



When Recorded Please Return to:

Ms. Elizabeth Pitrolo
Attorney
U.S. Army Corps of Engineers
4101 Jefferson Plaza, NE
Albuquerque, NM 87109

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged,

THE UNITED STATES OF AMERICA ("Grantor"), acting through the Department of Energy, whose address is National Nuclear Security Administration Administrator at: 1000 Independence Avenue SW, Washington, D.C., 20585, pursuant to the authority of The Omnibus Public Land Management Act of 2009 (Public Law 111-11), the "Public Law," DOES HEREBY QUITCLAIM, DEMISE, RELEASE AND TRANSFER to Lovelace Respiratory Research Institute ("Grantee"), a nonprofit organization chartered under the laws of the State of New Mexico, the following described real property in the County of Bernalillo, State of New Mexico:

See complete Legal Description set forth in Exhibit "A", attached hereto and made a part hereof.

SUBJECT TO the following conditions and restrictions:

1. In addition to those conditions and restrictions outlined in detail below, this transfer is subject to all valid and existing restrictions, reservations, covenants, conditions and easements including but not limited to rights-of-way for railroads, highways, pipelines, and public utilities, if any, whether of public records or not. Further, the conveyance outlined herein specifically excludes the transfer of any mineral interests presently owned by the Grantor. As a result, Grantor retains all ownership interests in any and all minerals located in and on the Property.

2. The above described property (hereinafter: "the Property" or "the Parcel") shall only be used for research, scientific, or educational uses. If at any time, the Grantor, in consultation with the Secretary of the Air Force, determines, that the Grantee is not using the above referenced Parcel, or any portion thereof, for research, scientific, or educational uses, all right, title, and interest in and to the entire Parcel, or any portion of the Parcel not being used for the purposes, shall revert, at the option of the Grantor, to the United States Department of Energy. In the event that such a determination is made, on the record and after an opportunity for a hearing, the United States shall have immediate right of entry onto the Property.
3. The Grantor shall maintain ownership and control of those portions of the utility systems and infrastructure as set forth on Exhibit A and in Clause 7 of the 2 February 2012 *Memorandum of Agreement Between Kirtland Air Force Base and Lovelace Respiratory Research Institute*, as well as any rights of access by the Grantor to operate and maintain the utilities as set forth on the Dependent Survey and Resurvey Plat.
4. In consideration for the herein described conveyance, and subject to the herein contained conditions and restrictions, the Grantee shall take title to the Property and any improvements, as contaminated. The Grantee shall be responsible for undertaking and completing all environmental remediation required at, in, under, from, or on the Parcel for all environmental conditions relating to or arising from the release or threat of release of waste material, substances, or constituents, in the same manner and to the same extent as required by law applicable to privately owned facilities regardless of the date of the contamination or the responsible party.
5. The Grantee shall indemnify the United States for any environmental remediation or response costs the United States reasonably incurs if the Grantee fails to remediate the Parcel or for contamination at, in, under, from, or on the land, for all environmental conditions relating to or arising from the release or threat of release of waste material, substances, or constituents.
6. The Grantee shall indemnify, hold harmless, and defend the United States from any damages, costs, expenses, liabilities, fines, penalties, claims, or demands for loss, including claims for property damages, personal injury, or death resulting from releases, discharges, emissions, spills, storage, disposal, or any other acts or omissions by the Grantee and any officers, agents, employees, contractors, subleases, licenses, successors, assigns, or invitees of the Grantee arising from activities conducted on the subject Property after October 1, 1996.

7. The Grantee shall reimburse the United States for any and all legal and attorney fees, costs, and expenses incurred in association with the defense of any claims described in paragraph 6 herein.
8. If the Grantee does not undertake or complete environmental remediation as described herein, and the Grantor is required to assume the responsibilities of the remediation, with respect to the subject property, the Secretary of Energy shall only be responsible for conducting any necessary environmental remediation or response actions for contamination occurring prior to the date of transfer of the subject property to the Grantee. The Grantee shall retain responsibility for all environmental contamination occurring on the subject property as a result of their activities subsequent to and including the date of property transfer to the Grantee. In the event the Grantee does not undertake or complete environmental remediation as described herein, nothing herein shall prevent the Grantor or any state or local government or municipality from seeking redress from the Grantee for any and all costs and expenses, including legal fees, related to the environmental remediation under any applicable municipal, state or federal law.
9. The above conditions and restrictions shall not be superseded by any future event, contract, or agreement, absent the written consent of the Grantor.
10. If any or all of the above conditions and restrictions are breached or abandoned, title to the Parcel and all improvements placed thereon shall revert to and vest in the Grantor. The Grantor shall provide sufficient notice to the Grantee of such reversion and an opportunity for response and a review of the agency decision. If the Grantor is required to initiate legal proceedings to enforce its right of reversion, the Grantee shall be liable for the costs of such action. In the event that the Grantor presents to the Grantee reasonable facts to suggest that the Parcel, or any portion thereof, is not being used for research, scientific or educational uses, the Grantor shall have the right to inspect the Parcel, with thirty (30) days notice to the Grantee to ensure that the Parcel is being used as set forth in Public Law 111-11, Section 13005(b)(5), *Restrictions on Use*. No liability will transfer to the Grantor as a result of these inspections.
11. The Grantee shall not participate in any activity on the Property which in any way impacts the Grantor or its designees' use and/or control of Kirtland Air Force Base. At all times, Grantee's use of the Property shall comport with any applicable Memoranda of Agreement between Grantor and Grantee as well as with any

Kirtland Air Force Base Installation rules and regulations, as changed from time to time by the Installation Commander. The Grantee shall give the Installation Commander notice at least 45 day prior to undertaking any improvements, renovations, or installation of new equipment that could interfere with Base operational requirements. By mutual agreement the 45 day notice period may be reduced.

12. The Grantee shall take no action relative to the Property which would negatively interfere with the national security of the United States, which determination shall be made by any authorized agent of the Grantor.
13. The Grantee shall not transfer, permit, lease, license, assign or dispose of in any way, including, but not limited to, voluntary sale, merger, consolidation, receivership or other means, the subject property as described in Exhibit A herein, or any interest therein, for the benefit of any other person, organization or entity without sufficient notice to Grantor for the purpose of determining if the transfer is detrimental to the DOE mission or national security.
14. In the event Grantee takes any action which would make it no longer subject to regulation by the Nuclear Regulatory Commission ("NRC"), Grantee, or its successors, shall notify the Office of the Administrator, National Nuclear Security Administration at 1000 Independence Avenue SW, Washington, D.C., 20585, 60 days prior to the termination of the NRC's regulatory authority.
15. In the event that a voluntary or involuntary bankruptcy petition is filed by or against the Grantee, the Grantee's parent company or an affiliate of the Grantee, the Grantee shall notify the Grantor within 10 days of the petition being filed by notice to: Office of the Administrator, National Nuclear Security Administration at 1000 Independence Avenue SW, Washington, D.C., 20585 in writing and by email. Such notice will contain the name and address of the bankruptcy court, the date of filing, and the case number.
16. Any and all notices required under the conditions and restrictions contained herein shall be sent to the Grantor, care of the Office of the Administrator, National Nuclear Security Administration at 1000 Independence Avenue SW, Washington, D.C., 20585, and the Grantee, care of Dr. Robert Rubin at Lovelace Respiratory Research Institute, 2425 Ridgecrest Drive, SE, Albuquerque, NM 87108-5127. The parties will keep each other timely informed of any changes of address, phone numbers or names for their respective points of contact.

- Should Grantee cease operations on the Property, Grantee shall notify Grantor immediately. Grantee will send copies of any and all environmental inspections, received at any time, to the Grantor at the Office of the Administrator, National Nuclear Security Administration at 1000 Independence Avenue SW, Washington, D.C., 20585 within 30 days of Grantee's notice of intent to cease operations. Grantee will cooperate with Grantor to transition the Property back to the Grantor.

IN WITNESS WHEREOF, Grantor, intending to be legally bound, has caused this deed to be executed this 12 day of June, 2013, by its officer there unto duly authorized.

UNITED STATES OF AMERICA

By: Jane S. Cooper
 JANE S. COOPER
 NNSA REALTY OFFICER

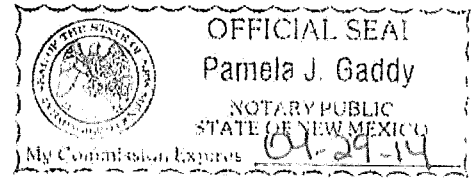
State of New Mexico)
) ss.
 County of Bernalillo)

On this 12th day of June, 2013, before me, personally appeared Jane S. Cooper personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Pamela J. Gaddy
 Notary Public

My commission expires: 04-29-14



ACCEPTANCE

IN TESTIMONY WHEREOF, witness the signature of the GRANTEE, hereby accepts and approves this Deed for itself, its successors and assigns, and agrees to all the conditions contained therein.

**LOVELACE RESPIRATORY
RESEARCH INSTITUTE**

By: Johanna Barber
President and CEO
Lovelace Respiratory
Research Institute

ATTEST: _____
County Clerk

DATE: _____

STATE OF NEW MEXICO)
BERNALILLO COUNTY)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me the 12th day of JUNE
2013, by ROBERT W. RUBIN

Mary G. Wilson
Notary Public

My Commission expires: _____

