

GRAZING LEASE ON BAKER'S PEAK PROPERTIES

For the years 2014 - 2019

This grazing lease is made and entered into for the grazing seasons of 2014~2019 (5 years) by and between various owners of properties at Baker's Peak (Lessors) and Egeria Livestock, LLC (Lessee). The specific Tracts covered are designated on the assembled signature pages.

The property involved is commonly known as Baker's Peak Ranches and is located within Moffat County, Colorado, and the 6th Principle Meridian, Township 11 North, Ranges 89 and 90 West.

Egeria Livestock, LLC, is a Colorado limited liability company, in good standing. Whose principal place of business is 33420 Antelope Road, McCoy, CO 80463. For any purposes under the Lease, the contact person for Egeria Livestock is Kirk Shiner. Any notice to lessee that is required under the lease may be sent by regular mail to the company's principal place of business. For any purposes under the lease, the contact person for Baker's Peak Landowners' Association Inc. is David Heide Cattle Lease Chairperson. Any written notice that is required under the lease may be sent by regular mail to David Heide at 7930 High Country Trail, Elizabeth, CO 80107

COMPENSATION

The lessee shall compensate the lessors, as a group, at the rate of \$15.50 per animal unit (AU; defined herein) per month. Payment of the total amount shall be made prior to stocking cattle on the Peak. If full payment is made by April 1st of each year the lessee will receive a \$400.00 discount. The lessees will pay all proceeds of the lease to the Baker's Peak Landowners' Association, Inc., c/o. David Heide Cattle Lease Chairperson for the express purpose of maintaining the perimeter fence and the titled roads on Baker's Peak Ranches; therefore all payments shall only be made to Baker's Peak Landowners' Association Inc. by the lessee. See Extension or Cancellation of Lease for compensation for lease extension periods.

Terms and Conditions

This lease is binding on successors, heirs and assigns of the lessors and lessee.

The grazing season shall be from May 1st through September 15th (4 months) of each year.

A cow/calf pair or AU for the purposes of this lease is defined as a Cow with an unweaned calf, a bred heifer or one bull.

Stocking shall consist of cow/calf pairs and/or bred heifers only, except for an adequate number of bulls for breeding purposes. Overly aggressive bulls shall be reported to lessee in writing. Lessee shall have 10 days to replace or remove said Bull(s).

The stocking rate shall be up to 200 animal units for the 2014-2019 seasons, unless otherwise mutually agreed to by the lessee and the lessors in writing.

Initial stocking shall begin no sooner than May 15th each year, and the cow/calf units shall be dispersed across the property in the following approximate numbers:

50 Cow/Calf units along the North side of the Peak in the area known as Jack Rabbit Creek.
75 Cow/Calf units on the East side of the Peak in the area known as First Creek
75 Cow/Calf units on the West side of the Peak in the West Lakes area in or around Tracts 1 through 11.

This stocking rate and disbursement is intended to minimize excessive impact on any group of landowners on Baker's Peak.

All lessors' tracts within Baker's Peak Ranches are available for grazing except areas "fenced out" with a "lawful fence" as defined in C.R.S. 35-46-101. Therefore, any Tract owner who opted to "fence out" all or the majority of their Tract(s) is not eligible to participate in this lease. Lessee shall have access only to the specific tracts or lots owned by the persons signing this Lease. Nothing in this Lease shall be construed as an agreement, express or implied for use of property or tracts whose owners have not expressly granted permission by signing this Lease. Lessee shall have access to the subject properties for grazing and associated purposes only. Associated lease shall be read strictly as herding cattle and shall not include any other activity, business or personal use.

Lessee shall be provided with a map of Baker's Peak Ranches that shows Tract numbers and titled roads. The term "titled roads" refers to those roads that are located on and owned by the individual landowners within the Baker's Peak area that are subject to easements for rights of access held by other landowners of Baker's Peak Ranches. Nothing in this Lease shall be construed as an extension or modification of the easements.

Lessee shall lay down any lay-down fence each fall and put the lay-down fence back up each spring prior to placing cattle on the property. The exception is the 6.5 miles of lay-down fence on the east and north east sides of the property of which 3.25 is the Peak's responsibility and 3.25 is Duncan Livestock's responsibility.

Lessee shall maintain fences in proper repair throughout the lease period. If any fence requires rebuilding, the fence shall be a standard 4-strand barbed wire fence with steel posts sixteen feet apart. Corners and braces shall be green treated wood or cedar and be adequate in number to maintain the fence. Lessee may use materials from the existing fence as necessary to repair any fence. Any woven wire fence may be replaced with standard 4-strand if necessary.

Lessor shall provide all fence materials. Lessee shall provide all labor.

Lessee shall contact adjoining property owner and make arrangements with them for repair of their portion of the fence. The lessors shall be notified if any adjoining property owner does not fulfill or does not intend to fulfill any obligation for any fence for which they have repair responsibility.

Lessee shall have access to the properties for grazing and associated purposes. The property shall be used for no other purposes.

Lessee shall not assign the lease or sublet any portion of the lease premises without express written consent of the lessors.

Lessee agrees to indemnify and hold lessors and Property owners harmless from any and all claims, liability, loss, damage or expense resulting from lessee's occupation and use of the premises including fence reconstruction.

Lessee agrees to maintain liability insurance for the entire grazing season at a minimum \$1,000,000 in limits which covers lessors. Lessee shall provide a Certificate of insurance to the Baker's Peak Landowners' Association prior to stocking cattle on the Peak.

Lessee agrees that this lease shall not be construed as giving rise to a partnership and neither party shall be liable for debts or obligations of the other without written consent. The lessee has no authority to incur obligations on behalf of the lessors.

Lessors shall not be liable for any damage or its failure to deliver grazing access to the premises for any cause beyond their control.

Lessee shall remove all cattle by September 15th of each year with allowances for locating strays.

All strays must be removed prior to the first rifle-hunting season in Colorado.

Lessee shall move cattle at least every 7 days or so as to maintain uniform grazing and to keep cattle from straying continually in one location. i.e. near watering areas, cabins, Jack Rabbit Creek, First Creek, etc. Salt and mineral blocks May be used to aid in dispersal. These blocks must be kept an adequate distance from ponds and creeks.

Lessee uses the following brands;

If more than 200 AUs are found on the property at any one time the lease will be terminated and lessee will have 10 days to remove all cattle with no refund of the remaining lease, either the initial term or as it may be extended.

EXTENSION OR CANCELLATION OF LEASE TERM

Either party may cancel this lease by giving written notice no later than September 15th one year before the lease is to expire allowing both parties to make appropriate future arrangements.

The Lessee has the option of extending this lease in 1-5 year increments by giving written notice of its Offer to Extend to lessors via written notice to Baker's Peak Landowners' Association Inc. c/o David Heide Cattle Lease Chairperson at 7930 High Country Trail, Elizabeth, CO 80107 of its intention to extend the initial lease (or as it may have been extended as provided herein) by 1 - 5 years. Said notice of extension shall be given no later than September 15th of the year BEFORE the termination date of this lease or any extension and shall be accepted or rejected by lessors by October 15 (30 days following Lessee's Offer to Extend) providing the parties agree on the compensation to be paid to lessors and the number of AUs to be allowed for the extended term.

GOVERNING LAW

The laws of the State of Colorado shall govern this agreement.

SIGNATURES

It is the intent of the parties hereto that due to the impractical logistics of having all parties sign the same document that this lease be signed individually and/or in mass by individual landowners or by their appointed attorney in fact with the understanding that the lease shall constitute this textual body and numerous individually signed signature pages received by David Heide. The PARTIES AGREE THAT David Heide Cattle Lease Chairperson and Baker's Peak landowner AND SIGNATOR HERETO, whose address is 7930 High Country Trail, Elizabeth, CO 80107 will act as THE facilitator in receiving the various signature pages from the lessee and the various lessors who have not given their Power of Attorney to Dave Heide.

All signature pages and Powers of Attorney must be received by David Heide at his address stated above no later than the 15th day of March, 2014 or sign and present to Moffat County to be added to the lease for new property owners. David shall present a copy of the fully executed lease with all signature pages to the lessee and retain the originals to make copies for any lessors or other interested parties.

The said signed signature pages or Powers of Attorney can be mailed, emailed in a .pdf format, faxed, and delivered in person. etc. The intention is that Bakers Peak Property Owners being that all parties hereto express their assent in written format regardless of the communication method used.

Egeria Livestock LLC

Lessee: _____ Date: _____

Kirk Shiner

Lessor:

Printed Name of Landowner, Tract # (s) By David Heide, Attorney-in-Fact
Date

Lessor:

Printed Name of: Landowner, Tract # (s) By David Heide, Attorney-in-Fact
Date

Lessor:

Printed Name of Landowner; Tract # (s) By David Heide, Attorney-in-Fact
Date

Lessor:

Printed Name of Landowner, Tract # (s) By David Heide, Attorney-in-Fact
Date

GRAZING LEASE ON BAKER'S PEAK Properties'
for the year 2014 - 2019

SIGNATURE PAGE

Printed Name

Street Address

City, State, Zip

Tract # (s)

Signature

By signing this Grazing Lease you are also certifying that your property will not fence out
More than 10% of total acreage of the Tractor if adjoining Tracts the total of all adjoining Tract, i.e. 35
acres = 3.5 acres fenced, two adjoining acres = 7 acres fenced, 3 adjoining acres = 10.5 acres fenced, etc.

State of _____

County of _____

The foregoing was sworn to before me by _____ this _____ day

of _____, 20

Witness my hand and official seal:

Notary Public
My Commission expires;

Return to:

David Heide, Cattle Chairman,
Baker's Peak Landowners' Association, Inc.
7930 High Country Trail
Elizabeth, CO 80107