducted remotely only if images and video feed are of sufficient quality.
- F. If, during examination of the retrieved seabed samples and/or during visual imaging, the

Lessee determines that a potential marine cultural resource may have been located or affected, the Lessee will initiate the steps outlined in the Unanticipated Discovery requirements at Stipulation No. 6, “Unanticipated Discovery Requirements.”

Stipulation No. 6 – Unanticipated Discovery Requirements

While conducting activities, if the Lessee discovers an unanticipated potential archaeological resource, such as the presence of a shipwreck site (e.g., a sonar image or visual confirmation of an iron, steel, or wooden hull, wooden timbers, anchors, concentrations of historic objects, piles of ballast rock) or evidence of a pre-contact archaeological site (e.g. stone tools, pottery or other pre-contact artifacts) within the Lease Area, the Lessee must:

- Immediately halt seafloor-disturbing activities in the area of a distance of 1000 feet (305 meters) from the discernible extent of the target;
- Notify the Lessor within 24 hours of discovery;
- Submit to the Lessor a written report on details of the discovery within 72 hours of its discovery written by a Qualified Marine Archaeologist (QMA) that meets the Secretary of the Secretary of the Interior’s Professional Qualifications Standards listed in 48 *Federal Register* 44738–44739;
- Keep the location of the discovery confidential and take no action that may adversely affect the archaeological resource until the Lessor has made an evaluation based on analysis and recommendations from the QMA and instructs the Lessee on how to proceed; and
- If (1) the site was impacted by the Lessee’s project activities; or (2) impacts to the site or to the area of potential effects cannot be avoided, the Lessee must conduct additional investigations overseen by a QMA, as directed by the Lessor, to determine if the resource is eligible for listing in the National Register of Historic Places.

If the Lessee’s investigations indicate that the resource is potentially eligible for listing in the National Register of Historic Places, the Lessor will inform the Lessee how to protect the resource or how to mitigate adverse effects to the site. If the Lessor incurs costs in protecting the resource, then, under section 110(g) of the National Historic Preservation Act, the Lessor may charge the Lessee reasonable costs for carrying out preservation responsibilities under the Outer Continental Shelf Lands Act.

Stipulation No. 7 – Research Site Access

The Lessor, its designated representative, or any entity to which the Lessor provides access, retains the right to access, for research purposes, the site of any operation or activity conducted under this lease. The Lessor will make a good faith effort to provide prior notice of needs for access. This provision does not limit the Lessor’s authority to access the lease for other purposes, including, but not limited to, inspections conducted based on applicable regulatory requirements.

Stipulation No. 8 – Preliminary Activities Reporting

The Lessee must submit reports, synthesized data, and raw data of Preliminary Activities, and results of environmental monitoring activities within 90 days after the completion of preliminary survey activities. Preliminary activity completion dates must be provided in the associated Preliminary Activities notice described in Stipulation No. 1, “Lease Preliminary Activities and Survey Notices.” If there are delays or changes to the completion dates, the Lessee must notify the

Lessor as soon as practical. The Lessee must publicly share all collected environmental data, and associated metadata, except as directed under Freedom of Information Act (FOIA) Exemption 4 or 30 CFR 582.5.

The report of Preliminary Activities conducted on the lease must include:

- A description of work performed;
- Charts, maps, or plats depicting the area and leases in which Preliminary Activities operations were conducted specifically identifying the lines of geophysical traverses and/or the locations where Preliminary Activities were conducted;
- The dates on which the operations were performed;
- A narrative summary of mineral occurrences; environmental hazards; and effects of the activities on the environment, aquatic life, archaeological resources, or other uses and users of the area in which the activities were conducted;
- Information on all interactions with fishing vessels or gear, as described in Stipulation No. 3, "Fisheries Communication Plan;"
- Information on all samples collected on the lease, including location, conditions encountered, such as minerals, water, gas, or unusual conditions, and the sample analysis;
- A synopsis of baseline environmental survey methods conducted during Preliminary Activities and a reference to associated data/metadata documentation;
- A summary of any visual detection of ESA-protected species or marine mammals;
- Information on unrecovered equipment, such as oceanographic buoys; and
- Any other environmental mitigation and monitoring measures showing compliance evidence related to on-lease Preliminary Activities to satisfy conditions from relevant stipulations, other relevant leasing documents, the proposed action in the Commercial Leasing for Minerals Offshore the Commonwealth of the Northern Mariana Islands Environmental Assessment, and consultations resulting in the Endangered Species Act (ESA) Section 7(a)(2) Letter of Concurrence (LOC) and Magnuson-Stevens Fishery Conservation and Management Act (MSA) Essential Fish Habitat (EFH) Response pursuant to section 305 (b) of the MSA (2026 ESA LOC and EFH Response) for the Bureau of Ocean Energy Management's Commercial Leasing for Minerals Offshore the CNMI issued by the National Marine Fisheries Service (NMFS) on February 17, 2026. The 2026 ESA LOC and EFH Response may be found at <https://www.boem.gov/marine-minerals/commonwealth-northern-mariana-islands-cnmi-activities>.

All maps must be appropriately marked with reference to official lease boundaries and elevations marked with reference to sea level. When applicable, vertical projections and cross sections will accompany plan views.

The Lessee must keep all original data and information available for inspection or duplication by the Lessor at the expense of the Lessee as long as the lease continues in force. Should the Lessee

choose to dispose of original data and information once the lease has expired, said data and information must first be offered to the Lessor free of cost and will, if accepted, become the property of the Lessor. Navigation information showing the location(s) where samples were taken must be retained for as long as the lease continues in force.

Stipulation No. 9 – Confidential Information

BOEM will protect privileged or confidential information that the Lessee submits, as authorized by the Freedom of Information Act (FOIA), 30 CFR 582.5, or other applicable law and regulations. If the Lessee wishes to protect the confidentiality of any lease related information, the Lessee must clearly mark it “Contains Privileged or Confidential Information” and consider submitting such information as a separate attachment. BOEM will not disclose such information, except as required by FOIA, other applicable law, or court order. If your submission is requested under FOIA, your information will only be withheld if a determination is made that one of FOIA’s exemptions to disclosure applies. Such a determination will be made in accordance with the Department’s FOIA regulations and applicable law. BOEM will not treat as confidential aggregate summaries of nonconfidential information.

Stipulation No. 10 – Community Investment and Economic Development

The Lessee will make every reasonable effort to support sustainable economic development and community well-being within CNMI through investments, partnerships, and other initiatives associated with activities conducted under the lease. Such efforts may include, but are not limited to: funding workforce development and vocational training programs; educational scholarships and research partnerships; support for local small businesses and entrepreneurs; community infrastructure improvements; environmental stewardship initiatives; emergency response and maritime safety capabilities; cultural preservation efforts; and programs that promote long-term economic resilience and diversification within the Territory. The Lessee will engage with the Governor’s designated point of contact, territorial agencies, local communities, educational institutions, and other stakeholders to identify community priorities and opportunities for meaningful local investment and mechanisms for reporting and tracking investments. The Lessee will summarize community investment and economic development efforts undertaken pursuant to this section in reports submitted under approved delineation, testing, or mining plan or as otherwise requested by the Lessor.

Stipulation No. 11 – Local Content and Labor Utilization

The Lessee will make every reasonable effort to maximize the utilization of locally sourced labor, personnel, and contractors for all stages of exploration, testing, and mining activities. “Local” is defined as citizens, residents, or business entities based within the CNMI. The Lessee must submit a “Local Content Report” detailing any local labor used and/or local contracts awarded within 90 days after the completion of preliminary survey activities and within 90 days after the completion of activities under an approved delineation, testing, or mining plan. Such efforts may include partnerships with CNMI education facilities for training (e.g., AUV/ROV operations, environmental science).

Stipulation No. 12 – Supply Chain Statement of Goals

Prior to submittal of a delineation, testing, or mining plan following completion of preliminary activities, the Lessee must submit to the Lessor a Statement of Goals in which the Lessee describes any plans, including engagement with territorial and other domestic suppliers, by the Lessee for contributing to the creation of a robust and resilient U.S.-based deep-sea mining supply chain. The Statement of Goals must include Lessee's plans for investments in supply chain improvements, if any, to support the deep-sea mining industry, including investments in the following: exploration, testing, mining, survey, and other vessels; port infrastructure related to deep-sea mining project component shipment and processing; research and development; manufacturing of components and facilities; supply chain architecture, such as port storage, laydown areas; dry docks and navigation channels; onshore and offshore docking and refueling stations for autonomous vehicles; and workforce training and development.

Stipulation No. 13 – Port Utilization and Infrastructure Investment

The Lessee will make every reasonable effort to use ports in the CNMI, as a primary staging, logistics, servicing, supply, maintenance, refueling, crew transfer, storage, and operational support location for activities associated with exploration, testing, survey, and mining activities conducted under the lease, where technically, commercially, and operationally feasible. The Lessee will make reasonable efforts to coordinate with the CNMI Government, port authorities, local businesses, and other relevant stakeholders to identify opportunities for investment in and enhancement of port infrastructure and related maritime capabilities that support long-term deep-sea mining operations and broader economic development within the Territory. Such efforts may include, but are not limited to, investments in dock facilities, vessel support services, cargo handling capabilities, storage and laydown areas, navigation and safety improvements, workforce training, and other port-related infrastructure improvements which support broader economic development and knowledge transfer. The Lessee will provide a summary of port utilization activities and any related investments or partnership efforts in reports submitted under approved delineation, testing, or mining plans or as otherwise requested by the Lessor.

Stipulation No. 14 – Coordination with the Department of War (DoW)

a. Coordination with DoW for potential conflict avoidance – Ocean Observing Systems

The Lessee must establish and maintain early contact and coordination with the appropriate command headquarters of DoW to avoid or minimize the potential to conflict with and minimize the potential effects of conflicts with military operations, including military training activities. At least 30 days prior to deployment of ocean observing equipment, the Lessee must submit a detailed plan outlining all planned ocean observing equipment with sensing capabilities (e.g., acoustic monitoring device or other sensing capabilities) to the Department of Navy (DON) (Office of the Oceanographer of the Navy, Kelsey Rudes at kelsey.a.rudes.civ@us.navy.mil) for coordination.

b. Coordination with the DON Submarine Watch Officer (SWO) and Mariana Island Range Complex (MIRC) Operations

On any lease area east of the CNMI, the Lessee and mining operators must coordinate with DON, as described below:

The lease area intersects with training and testing activities conducted in the Mariana Island Range Complex (MIRC) as described in the Navy's 2020 Mariana Island Training and Testing Environmental Impact Statement (MITT EIS/OEIS). Activities conducted in this area include large-scale exercises, which may include air, surface and subsurface military activities. The sea and airspace requirements will vary based on the requirements of the exercise. Lessee must coordinate with Commander, Submarine Forces Pacific Submarine Watch Officer (SWO) at ccwocsp.csp@navy.mil and MIRC Operations at mirc.ops@us.navy.mil as follows:

- At least 30-45 days prior to any in-water activities, provide the following information:
 - List of surface/undersea equipment, including: Ship name, number, size, weight of undersea AUV's, confirmation that AUVs will stay in the box they have self-designated they will operate in.
 - Defined location of operations by a latitude/longitude and radius or bound a box by four corners (latitude/longitude).
 - Timeframe: Start date/time and duration to be within 3 days of indicated range provided in original notification.
- At least 7-10 days prior to any in-water activities:
 - Coordinate with the U.S. Coast Guard (USCG) to prepare a Notice to Mariners
 - Confirm with SWO and MIRC Operations:
 - Location
 - Actual Timeframe and duration
 - Other changes
 - Throughout Assessment, provide any changes in the planned area of operations to SWO and MIRC Operations with a minimum 7-day lead time

c. Electromagnetic Emissions

Stipulation 14c will apply to the following OCS blocks in the lease areas east of the CNMI: ND55-03 (Pigafetta Guyot) Blocks 6804, 6854, 6903-6904, 6952-6954, 7002-7004, 7051-7054, and 7101-7104; ND55-05 (Victoria Guyot) Blocks 6040, 6090, 6139-6140, 6189-6190, 6238-6240, 6288-6290, 6337-6340, and 6387; ND55-06 (Ornate Jobfish) Blocks 6001-6003, 6051-6053, 6101-6103, 6151-6153, 6201-6203, and 6251-6253. It will also apply to the following OCS blocks in the lease areas west of the CNMI: NE55-07 (Alamagan Island) includes Blocks 7125-7126; NE55-10 (Anatahan Island) Blocks 6025-6026 and 6075.

The Lessee agrees to control its own electromagnetic emissions and those of its agents, employees, invitees, independent contractors, or subcontractors emanating from individual designated defense warning areas in accordance with the requirements specified by the commander of the command headquarters listed below to the degree necessary to prevent damage to, or unacceptable interference with, DoW flight, testing, or operational activities conducted within individual designated warning areas. Necessary monitoring, control, and coordination with the lessee, its agents, employees, invitees, independent contractors, or subcontractors will be affected by the commander of the appropriate onshore military installation conducting operations in the particular warning area, provided, however, that control of such electromagnetic emissions must in no instance prohibit all manner of electromagnetic communication during any period of time between a lessee, its agents, employees, invitees, independent contractors, or subcontractors, and onshore facilities. Pacific Air Forces (PACAF) Point of Contact: Mr. Pedro Romano, A317, 315-447-6203, email: pedro.romano.1.ctr@us.af.mil.

d. Suspension and Evacuation

Stipulation 14d will apply to the following OCS blocks in the lease areas east of the CNMI: ND55-03 (Pigafetta Guyot) Blocks 6804, 6854, 6903-6904, 6952-6954, 7002-7004, 7051-7054, and 7101-7104; ND55-05 (Victoria Guyot) Blocks 6040, 6090, 6139-6140, 6189-6190, 6238-6240, 6288-6290, 6337-6340, and 6387; ND55-06 (Ornate Jobfish) Blocks 6001-6003, 6051-6053, 6101-6103, 6151-6153, 6201-6203, and 6251-6253. It will also apply to the following OCS blocks in the lease areas west of the CNMI: NE55-07 (Alamagan Island) includes Blocks 7125-7126; NE55-10 (Anatahan Island) Blocks 6025-6026 and 6075.

The Lessee, recognizing that marine mineral exploration, exploitation, development, production, abandonment, and site cleanup operations on the lease area of submerged lands may occasionally interfere with tactical military operations, hereby recognizes, and agrees that the United States reserves and has the right to temporarily suspend operations and/or require evacuation on this lease in the interest of national security. Such suspensions are considered unlikely in this area. Every effort will be made by the appropriate military agency to provide as much advance notice as possible of the need to suspend operations and/or evacuate. Advance notice of fourteen (14) days normally will be given before requiring a suspension or evacuation, but in no event will the notice be less than four (4) days.

Temporary suspension of operations may include the evacuation of personnel and appropriate sheltering of personnel not evacuated. Appropriate shelter means the protection of all Lessee personnel for the entire duration of any Department of War activity from flying or falling objects or substances; it will be implemented by a written order from the Bureau of Safety and Environmental Enforcement (BSEE) Pacific Regional Supervisor for District Field Operations (RSDFO), after consultation with the appropriate command headquarters or other appropriate military agency or higher authority.

The appropriate command headquarters, military agency, or higher authority will provide information to allow the lessee to assess the degree of risk to, and provide sufficient protection for, the lessee's personnel and property. Such suspensions or evacuations for national security reasons normally will not exceed seventy-two (72) hours; however, any such suspension may be extended by order of the BSEE Pacific RSDFO. During such periods, equipment may remain in place, but all production, if any, must cease for the duration of the temporary suspension if the BSEE Pacific RSDFO so directs. Upon cessation of any temporary suspension, the BSEE Pacific RSDFO immediately will notify the lessee that such suspension has terminated and operations on the leased area can resume.