

Recording requested by and return to:
Colorado Cattlemen's Agricultural Land Trust
8833 Ralston Road
Arvada, Colorado 80002

**DEED OF CONSERVATION EASEMENT
FOR THE
2013 G5 HOME RANCH**

NOTICE: THIS CONSERVATION EASEMENT HAS BEEN ACQUIRED IN PART WITH GRANT #12020 FROM THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND (THE "BOARD"). THIS DEED CONTAINS RESTRICTIONS ON THE USE AND DEVELOPMENT OF THE PROPERTY WHICH ARE INTENDED TO PROTECT ITS OPEN SPACE, AGRICULTURAL, AND OTHER CONSERVATION VALUES. THE BOARD HAS FOUND THAT THIS DEED OF CONSERVATION EASEMENT PROVIDES BENEFITS THAT ARE IN THE PUBLIC INTEREST.

THIS CONSERVATION EASEMENT HAS ALSO BEEN ACQUIRED IN PART WITH FUNDS FROM THE COMMODITY CREDIT CORPORATION, THROUGH THE FARM AND RANCH LANDS PROTECTION PROGRAM, WHICH IS ADMINISTERED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICE ("NRCS" OR THE "UNITED STATES"). BY VIRTUE OF ITS FUNDING OF THE ACQUISITION OF THIS CONSERVATION EASEMENT, THE UNITED STATES HAS ACQUIRED AN INTEREST IN THIS CONSERVATION EASEMENT, INCLUDING A RIGHT OF ENFORCEMENT AND CERTAIN OTHER RIGHTS AND ASSURANCES SPECIFICALLY SET FORTH HEREIN.

THE EASEMENT (DEFINED BELOW) HAS BEEN ACQUIRED IN PART WITH A GRANT FROM ROUTT COUNTY (THE "COUNTY"), THROUGH THE PURCHASE OF DEVELOPMENT RIGHTS PROGRAM.

THIS DEED OF CONSERVATION EASEMENT ("Deed") is granted effective as of the 22nd day of March, 2013, by ROBERT G. GEORGE, JR., whose address is P.O. Box 212, Yampa, CO 80483, and MARIETA K. NELSON, whose address is P.O. Box 111, Yampa, CO 80483, collectively "Grantor", to COLORADO CATTLEMEN'S AGRICULTURAL LAND TRUST, a Colorado nonprofit corporation ("Grantee") having its principal office at 8833 Ralston Road, Arvada, Colorado 80002. The United States of America (the "United States") acting by and through the United States Department of Agriculture, Natural Resources Conservation Service ("NRCS") acting on behalf of the Commodity Credit Corporation, as its interest appears herein, for the purpose of forever conserving the agricultural productivity of the Protected Property and its value for resource preservation and as open space and by virtue of its funding of Grantee's acquisition of this Deed, has acquired a right of enforcement and those certain other rights and assurances specifically set forth in this Deed. This Deed is granted for the purpose of forever conserving the open space character, agricultural productivity, wildlife habitat, and scenic qualities of the subject property by limiting nonagricultural uses of the land. Grantor and

Grantee shall be individually referred to herein as a “Party”, and collectively referred to herein as the “Parties”.

WITNESS THAT:

Grantor is the sole owner in fee simple of the ranch property ("Property") legally described in **Exhibit A** attached to and made a part of this Deed, which consists of approximately 1,600 acres of land, together with buildings, other improvements, the Water Rights as defined herein, and all other appurtenances located in Routt County, State of Colorado.

In accordance with the Internal Revenue Code (IRC) and Treasury Regulation 1.170A-14(d)(4) regarding the preservation of open space, this Property will yield a significant public benefit, and adds to the scenic and open space character of the landscape in Routt County, Colorado. The agricultural uses of this Property are consistent with existing private conservation programs in the area, as evidenced by other land protected by conservation easements. This Property is of importance in preserving a local and regional working landscape.

In accordance with the Internal Revenue Code (IRC) and Treasury Regulation 1.170A-14(d)(4)(ii) regarding scenic enjoyment, this Conservation Easement provides for the preservation of land for the scenic enjoyment of the public. Development of the Property would impair the scenic character of the local rural landscape since the agricultural land uses of this Property are consistent with the agricultural uses of other land in the vicinity.

In accordance with the Internal Revenue Code (IRC) and Treasury Regulation 1.170A-14(d)(3) regarding the protection of an environmental system, this Property provides a significantly relatively natural habitat in which a fish, wildlife, or plant community, or similar ecosystem normally lives.

All of the above constitute the "Conservation Values" for the Property.

The Conservation Values of the Property, its current use and state of improvement, are described in a Baseline Inventory prepared by Grantor with the cooperation of Grantee, which report describes the present condition of the Property, and has been approved by both Grantor and Grantee (the "Baseline Inventory Report"). The report was prepared by Dawn Reeder of Rare Earth Science and is dated November 30, 2012 and will be used by Grantee to assure that any future changes in the use of the Property will be consistent with the terms of this Deed. However, this report is not intended to preclude the use of other evidence to establish the present condition of the Property if there is a controversy over its use. Grantor and Grantee have executed an acknowledgment of the Baseline Inventory Report, which indicates that the Baseline Inventory Report accurately depicts the present conditions of the Property as of the date of this Deed, and which acknowledgment is attached as **Exhibit B** hereto and made a part of this Deed.

Grantor has had prepared, and has delivered a copy to Grantee, a mineral report for the Property prepared by Jim Armstrong of Rare Earth Science and dated October 12, 2012.

Grantor intends to make a charitable gift in connection with this Deed to Grantee for the exclusive purpose of assuring that, under Grantee's perpetual stewardship, the Conservation Values of the Property will be conserved and maintained forever, and that uses of the land that are inconsistent with these conservation purposes will be prevented or corrected. The parties agree, however, that the current agricultural use of, and improvements to, the Property are consistent with the conservation purposes of this Deed.

The conservation purposes of this Deed are recognized by, and the grant of this Deed will serve, at least and without limitation, the following clearly delineated governmental conservation policies:

- The Farmland Protection Policy Act, P.L. 97-98, 7 U.S.C. §§ 4201, et seq., the purpose of which is "to minimize the extent to which Federal programs contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses, and to assure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government, and private programs and policies to protect farmland;"
- The Colorado Department of Agriculture statutes, Colorado Revised Statutes § 35-3-102(a), which provides, in part, that "the soil resources and fertility of the land, and the ... prosperity of the farming population ... and the waters of the rivers ... are matters affected with a public interest."
- The Colorado Department of Agriculture statutes, Colorado Revised Statutes §35-3-102(b), provides, in part, that the "welfare of this state has been impaired ... by destruction of its soil fertility, by uneconomic use and waste of its land, by exploitation and wasteful ... use of its soil resources."
- Colorado Revised Statutes § 38-30.5-102, provides for the establishment of conservation easements to maintain land "in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural ... or other use or condition consistent with the protection of open land, environmental quality or life-sustaining ecological diversity."
- The Colorado Wildlife and Parks and Outdoor Recreation statutes, Colorado Revised Statutes § 33-1-101 and § 33-10-101, which provide, respectively, that "it is the policy of the state of Colorado that the wildlife and their environment are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and its visitors" and that "it is the policy of the state of Colorado that the natural, scenic, scientific, and outdoor recreation areas of this state are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and visitors of this state."
- The Colorado Department of Transportation statutes, Colorado Revised Statutes § 43-1-401, et seq., provide that the "preservation and enhancement of the natural and scenic beauty of this state" is a substantial state interest.
- Routt County Resolution No. 95-032, which establishes that it is the policy of the Board of County Commissioners of Routt County to "conserve, enhance, and protect agricultural lands, natural areas, and open land resources within and throughout Routt County."

- Routt County Resolution No. 95-033, which establishes that it is the policy of the Board of County Commissioners of Routt County to “conserve, enhance, and encourage ranching, farming and all manner of agricultural activities and operations within and throughout Routt County.”
- Routt County Resolution No. 96-059 establishes the Routt County Purchase of Development Rights Fund for the “purchase of voluntarily offered development rights of ranch and agricultural lands and natural areas in Routt County.”
- Routt County Resolution No. 95-086 establishes a “Right to Farm and Ranch” policy to protect ranching, farming, and other agricultural activities and operations in Routt County.
- The Routt County Open Lands Plan, adopted by the Board of County Commissioners as an amendment to the Routt County Comprehensive Plan in 1995. Through the Plan, Routt County encourages the consideration and use by landowners of eight land protection techniques, including the specific use of voluntarily donated conservation easement to protect agricultural lands.
- Funding for this project has been provided in part by the Great Outdoors Colorado Trust Fund program. The voters of the State of Colorado by adoption of Article XXVII of the Constitution of the State of Colorado, the legislature of the State of Colorado by adoption of enabling legislation, and the State Board of the Great Outdoors Colorado Trust Fund, by adopting and administering competitive grants application and rigorous due diligence review processes, have established that it is the policy of the State of Colorado and its people to preserve, protect, enhance and manage the state’s wildlife, park, river, trail and open space heritage, to protect critical wildlife habitats through the acquisition of lands, leases or easements, and to acquire and manage unique open space and natural areas of statewide significance.

Grantee is a "qualified conservation organization," as defined by the United States Internal Revenue Code, and filed a DR 1299 (Colorado Gross Conservation Easement Holders Submission of Information) with the Colorado Division of Real Estate on January 8, 2013 and the Colorado Department of Revenue on January 11, 2013. Grantee is a state-certified nonprofit conservation easement holder, having been certified by the Colorado Division of Real Estate as license number CE003. Grantee accepts the responsibility of enforcing the terms of this Deed and upholding its conservation purposes forever.

NOW, THEREFORE, for the reasons given, and in consideration of their mutual promises and covenants, Grantor voluntarily grants and conveys to Grantee, and Grantee voluntarily accepts, a perpetual conservation easement (the "Easement"), an immediately vested interest in real property defined by Colorado Revised Statutes §§ 38-30.5-101, et seq., and of the nature and character described in this Deed, exclusively for the purpose of conserving and forever maintaining the Conservation Values of the Property.

1. Use of Property. It is the intention of Grantor to preserve the ability of the Property to be agriculturally productive, including continuing farming and ranching activities, to engage in future ranching activities, to preserve the agricultural values, open space character,

wildlife habitat, and scenic qualities of the Property. The Property may not be used for industrial activities, but may be used for other activities which are not prohibited by the terms of this Deed. Grantor and Grantee agree that the Property shall remain available for agricultural production.

2. Rights of Grantee. To accomplish the purpose of this Deed the following rights are conveyed by Grantor to Grantee:

A. Right of Review. Grantor shall consult with Grantee regarding the negotiations of any and all agreements between Grantor and third parties that may impact or disturb any portion of the surface of the Property including, but not limited to, easement agreements, utility easements, rights-of-way agreements, surface use agreements, lease agreements (other than those specifically related to the agricultural and recreational operations of the Property). Grantor agrees that Grantee shall have the right to approve any such agreement described in the preceding sentence prior to such agreement being executed. Nothing herein is intended to require Grantee to approve any action or agreement that is inconsistent with the terms of this Deed.

B. Right to Protect the Conservation Values. To preserve and protect the Conservation Values of the Property.

C. Right to Access the Property. With reasonable advance notice to Grantor (except in the case of any ongoing or imminent violation, in which case such notice is not required), Grantee or Grantee's agents may enter the Property for the purpose of inspecting for violations, provided that Grantee shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property.

D. Right to Prevent Inconsistent Activities. To prevent any activity on or use of the Property that is inconsistent with the purpose of this Deed, whether that activity is conducted by Grantor or a third party.

E. Right to Require Restoration of Disturbed Areas. To require the restoration and revegetation of such areas or features of the Property that may be damaged or disturbed by any activity or use that is inconsistent with the purposes or terms of this Deed.

3. Prohibited Acts. Grantor shall not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the covenants herein. Grantor hereby authorizes Grantee to enforce these covenants in the manner described below. However, unless otherwise specified, nothing in this Deed shall require Grantor to take any action to restore the condition of the Property after any fire, act of God or other natural event over which Grantor had no control. For purposes of this Deed, "natural event" shall not include acts of third parties. Grantor understands that nothing in this Deed relieves them of any obligation or restriction on the use of the Property imposed by law.

4. Construction of Buildings and Other Structures. The construction of any building or other structure, except those existing on the date of this Deed or those approved by Grantee subsequent to the date hereof but prior to construction, is prohibited except in accordance with subparagraphs A through F below. Before undertaking any construction that requires advance permission, Grantor shall notify Grantee of such request. The total area of all impervious

surfaces upon the Property shall not exceed two (2) percent of the total area protected by this Deed (the "Impervious Surface Limitation"). Impervious surfaces include areas that are paved, covered by concrete, or occupied by buildings, with or without floors, including but not limited to the buildings and improvements permitted in subparagraphs (B) and (D) below. Conservation practices listed in the NRCS Field Office Technical Guide ("FOTG") are exempt from this impervious surface provision.

A. Fences. Existing fences may be repaired and replaced, and new fences may be built anywhere on the Property for purposes of reasonable management of livestock in a manner as is customary in the region within which the Property is located, without any further permission of Grantee. Grantor shall not be required to erect any new fences for any purpose, including, but not limited to, fencing out livestock from riparian areas or other designated habitats.

B. Agricultural Structures and Improvements. There are no existing major agricultural buildings and structures on the Property. Currently there is one pole barn located east of Highway 131 that is described by GPS point and depicted on **Exhibit C**, attached to and made a part of this Deed. New major agricultural structures and the existing hunting cabin may be located within the building envelope of 1 (one) acre more specifically on **Exhibit C**, attached to and made a part of this Deed (the "Building Envelope"). Currently there is one hunting cabin located in the Building Envelope. This structure may continue to be used and may be repaired, reasonably enlarged and replaced within the Building Envelope without further permission of Grantee. At such time as Grantor intends to construct a major agricultural structure, Grantor will notify Grantee prior to any construction within the Building Envelope, so Grantee can update its records. New major buildings and improvements such as barns, sheds, and garages which are to be used solely for agricultural purposes, including the processing or sale of farm or ranch products predominantly grown or raised on the Property, may be built within the Building Envelope and may be repaired, reasonably enlarged and replaced. Loafing sheds, corrals, water lines, water tanks and other minor agricultural structures and improvements, including wind, solar, and hydroelectric generation facilities that are primarily for the generation of energy for use in conjunction with the minor agricultural structures and improvements permitted by this Deed and that are not connected to the electricity utility grid, may be constructed anywhere on the Property. Grantor will notify Grantee prior to any construction within the Building Envelope. No new agricultural buildings or improvements other than those covered by this subparagraph B shall be constructed.

C. Single-Family Residential Dwellings. There is one (1) existing hunting cabin located on the Property. No new residential dwellings are permitted in the Building Envelope consisting of one (1) acre.

D. Repair and Replacement. Only the existing hunting cabin which is described in Paragraph 4.B may be repaired, reasonably enlarged, and replaced at its permitted location without further permission from Grantee. The existing hunting cabin may also be relocated anywhere within the boundaries of the Building Envelope per the terms of Paragraph 4.B above. Prior to any such relocation of the existing hunting cabin, Grantor shall notify Grantee of such relocation and provide Grantee with written plans describing the relocation so that Grantee can update its records. The existing hunting cabin may include associated minor

outbuildings within the Building Envelope, such as garages or sheds. At the time that construction of any structure is to commence, Grantor shall notify Grantee.

E. Recreational Structures and Improvements. Golf courses, airstrips, helicopter pads, athletic fields, race tracks, and commercial shooting ranges are strictly prohibited on the Property. Grantor may construct hunting blinds, wildlife viewing facilities, and other minor recreational structures and improvements on the Property. Outside of the Building Envelope, minor recreational structures and improvements may only be constructed outside of productive agricultural areas and with the prior written consent of Grantee, after providing written notice of and description of said minor recreational structures and improvements to Grantee. Any such minor recreational structures and improvements may be constructed within the Building Envelope without prior written notice. Any such minor recreational structures and improvements shall not diminish or impair the Conservation Values, or the agricultural production and viability of the Property

F. Energy Generation.

(1) Wind and Solar. In addition to the permitted wind and solar generation facilities associated with minor agricultural structures and improvements as set forth in Subparagraph 4B above, wind and solar generation facilities that are primarily for the generation of energy for use in conjunction with those activities permitted by this Deed, may be constructed within the Building Envelope without Grantee consent. Wind and solar generation facilities may only be constructed outside of the Building Envelope with prior written approval of Grantee. The factors which Grantee may consider in determining whether to grant such approval shall include, but not be limited to, (i) whether the installation and siting of such facilities would substantially diminish or impair the Conservation Values, (ii) the physical impact of the proposed facility on the Conservation Values, (iii) the feasibility of less impactful alternatives, and (iv) such other factors as Grantee may determine are relevant to the decision. The construction of wind and solar energy generation facilities that are not primarily for use in conjunction with those activities permitted by this Deed are prohibited anywhere on the Property. Any wind or solar energy generated on the Property in accordance with this paragraph that is in excess of Grantor's consumption may be sold, conveyed, or credited to a provider of retail electric service to the extent permitted by Colorado law. Nothing in this provision shall be construed as permitting the construction or establishment of a wind farm or commercial solar energy production facility.

(2) Hydroelectric. The construction of hydroelectric power generation facilities in accordance with this subparagraph is permitted only with Grantee's prior written approval, which may be granted or withheld in Grantee's sole discretion. Without limiting Grantee's right to withhold such approval in its sole discretion, factors which Grantee may consider shall include but not be limited to whether the facilities and any ancillary improvements are limited in size, the proposed location of the improvements, whether such improvements are sized primarily for the generation of energy for use in conjunction with those activities permitted by this Deed, and that the improvements do not substantially impair the Conservation Values.

5. Subdivision. The division or subdivision of the Property into two or more parcels, whether by physical or legal process, including but not limited to condominium interests, time-

sharing, and the partition of undivided interests or subdivision by any judicial or non-judicial foreclosure, is prohibited.

6. Farm Reconstitution and Minor Boundary Line Adjustments. Notwithstanding anything to the contrary contained in Paragraph 5 above, the NRCS State Conservationist, the Board, and Grantee, in their sole and separate discretion, may approve a division of a portion of the Property either solely for, (1) farm reconstitution, - such as to increase the efficiency of agricultural operations or to reconcile property boundaries with natural boundaries - which shall not increase the lot yield or development potential of the Property or any adjacent properties, and provided that any portion of the Property that is divided hereunder shall, (a) meet all Farm and Ranch Lands Protection Program, or such successor NRCS conservation program having similar purposes land eligibility requirements; (b) remain subject to the terms and restrictions of this Deed; (c) not reduce the size of the resulting subdivided parcel(s) below the average size of farms in Routt County at the time of the request; (d) the farmstead locations within the subdivided parcel have prior NRCS State Conservationist approval or are forever extinguished and (e) the division is for agricultural purposes and moving land from one agricultural operation to another, as certified by the parties to NRCS; or (2) purposes of a minor boundary line adjustment. Furthermore, no part of any permitted Building Envelope may be located within that portion of the Property to be conveyed by Grantor for such purposes.

7. Development Rights. Grantor hereby grants to Grantee all development rights except as specifically reserved herein, and the parties agree that such rights are terminated and extinguished, and may not be used on or transferred off of the Property to any other property adjacent or otherwise, including without limitation on property created by a minor boundary line adjustment.

8. Conservation Practices. Grantor recognizes the importance of good resource management and stewardship to maintain the Conservation Values for present and future generations. To this end, all agricultural uses of the Property shall be conducted using generally accepted stewardship and management practices for the agricultural industry. Grantor further recognizes that riparian systems are important to the agricultural viability and ecological health of the Property and the watershed in which the Property is located and shall be managed accordingly. Grantor shall comply with and have responsibility for compliance of the Property with the Colorado Noxious Weed Act and any other governmental noxious weed control regulations.

As required by section 1238I of the Food Security Act of 1985, as amended, the Grantor, and Grantor's heirs, successors, or assigns, shall conduct agricultural operations on highly erodible land on the Property in a manner consistent with a conservation plan prepared by Grantor in consultation with Grantee, NRCS and the Conservation District, and approved by NRCS. The parties agree that the Property does not currently have any highly erodible land, so the provision does not currently apply to the Property and no conservation plan is required. Should a conservation plan be required in the future, this conservation plan shall be developed using the standards and specifications of the NRCS Field Office Technical Guide and 7 CFR part 12 that are in effect on the date of this Conservation Easement Deed. However, the Grantor may develop and implement a conservation plan that proposes a higher level of conservation and is consistent with the NRCS Field Office Technical Guide standards and specifications. NRCS shall have the right

to enter upon the Property, at reasonable times and with reasonable advance notice to the Grantor, in order to monitor compliance with the conservation plan. At Grantee's request, Grantee, or its successor in interest may accompany NRCS.

In the event of noncompliance with the conservation plan, NRCS shall work with the Grantee and Grantor to explore methods of compliance and give the Grantor a reasonable amount of time, not to exceed twelve months, to take corrective action. If the Grantor does not comply with the conservation plan, NRCS will inform Grantee of the Grantor's noncompliance. The Grantee shall take all reasonable steps (including efforts at securing voluntary compliance and, if necessary, appropriate legal action) to secure compliance with the conservation plan following written notification from NRCS that (a) there is a substantial, ongoing event or circumstance of non-compliance with the conservation plan, (b) NRCS has worked with the Grantor to correct such noncompliance, and (c) Grantor has exhausted Grantor's appeal rights under applicable NRCS regulations.

If the NRCS standards and specifications for highly erodible land are revised after the date of this Conservation Easement Deed based on an Act of Congress, Grantor and NRCS will work cooperatively to develop and implement a revised conservation plan. The provisions of this section apply to the highly erodible land conservation requirements of the Farm and Ranch Lands Protection Program and are not intended to affect any other natural resources conservation requirements to which the Grantor may be or become subject.

9. Timber Harvesting. Trees may be cut to control insects and disease, cut dead and dying timber for the purpose of improving forest health, to prevent personal injury and property damage, to prevent encroachment into pastureland, and for firewood and other domestic uses, including construction of permitted buildings and fences on the Property. Any commercial timber harvesting on the Property shall be conducted on a sustainable yield basis and in substantial accordance with a current forest management plan prepared by a competent professional forester and updated within five (5) years of the date of any commercial timber harvest. A copy of the forest management plan shall be approved by Grantee and provided to the Board prior to any commercial timber harvesting.

10. Mining.

A. Mineral Remoteness Assessment. Any mineral leases or other conveyances of minerals entered into after the date of this Deed are subordinate to the terms of this Deed. A Mineral Remoteness Assessment for the property was completed by Jim Armstrong of Rare Earth Science and is dated October 12, 2012. The conclusion in the report as to surface extraction states that "the likelihood of mineral extraction is so remote as to be negligible."

B. Impervious surfaces as defined in Paragraph 4 of this Deed will include any impervious surfaces or soil disturbance, including without limitation soil compaction, associated with uses permitted by this Paragraph 10, and such areas will be counted against the two (2) percent limit set forth in Paragraph 4 of this Deed.

C. The commercial mining or extraction of soil, sand, gravel, oil, natural gas, fuel, coal, or any other mineral substance owned by Grantor as of the date of this Deed or later acquired by Grantor, using any surface mining method is prohibited. In accordance with Section 1.170A-14(g)(4) of the Treasury Regulations, oil and gas extraction is permitted if approved by Grantee in accordance with this Paragraph 10; if such extraction is not accomplished by any surface mining method and the method of extraction has a limited and localized impact that is not irretrievably destructive of the Conservation Values of the Property; if the proposed oil and gas extraction will not impair the Conservation Values of the Property; and if the extraction will be pursuant to a lease or other conveyance approved by Grantee pursuant to subparagraph D below or subject to an Extraction Plan described in subparagraph F below.

D. Any lease or other conveyance by Grantor to a third party of mineral rights subsequent to the date of recording of this Deed will be subject to the terms and restrictions of this Deed and will so state, will contain terms consistent with the provisions of this Deed, and a copy of the same will be provided to Grantee for Grantee's review and approval for consistency with the Conservation Values.

E. Grantor intends that Grantee, in addition to its interest as a holder of this Deed will have the rights of a surface owner of the Property ("Surface Owner") to receive notices of proposed mineral activities and to protect the Conservation Values and purposes of this Deed and to enforce the terms of this Deed. Accordingly, Grantor agrees that Grantee must approve in advance in writing any lease or agreement pertaining to use of the surface of the Property for mining, including any agreement permitted or required of a Surface Owner under C.R.S. § 34-60-101 et seq., as amended from time to time, and rules and regulations promulgated thereunder ("Surface Use Agreement"), between Grantor and owners or lessees of minerals (including oil, and gas), which approval Grantee may withhold in its discretion if it determines that the proposed surface use is inconsistent with the preservation of the Conservation Values of the Property, is inconsistent with the terms of this paragraph, or is not permitted under the terms of the mineral reservation or severance or the mineral lease.

F. No extraction permitted pursuant to this paragraph shall occur without submittal of an Extraction Plan (the "Extraction Plan") for the same to Grantee and NRCS for approval by Grantee and the NRCS State Conservationist. The Extraction Plan will include a description of the type of extraction, the areas within which such extraction shall occur, and the anticipated impact thereof and will provide that the extraction permitted is not irretrievably destructive of the Conservation Values nor does it substantially diminish or impair the Conservation Values of the Property. In addition to such other measures as Grantee may reasonably require to protect the Conservation Values of the Property, the Extraction Plan must provide for:

(1) Concealing all facilities or otherwise locating them to be compatible with existing topography and landscape to the greatest practicable extent,

(2) Minimizing construction of any new roadways and locating and constructing such roadways so as to minimize adverse effects of the roadways on the Conservation Values of the Property and to ensure that the roadways will not be

irremediably destructive of the Conservation Values, including without limitation irrigated agricultural lands;

(3) Minimizing the creation of impervious surfaces that are associated with uses permitted by this Paragraph 10 to prevent their adverse impact on present or future agricultural use of the Property. Adverse impacts include, without limitation, the creation of impervious surfaces to the extent that the remaining impervious surface permitted by the two (2) percent limit set forth in Paragraph 4 of this Deed limits the agricultural use of the Property; and

(4) Restoring any altered physical features of the land, including drill sites and roadways, to their original state and reclaiming the restored topography with appropriate vegetation.

11. Grantor Extractions. Notwithstanding anything to the contrary in Paragraph 10 (Mineral Extraction), soil, sand, gravel or rock may be extracted without further permission from Grantee so long as such extraction is solely for use on the Property for non-commercial purposes, is in conjunction with activities permitted herein, is accomplished in a manner which is consistent with the purpose of this Deed and does not substantially diminish or impair the Conservation Values, and has a limited and localized impact on the Property. Any such extraction shall be limited to not more than one area of less than one-half acre in size at any given time. Grantor shall notify Grantee of any change in the location of the area subsequent to the date of this Deed, and of the initial location of the area if not in existence as of the date of this Deed. Any area which is disturbed by extraction must be revegetated and restored to the natural condition of the Property after completion of the extraction. This provision shall be interpreted in a manner consistent with § 170(h) of the United States Internal Revenue Code and the Treasury Regulations adopted pursuant thereto.

12. Roads, Paving and Utilities.

A. Paving, Road Construction. Except as provided in this Paragraph 12, no portion of the Property outside of any permitted Building Envelope shall be paved or otherwise be covered with concrete, asphalt, or any other paving material. Notwithstanding the foregoing, Grantor may line ditches and ponds, and build stream crossings, provided that Grantor provides prior written notice of planned activities for Grantee's written approval, which shall not be unreasonably withheld. No road shall be constructed for access within the Property, for access to other adjacent properties, or for other purposes except, after reasonable notice to Grantee, for any unpaved road necessary to provide access to any buildings which are currently located on or may be permitted to hereafter be constructed on the Property or any road reasonably required for agricultural operations. Any such road permitted by this paragraph shall be constructed in a manner that does not substantially diminish or impair the Conservation Values of the Property.

B. Utilities. Utilities may only be constructed for serving those uses permitted on the Property by the terms of this Deed. To the extent practicable, such utilities shall be installed within or adjacent to roadways permitted by this paragraph.

13. Restoration of Disturbed Areas. Grantor shall restore and revegetate any disturbed area using a seed mixture recommended by either the appropriate county weed or pest control department, or the appropriate County Extension Office. Grantor shall take steps to control noxious weeds in disturbed areas from time to time to the extent necessary to comply with the Colorado Noxious Weeds Act.

14. Trash. The dumping or accumulation of any kind of trash or refuse on the Property, other than farm-related trash and refuse produced on the Property, is strictly prohibited. However, this shall not prevent the storage of agricultural products and by-products on the Property in accordance with all applicable government laws and regulations.

15. Recreational Uses. The Property shall remain available for private, public, and commercial recreational uses such as hunting, fishing, and wildlife viewing by Grantor and its invitees, so long as these recreational uses do not substantially diminish or impair the Conservation Values. Grantee may approve the construction of recreational structures and other improvements on the Property in accordance with Paragraph 4.E above. Use of the Property for more than "de minimis" commercial recreation activity is prohibited. The term "de minimis" shall have the meaning as set forth in § 2031(c)(8)(B) of the United States Internal Revenue Code and the Treasury Regulations adopted pursuant thereto.

16. Motorized Vehicles. Motorized vehicles may be used in a manner that does not substantially diminish or impair the Conservation Values of the Property. There shall be no off-road vehicle courses for snowmobiles, all-terrain vehicles, motorcycles, or other motorized vehicles. Nothing in this paragraph is intended to prohibit the use of motorized vehicles for any agricultural or other use that is permitted under this Deed, except that the regular use of motorized vehicles for any non-agricultural or other uses permitted hereunder shall generally be confined to permitted roads.

17. Feed Lot. The establishment or maintenance of a commercial feed lot is prohibited. For purposes of this Deed, "commercial feed lot" is defined as a permanently constructed confined area or facility within which the property is not grazed or cropped annually, and which is used and maintained for purposes of engaging in the business of the reception and feeding of livestock. Nothing in this paragraph shall prevent Grantor from seasonally confining livestock into an area for feeding and from leasing pasture for the grazing of livestock owned by others.

18. Commercial Uses. No industrial uses shall be allowed on the Property. Commercial uses are allowed, as long as they are conducted in a manner that is consistent with § 170(h) of the United States Internal Revenue Code and the Treasury Regulations adopted pursuant thereto, are consistent with the purposes of this Deed, and do not substantially diminish or impair the Conservation Values. Without limiting other potential commercial uses that meet the foregoing criteria, the following uses are allowed: processing or sale of farm or ranch products predominantly grown or raised on the Property; home occupations conducted by and in the home of a person residing on the Property; wildlife viewing; habitat enhancement; and customary rural enterprises, such as hunting, fishing, farm machinery repair, bed and breakfasts, livestock veterinary services, and similar enterprises conducted by Grantor or by another person residing on the Property. For any commercial use not expressly enumerated in this paragraph, Grantor shall pro-

vide Grantee with written notice of Grantor's proposed use, and Grantor shall only commence such use with Grantee's written approval.

19. Signage or Billboards. No commercial signs, billboards, awnings, or advertisements shall be displayed or placed on the Property, except for appropriate and customary ranch or pasture identification signs, "for sale" or "for lease" signs alerting the public to the availability of the Property for purchase or lease, "no trespassing" signs, signs regarding the private leasing of the Property for hunting, fishing or other low impact recreational uses, signs promoting agricultural products available or produced on the Property, temporary signs promoting special events on the Property, temporary signs to promote political candidates and ballot issues, and signs informing the public of the status of ownership. No signs shall materially adversely affect the Conservation Values of the Property.

20. Water Rights. The parties agree that it is reasonable that certain water rights beneficially used on the Property are encumbered by this Deed. Grantor shall retain and reserve the right to use any and all water and water rights beneficially used on the Property and all ditches, headgates, springs, reservoirs, water allotments, water shares and stock certificates, contracts, wells, easements and rights of way associated therewith (the "Water Rights"), including, but not limited to, those water rights or interests specifically described on Exhibit D attached hereto," for use in present or future agricultural production on the Property, hydroelectric power generation in accordance with Paragraph 4.F, and other lawful uses that do not substantially diminish or impair the Conservation Values of the Property, and shall not transfer, lease, sell, abandon, or otherwise separate the Water Rights from title to the Property itself; provided that Grantor may transfer, lease, sell, or otherwise separate from the Property such portion of the Water Rights which Grantor demonstrates to Grantee, in Grantee's sole discretion, are no longer necessary for present or future agricultural production on the Property at historic levels, or to maintain the Conservation Values.

21. Rights Retained by Grantor.

A. General. Subject to interpretation under Paragraph 31 (Interpretation), as owners of the Property, Grantor retains the right to perform any act not specifically prohibited or limited by this Deed. These ownership rights include, but are not limited to, the right to exclude any member of the public from trespassing on the Property and the right to sell or otherwise transfer the Property to anyone they choose.

B. No Right of Access. No right of access to the general public to any portion of the Property is conveyed by this Deed.

22. Responsibilities of Grantor and Grantee Not Affected. Other than as specified herein, this Deed is not intended to impose any legal or other responsibility on Grantee, or in any way to affect any existing obligation of Grantor as owner of the Property. Among other things, this shall apply to:

A. Taxes. Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Property. If Grantee is ever required to pay any taxes or

assessments on Grantor's or Grantee's interest in the Property, Grantor will reimburse Grantee for the same.

B. Upkeep and Maintenance. Grantor shall continue to be solely responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. Grantee shall have no obligation for the upkeep or maintenance of the Property.

C. Liability and Indemnification. If Grantee is ever required to defend itself from claims or required by a court to pay damages resulting from personal injury or property damage that occurs on the Property, Grantor shall indemnify and reimburse Grantee for these payments, as well as for reasonable attorneys' fees and other expenses of defending itself, unless Grantee or any of its agents have committed a negligent or deliberate act that is determined by a court to be the contributing cause of the injury or damage. In addition, Grantee may request that Grantee be an additional insured on Grantor's liability insurance policy covering the Property. If so requested, Grantor shall provide certificates of such insurance to Grantee upon reasonable request. In addition, Grantor shall indemnify and hold harmless the Board and the United States, and their respective employees, agents, and assigns, for any and all liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, and costs of actions, sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys' fees and attorneys' fees on appeal) to which Grantee may be subject or incur relating to the Property, which may arise from, but are not limited to, Grantor's negligent acts or omissions, or Grantor's breach of any representation, warranty, covenant, or agreements contained within this Deed, or Grantor's violations of any Federal, State, or local laws, including all Environmental Laws, and including, but not limited to, the release, use or deposit of any hazardous or toxic substance on, under, or about the Property. For the purpose of this paragraph, hazardous or toxic substances shall mean any hazardous or toxic substance that is regulated under any federal, state, or local law or regulation. The United States and the Board shall not be held accountable for any acts committed by Grantee or Grantor in violation of the terms of this Deed or applicable state, local and federal laws.

23. Enforcement. Grantee shall have the right to prevent and correct or require correction of violations of the terms of this Deed. Grantee shall conduct annual monitoring inspections of the Property to ensure that conditions and activities on the Property, including but not limited to those concerning the Water Rights, are consistent with the terms of this Deed, using the Baseline Inventory Report to compare the condition of the Property as of the date of this Deed with the condition of the Property as of the date of the annual inspection. Grantee shall provide the United States, the Board, and the County upon request with copies of its annual monitoring reports. With reasonable advance notice to Grantor (except in the case of any ongoing or imminent violation, in which case such notice is not required), Grantee or Grantee's agents may enter the Property for the purpose of inspecting for violations. If Grantee finds what it believes is a violation, it may at its discretion take appropriate legal action. Routt County may intervene in any ongoing enforcement action brought by Grantee. Upon discovery of a violation, Grantee shall immediately notify Grantor, the Board, the United States, and the County in writing of the alleged violation. If Grantee determines in its reasonable discretion that an imminent threat of abandonment of the Water Rights exists, Grantee shall have all of the enforcement rights available under this paragraph to protect the Water Rights from the threat of

abandonment due to the action or inaction of Grantor. Except when an ongoing or imminent violation is causing material damage to or could irreversibly diminish or impair the Conservation Values of the Property, Grantee shall give Grantor, the Board, the United States, and the County written notice of the violation and sixty (60) days to correct it, before filing any legal action. If a court with jurisdiction determines that a violation may exist or has occurred, Grantee may obtain an injunction to stop it, temporarily or permanently, in addition to such other relief as the court deems appropriate. A court may also issue an injunction requiring Grantor to restore the Property to its condition prior to the violation. In any case where a court finds that a violation has occurred, Grantor shall reimburse Grantee for all its expenses incurred in stopping and correcting the violation, including but not limited to reasonable attorneys' fees. Grantee shall reimburse Grantor for all of its expenses incurred, including but not limited to reasonable attorneys' fees, only upon a finding by a court that Grantee acted arbitrarily and/or capriciously and/or in bad faith. Any failure by Grantee to discover a violation or forbearance by Grantee to exercise its rights under this Deed in the event of any breach of any term of this Deed by Grantor shall not be deemed or construed to be a waiver by Grantee of such term of any subsequent breach of the same or any other term of this Deed or of any of Grantee's rights under this Deed. In the event the United States acts to prevent and correct or require correction of violations of the terms of this Deed under Paragraph 24 (United States Right of Enforcement), the United States shall have all legal and equitable rights and responsibilities granted to Grantee under this paragraph. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver. Grantor hereby waives any defense available to Grantor pursuant to C.R.S. § 38-41-119, or the defense of laches, prescription or estoppel.

24. United States Right of Enforcement. Under this Deed, the United States is granted the right of enforcement in order to protect the public investment. The Secretary of the United States Department of Agriculture (the "Secretary") or his or her assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under State or Federal law if Grantee fails to enforce any of the terms of this Deed, as determined in the sole discretion of the Secretary.

25. Transfer of Easement; Board Requirement for Assignment or Enforcement.

A. Transfer by Grantee. With the prior written consent of Grantor (which consent shall not be unreasonably withheld), the United States, the County, and the Board in its sole discretion, Grantee shall have the right to transfer this Easement to any private nonprofit organization that, at the time of transfer, is a qualified organization under Section 170(h) of the United States Internal Revenue Code, and under Colorado Revised Statutes Section §§ 38-30.5-101, *et seq.*, (a "Qualified Organization"), and only if the organization expressly agrees to assume the responsibility imposed on Grantee by this Deed and agrees that the conservation purposes that this Deed is to advance continue to be carried out and is approved in writing as a transferee by the Board at its sole discretion. Grantee shall provide Grantor, the Board, the United States and the County with a written request to assign this Deed at least forty-five (45) days prior to the date proposed for the assignment transaction. Notwithstanding anything in this paragraph to the contrary, this Easement shall not be transferred by Grantee to any governmental entity or public agency without the consent of the Grantor, which consent shall be in Grantor's sole discretion. If Grantee desires to transfer this Deed to a Qualified Organization having similar

purposes as Grantee, but Grantor, the United States, the County, or the Board unreasonably refuses to approve the transfer, a court with jurisdiction shall transfer this Deed to another Qualified Organization having similar purposes and mission as Grantee and that agrees to assume the responsibility of enforcing this Deed, provided that Grantor, the Board, the County, and the United States receive notice of and an opportunity to participate in the court proceeding.

B. Transfer by Judicial Process. If Grantee ever ceases to exist, or Grantee is no longer a Qualified Organization and the United States declines to exercise its rights under Paragraph 23 (United States Right of Enforcement), the Board, the County, and Grantor may jointly agree to transfer this Deed to another Qualified Organization having similar purposes as Grantee that agrees to assume the responsibility imposed on Grantee by this Deed. If Grantee is no longer monitoring and enforcing the terms of this Deed to preserve and protect the Conservation Values of the Property, and the United States declines to exercise its rights under Paragraph 23 (United States Right of Enforcement), then either Grantor, the Board, or the County may apply to a court with jurisdiction for such court to transfer this Deed, to another Qualified Organization having similar purposes that agrees to assume the responsibility imposed on Grantee by this Deed, provided that Grantee, Grantor, the United States, the Board, and the County receive notice of and an opportunity to participate in the court proceeding.

C. Upon compliance with the applicable portions of this Paragraph 25, the parties shall record an instrument completing the assignment in the records of the county or counties in which the Property is located. Assignment of the Easement shall not be construed as affecting the Easement's perpetual duration and shall not affect the Easement's priority against any intervening liens, mortgages, easements, or other encumbrances.

26. Transfer of the Property and Notice of Obligations of Grantor and Third Parties.

A. Transfer Fee. Any time the Property itself, or any interest in it, is transferred by Grantor to any third party (but not to include leases for agricultural use, or for hunting or fishing), Grantor shall pay a transfer fee of \$200.00 to be used by Grantee for purposes consistent with its mission. Grantor shall notify Grantee, the Board, and the County in writing at least thirty (30) days prior to the transfer of the Property, and the document of conveyance shall expressly refer to this Deed. The transfer fee may be waived if the Property is transferred to Grantor's heirs or beneficiaries. If at any time in the future all or any portion of the Property is classified as "residential property" as defined in C.R.S. 38-35-127(2)(e), then Grantee covenants and agrees that the transfer fee shall be used by Grantee only for the benefit of the Property, any adjacent or contiguous real property, or the community in which the Property is located.

B. Right of Grantee to Record Notice. Grantee shall have the right to record a document, executed solely by Grantee, in the real property records in the county within which the Property is located to put such third parties on notice of the requirements of this paragraph, of Paragraph 2.A (Rights of Grantee – Right of Review), Paragraph 10.B (Mineral Extraction – Rights of Grantee), Paragraph 10.C (Mineral Extraction - Leasing), or Paragraph 10.D (Mineral Extraction – Surface Use Agreements).

C. Failure to Comply Does Not Invalidate. Failure to provide notice pursuant to this paragraph or such recorded document shall not invalidate any transfer of the Property nor shall it impair the validity of this Deed or limit its enforceability in any way..

27. Amendment of Deed. If circumstances arise under which an amendment to or modification of this Easement or any of its exhibits would be appropriate, Grantor Grantee may jointly amend this Easement so long as the amendment (a) is consistent with the Conservation Values and Purpose of this Easement, (b) does not affect the perpetual duration of the restrictions contained in this Easement, (c) does not affect the qualifications of this Easement under any applicable laws, (d) complies with Grantee's, the Board's, the United States', and the County's procedures and standards for amendments (as such procedures and standards may be amended from time to time) and (e) receives the prior written approval of the Board, the United States, and the County. Any amendment must be in writing, signed by the Parties, and recorded in the records of the Clerk and Recorder of the County or Counties in which the Property is located. In order to preserve the Easement's priority, Grantee, the Board, the United States, or the County may require that any liens, mortgages, easements, or other encumbrances be subordinated to any proposed amendment. For the purposes of the Board's approval and the United States' approval under item (e) above, the term "amendment" means any instrument that purports to alter in any way any provision of or exhibit to this Easement. Nothing in this paragraph shall be construed as requiring Grantee, the Board, the United States, or the County to agree to any particular proposed amendment.

28. Real Property Interest. This Deed constitutes a real property interest immediately vested in Grantee. The Parties stipulate that this Easement has a fair market value equal to 58% of the full fair market value of the Property, as unencumbered by the Easement, on the date this Deed is first recorded (the "Easement Value Percentage").

29. Proceeds. Values at the time of this Deed shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this Grant, pursuant to Section 170(h) of the Internal Revenue Code of 1986, as amended, whether or not Grantor claims any deduction for federal income tax purposes. For the purposes of this Deed, the ratio of the value of the Easement to the value of the Property as unencumbered by the Easement shall remain constant.

30. Condemnation or Other Extinguishment. If this Easement is taken, in whole or in part, by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, so as to terminate this Easement in whole or in part, or if circumstances arise in the future that render the purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. Each Party shall promptly notify the other Party, the Board, the United States, and the County in writing when it first learns of such circumstances. Grantee shall be entitled to compensation in accordance with applicable law, after the satisfaction of prior claims, from any sale, exchange, condemnation, or other involuntary or voluntary conversion (each, a "Conversion") of all or any portion of the Property subsequent to such termination or extinguishment. Grantee's compensation shall be an amount equal to the Easement Value Percentage, multiplied by the amount of the full proceeds from any sale, exchange, condemnation, or other involuntary or voluntary conversion of all or a portion of the Property. For any Conversion

of the Property, the Board shall be entitled to receive 17.7% of Grantee's compensation, the United States shall be entitled to receive 35.1% of Grantee's compensation, the County shall be entitled to receive 17.5% of Grantee's compensation, and Grantee shall be entitled to retain the remaining 29.7% of Grantee's compensation. These proportionate shares of the proceeds from any Conversion are based upon the amount of funding provided by each funding entity as a percentage of the fair market value of this Deed as of the date of its conveyance. Upon receipt of any such proceeds, Grantee shall promptly remit to the Board, the United States, and the County their respective share of the proceeds. Grantee shall use any such proceeds in a manner consistent with the conservation purposes of this Deed. All expenses reasonably incurred by Grantor and Grantee in connection with the condemnation shall be paid out of the total amount recovered prior to the allocation of such damages award between Grantor and Grantee, as described in this paragraph. Notwithstanding the foregoing, because the United States has an interest in this Easement, the United States must consent to any termination, extinguishment, eminent domain and/or condemnation action involving the Property.

31. Interpretation. This Easement shall be interpreted under the laws of the State of Colorado, resolving any ambiguities and questions of the validity of specific provisions so as to preserve the Conservation Values and give maximum effect to its conservation purposes.

32. Perpetual Duration. The Easement created by this Deed shall be a servitude running with the land in perpetuity. Every provision of this Deed that applies to Grantor or Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear. A party's rights and obligations under this Deed terminate upon transfer of the party's interest in this Deed or the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

33. Notices. Any notifications or notices required by this Deed shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, to Grantor and Grantee respectively at the following addresses, unless a party has been notified by the other of a change of address:

- | | |
|-------------|---|
| To Grantor: | Robert G. George, Jr.
P.O. Box 212
Yampa, CO 80483 |
| | Marieta K. Nelson
P.O. Box 111
Yampa, CO 80483 |
| To Grantee: | Colorado Cattlemen's Agricultural Land Trust
8833 Ralston Road
Arvada, CO 80002 |
| To Board: | Executive Director
State Board of the Great Outdoors Colorado Trust Fund
303 E. 17th Avenue, Ste 1060
Denver, CO 80203 |

To United States: State Conservationist
 USDA Natural Resources Conservation Service
 Denver Federal Center
 Building 56, Room 2604
 P.O. Box 25426
 Denver, CO 80225

To the County: **No U.S. mail delivery to physical address
 below

 Routt County Board of Commissioners
 522 Lincoln Avenue
 P.O. Box 773598
 Steamboat Springs, CO 80477

34. Grantor's Title Warranty. Grantor warrants that Grantor has good and sufficient title to the Property and hereby promises to defend the same against all claims from persons claiming by, through or under Grantor.

35. Change of Conditions. A change in the potential economic value of any use that is prohibited by or inconsistent with this Deed, or a change in any current or future use of neighboring properties, shall not constitute a change in conditions that makes it impossible or impractical for continued use of the Property for conservation purposes and shall not constitute grounds for terminating this Deed.

36. Grantor's Environmental Warranty.

“Environmental Law” or “Environmental Laws” means any and all Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.

“Hazardous Materials” means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials and any other element, compound, mixture, solution or substance which may pose a present or potential hazard to human health or the environment, as such substances and wastes are defined by applicable federal and state law.

Grantor warrants that it is in compliance with and shall remain in compliance with, all applicable Environmental Laws, except, however, to those matters identified in that certain report titled Phase I Environmental Assessment of the G5 Home Ranch, Routt County, Colorado, prepared by Jim Armstrong of Rare Earth Science, LLC and dated October 2012 (the "Environmental Assessment"). Grantor warrants that there are no notices by any governmental authority of any vio-

lation or alleged violation of, non-compliance or alleged non-compliance with or any liability under any Environmental Law relating to the operations or conditions of the Property.

Except for fertilizers, pesticides and similar products used for agricultural activities, which Grantor submits were applied in conformity with applicable laws and regulations, and except for those matters identified in the Environmental Assessment, Grantor warrants that it has no actual knowledge of a release or threatened release of Hazardous Materials on, at, beneath or from the Property. Grantor hereby promises to defend, hold harmless and indemnify the United States, the Board, and Grantee, against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Property, or arising from or connected with a violation of any Environmental Laws, by Grantor or any other prior owner of the Property. Grantor's indemnification obligation shall not be affected by any authorizations provided by Grantee to Grantor with respect to the Property or any restoration activities carried out by Grantee at the Property; provided, however, that Grantee shall be responsible for any Hazardous Materials contributed after this date to the Property by Grantee. Notwithstanding the foregoing, nothing in this Deed shall be construed as giving rise to any right or ability in Grantee or the Board, nor shall Grantee or the Board have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended.

37. Subsequent Liens on the Property. No provisions of this Deed of Conservation Easement should be construed as impairing the ability of Grantor to use this Property as collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing will be subordinated to this Deed of Conservation Easement.

38. No Merger. In addition to Grantee's rights and interests in and under this Deed, the United States, the Board, and the County have rights in the Property under this Deed. Under Colorado law, the existence of these enforcement rights precludes unity of title, and therefore a merger of this Conservation Easement and the fee title to the Property cannot occur. In the event Grantee acquires fee title interest in the Property, Grantee shall notify the Board, the United States, and the County. The County, the United States or the Board may require that Grantee transfer the Easement to another qualified organization consistent with Paragraph 26 above, and a merger shall not be deemed to have occurred unless the Parties have also obtained the prior written consent of the United States, the County, and the Board approving such merger of estates or interests.

39. Recording. Grantee shall record this Deed in the official records of each county in which the Property is situated, and may re-record it at any time as may be required to preserve Grantee's rights hereunder.

40. No Third Party Beneficiaries. This Deed is entered into by and between Grantor and Grantee and does not create enforcement rights or responsibilities in any third parties, including the public.

41. Acceptance. As attested by the signature of an authorized party affixed hereto, Grantee hereby accepts, without reservation, the rights and responsibilities conveyed by this Deed. Grantee acknowledges receipt and acceptance of this Deed of Conservation Easement encumbering the Property for which Grantor was paid the bargain price of ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000.00).

42. Review Fees. Grantee shall be reimbursed for its reasonable expenses incurred in reviewing requests for approval made by third parties as provided for under the terms of this Deed, including, but not limited to, reasonable attorneys' fees. Such reimbursement shall be the responsibility of the third party requesting review.

43. Grantor Ownership; Consent and Subordination. Grantor owns the fee simple interest in the Property, subject to a Deed of trust held by Mountain Valley Bank, which has agreed to subordinate its interest in the Property to this Deed as evidenced by the Subordination attached to this Deed as Exhibit E.

44. Environmental Attributes. Grantor hereby reserves all Environmental Attributes associated with the Property. "Environmental Attributes" shall mean any and all tax or other credits, benefits, renewable energy certificates, emissions reductions, offsets, and allowances (including but not limited to water, riparian, wetlands, wildlife species, plant species, greenhouse gas, beneficial use, and renewable energy) generated from or attributable to the conservation, preservation and management of the Property in accordance with this Deed. Nothing in this Paragraph 44 shall modify the restrictions imposed by this Deed or otherwise impair the preservation and protection of the Conservation Values, including without limitation the renewable energy facilities restrictions contained in Paragraph 4.F.

45. Severability. If any provision of this Deed, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Deed, or the application of such provision to persons or circumstance other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

46. Entire Agreement. This instrument sets forth the entire agreement of the Parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are incorporated herein.

TO HAVE AND TO HOLD, this Deed unto Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor and Grantee, intending to legally bind themselves, have set their hands on the date first written above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

SIGNATURE PAGES FOLLOW]

GRANTOR: ROBERT G. GEORGE, JR.

Robert G. George, Jr.

STATE OF Colorado)

) ss.

COUNTY OF Routt)

The foregoing instrument was acknowledged before me this 22nd day of March, 2013, by Robert G. George, Jr.

WITNESS my hand and official seal.

My commission expires: 6/20/13

JEANT. URBAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20014019191
My Commission Expires June 20, 2013

Jeant Urban
Notary Public

ACCEPTED: COLORADO CATTLEMEN'S AGRICULTURAL LAND TRUST, a Colorado nonprofit corporation

By H. Benjamin Duke III
Name: H. Benjamin Duke III
Title: Secretary

STATE OF Colorado)
COUNTY OF Jefferson) ss.

The foregoing instrument was acknowledged before me this 19th day of March, 2013, by H. Benjamin Duke III as Secretary of Colorado Cattlemen's Agricultural Land Trust, a Colorado nonprofit corporation.

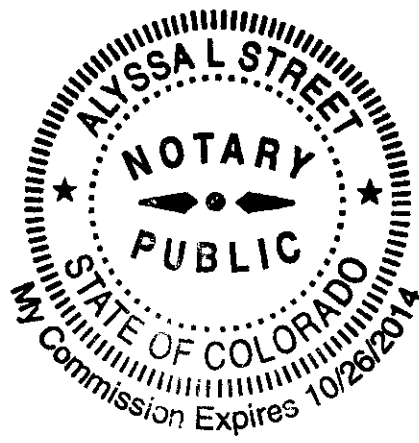
WITNESS my hand and official seal.

My commission expires: 10/26/2014

[Signature]
Notary Public

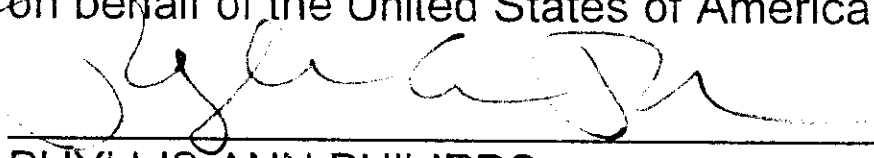
Schedule of Exhibits

- Exhibit A Legal Description of the Property
- Exhibit B Baseline Inventory Report Acknowledgment Page
- Exhibit C Map of the Property Depicting the Building Envelope
- Exhibit D Retained Water Rights
- Exhibit E Consent and Subordination



ACCEPTANCE OF PROPERTY INTEREST
BY THE NATURAL RESOURCES CONSERVATION SERVICE

The Natural Resources Conservation Service, United States Department of Agriculture, an agency and Department of the United States Government, hereby accepts and approves the foregoing conservation easement deed and the rights conveyed therein, on behalf of the United States of America.



PHYLLIS ANN PHILIPPS
State Conservationist

Natural Resources Conservation Service

United States Department of Agriculture

COUNTY OF DENVER

STATE OF COLORADO

On this 18th day of March, 2013, before me, the undersigned, a notary public in and for the State, personally appeared Phyllis Ann Philipps known or proved to me to be the person whose signature appears above, and who being duly sworn by me, did say that he or she is the State Conservationist of the Natural Resource Conservation Service, United States Department of Agriculture, is authorized to sign on behalf of the agency and acknowledged and accepted the rights conveyed by the deed to be his or her voluntary act and deed.

In witness whereof, I have hereunto set my hand and official seal the day and year first above written.

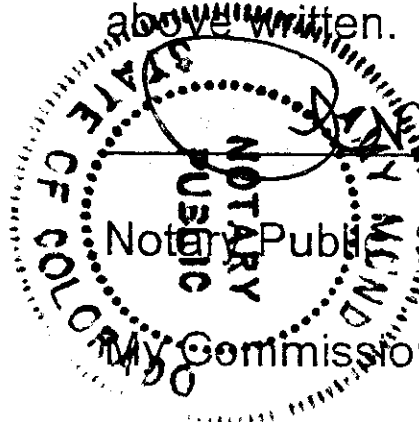

Amy Meind
Notary Public, State of Colorado
My Commission Expires 5/13/2014

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

TOWNSHIP 2 NORTH, RANGE 84 WEST OF THE 6TH PRINCIPAL MERIDIAN;

SECTION 17: NORTHWEST QUARTER OF THE SOUTHWEST QUARTER
SECTION 18: LOTS 2, 3 AND 4, EAST ONE HALF OF THE SOUTHWEST QUARTER AND THE
SOUTHEAST QUARTER
SECTION 19: LOTS 1 AND 2, EAST ONE HALF OF THE NORTHWEST QUARTER AND THE
NORTHEAST QUARTER

TOWNSHIP 2 NORTH, RANGE 85 WEST OF THE 6TH PRINCIPAL MERIDIAN;

SECTION 13: NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTH ONE HALF OF
THE NORTH ONE HALF AND THE SOUTH ONE HALF
SECTION 14: SOUTH ONE HALF OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER
AND THE NORTHWEST QUARTER AND THE NORTH ONE HALF OF THE SOUTHWEST
QUARTER
SECTION 23: WEST ONE HALF OF THE NORTHEAST QUARTER
SECTION 24: NORTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE NORTH ONE HALF OF
THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHWEST
QUARTER

AND,

A PORTION OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 85
WEST OF THE 6TH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS
FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 14 WHICH IS SOUTH 0
DEGREES 30 MINUTES WEST 535 FEET FROM THE NORTHWEST CORNER OF SAID SECTION;
THENCE NORTH 72 DEGREES 0 MINUTES EAST 828 FEET TO A POINT ON THE WESTERLY
RIGHT OF WAY LINE OF HIGHWAY NO. 131; THENCE SOUTH 48 DEGREES 29 MINUTES EAST
ALONG SAID RIGHT OF WAY LINE A DISTANCE OF 848 FEET; THENCE NORTH 89 DEGREES 30
MINUTES WEST 1425.9 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 14; THENCE
NORTH 0 DEGREES 30 MINUTES EAST ALONG SAID WEST LINE A DISTANCE OF 293 FEET TO
THE POINT OF BEGINNING.

EXCEPTING FROM THE ABOVE PARCELS THOSE TRACTS DESCRIBED IN THE INSTRUMENTS
RECORDED NOVEMBER 13, 1906 IN BOOK 48 AT PAGE 419, MARCH 30, 1907 IN BOOK 50 AT
PAGE 304, NOVEMBER 9, 1938 IN BOOK 197 AT PAGE 159, AND ANY PORTION OF THE
ABOVE PARCELS PLATTED AS EAST YAMPA,

ALSO EXCEPTING THAT PARCEL DESCRIBED IN INSTRUMENT RECORDED MAY 25, 1976 IN BOOK

417 AT PAGE 120 AND THE PARCEL DESCRIBED IN INSTRUMENT RECORDED APRIL 12, 1979
IN BOOK 473 AT PAGE 336, AND EXCEPTING THOSE PARCELS DESCRIBED IN THE DEEDS
RECORDED FEBRUARY 4, 1997 IN BOOK 729 AT PAGE 854 AND MAY 12, 1997 IN BOOK 732
AT PAGE 1131 AND DECEMBER 1, 1997 IN BOOK 740 AT PAGE 537 AND DECEMBER 9, 1997
IN BOOK 740 AT PAGE 803.

ALSO EXCEPTING A PARCEL OF LAND IN THE WEST 1/2 OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 85 WEST OF THE 6TH PRINCIPAL MERIDIAN, ROUTT COUNTY, COLORADO. DESCRIBED AS FOLLOWS::

BEGINNING AT THE WEST 1/4 CORNER OF SAID SECTION 14, BEING A 2" DIA. BRASS CAP MONUMENT MARKED LS 24318,

THENCE NORTH 01 DEGREES 19 MINUTES 42 SECONDS EAST 671.46 FEET ALONG THE WEST LINE SAID SECTION 14 TO AN E-W FENCE ON THE SOUTH LINE OF THE HINKLE/GEORGE EXEMPTION MDSE RECORDED AT FILE NO. 13149, ROUTT COUNTY RECORDS, THENCE SOUTH 88 DEGREES 11 MINUTES 24 SECONDS EAST 272.87 FEET ALONG SAID E-W FENCE AND SAID SOUTH LINE TO A FENCE CORNER, THENCE SOUTH 02 DEGREES 46 MINUTES 10 SECONDS WEST 390.48 FEET ALONG A FENCE; THENCE SOUTH 89 DEGREES 57 MINUTES 21 SECONDS EAST 236.15 FEET, THENCE SOUTH 00 DEGREES 02 MINUTES 21 SECONDS WEST, 85.82 FEET, THENCE SOUTH 55 DEGREES 02 MINUTES 33 SECONDS EAST 140.76 FEET TO THE NORTH SIDE OF A LANE, THENCE SOUTH 01 DEGREES 20 MINUTES 40 SECONDS EAST 26.60 FEET ACROSS SAID LANE, THENCE SOUTH 09 DEGREES 43 MINUTES 25 SECONDS WEST 297.98 FEET ALONG A FENCE, THENCE NORTH 86 DEGREES 09 MINUTES 10 SECONDS WEST 385.76 FEET TO A FENCE CORNER, THENCE NORTH 02 DEGREES 24 MINUTES 45 SECONDS EAST 70.39 FEET ALONG A FENCE TO A FENCE CORNER, THENCE NORTH 86 DEGREES 35 MINUTES 00 SECONDS WEST 191.96 FEET ALONG A FENCE TO THE WEST LINE SAID SECTION 14, THENCE NORTH 01 DEGREES 19 MINUTES 30 SECONDS EAST 105.71 FEET ALONG SAID WEST LINE TO THE POINT OF BEGINNING.

ROUTT COUNTY, COLORADO.

ALL BEARINGS BASED ON THE MONUMENTED WEST LINE OF THE NW1/4 SECTION 14, T.2 N., R.85 W. OF THE 6TH P.M., DETERMINED TO BE N 01 DEGREES 19 MINUTES 42 SECONDS E BY GPS OBSERVATIONS.

EXHIBIT B
BASELINE INVENTORY REPORT ACKNOWLEDGMENT PAGE

I. OWNER ACKNOWLEDGEMENT STATEMENT

Please complete to satisfy Section 1.170A-14(g)(5)(i)(D) of the federal tax regulations and the Standards and Practices of the Land Trust Alliance.

Grantor: ROBERT G. GEORGE, JR.
P.O. Box 212, Yampa, CO 80483

MARIETA K. NELSON
P.O. Box 111, Yampa, CO 80483

Grantee: Colorado Cattlemen’s Agricultural Land Trust
8833 Ralston Road
Arvada, Colorado 80002

Property Description:

The Property consists of 1,600 acres of land in Routt County.

A baseline inventory report has been prepared by Dawn Reeder of Rare Earth Science, LLC and is dated October 2012 (the "Baseline Inventory Report").

In compliance with Section 1.170-14(g)(5)(i)(D) of the Treasury Regulations, Grantor and Grantee agree that the Baseline Inventory Report is an accurate representation of the Property at the time of the conservation easement donation.

Robert G. George, Jr. Date

Marieta K. Nelson Date

 Executive Director 3/21/2013
Grantee - CCALT Date

EXHIBIT B
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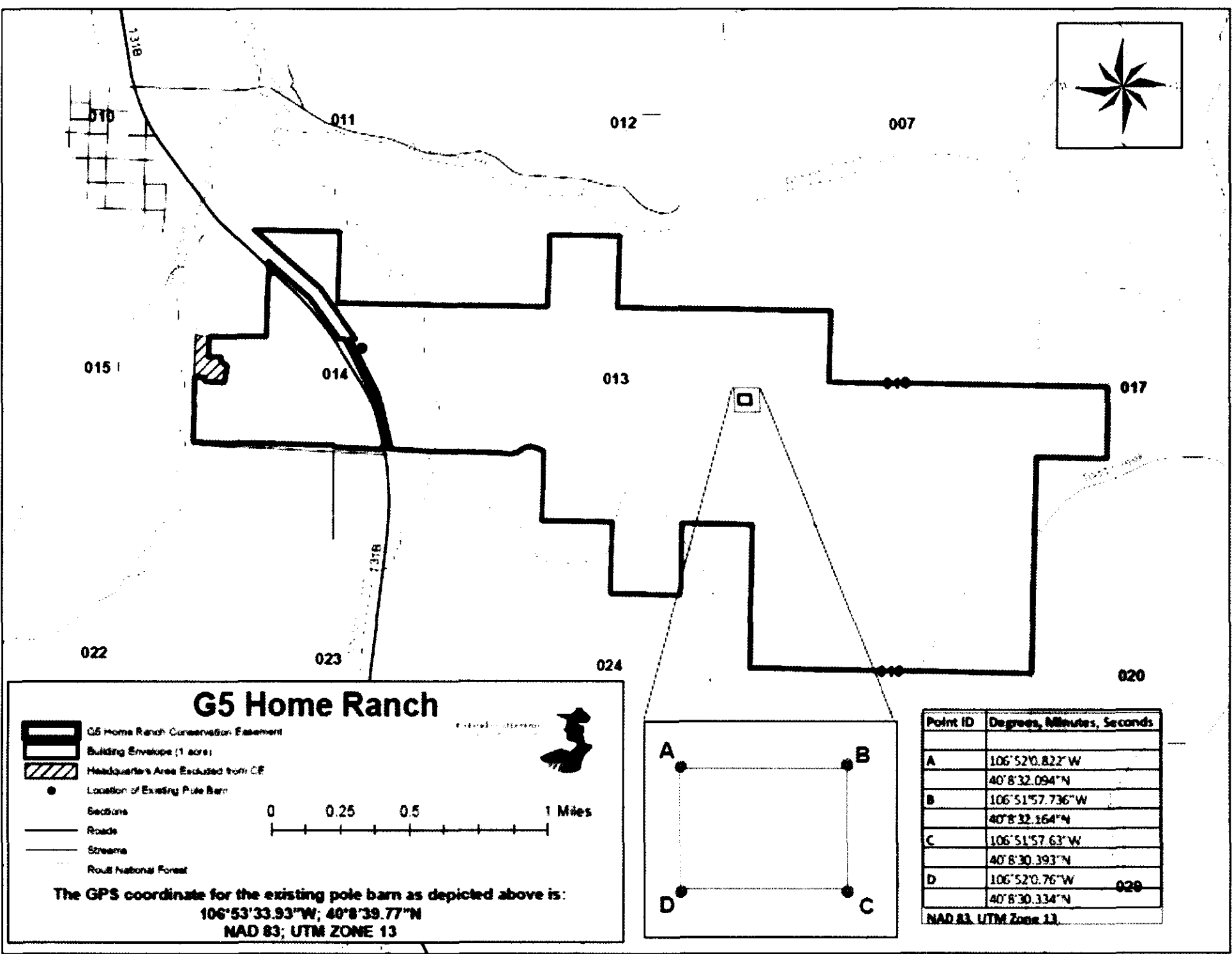
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Robert G. George, Jr. Mar. 22, 13
Robert G. George, Jr. Date

Marieta K. Nelson March 22, 2013
Marieta K. Nelson Date

Grantee - CCALT Date

EXHIBIT C
MAP OF THE PROPERTY DEPICTING THE BUILDING ENVELOPE



**EXHIBIT D
WATER RIGHTS**

Ditch	Amount	Adjudication Date	Appropriation Date	Priority Number
Pennsylvania Ditch	5.3 cfs	9/22/1892	6/6/1883	2
Pennsylvania Ditch #2	5.3 cfs	11/25/1946	6/1/1903	288-A
Little Mountain Ditch	Undivided ½ interest in 1.5 cfs	9/9/1937	4/24/1900	159-B2
Little Mountain Ditch #351	2.52 cfs	11/25/1946	6/1/1903	287
South Side Ditch	.5 cfs	9/22/1892	4/18/1887	(29)28
	.5 cfs	9/14/1946	6/1/1904	289

EXHIBIT E
CONSENT AND SUBORDINATION

*[THE REMAINDER OF THIS PAGE IS
INTENTIONALLY LEFT BLANK.]*

[SUBORDINATION ATTACHED ON FOLLOWING PAGE]

EXHIBIT E
CONSENT AND SUBORDINATION

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned Mountain Valley Bank as beneficiary of that certain Deed of Trust recorded March 16, 2012 at Reception No. 423189 in the records of the Clerk and Recorder of Routt County, Colorado, and all related documents and instruments (collectively, the "Deed of Trust"), hereby consents to the execution of that certain Deed of Conservation Easement to which this Consent and Subordination is attached as an exhibit, subordinates the lien of the Deed of Trust to the Deed of Conservation Easement and agrees that any foreclosure of the Deed of Trust shall not adversely affect the existence or continuing validity of the Deed of Conservation Easement. The Deed of Conservation Easement shall run with the land and remain in full force and effect as if such were executed, delivered, and recorded prior to the execution, delivery, and recording of the Deed of Trust. The undersigned hereby represents that they are authorized to execute this instrument on behalf of the entity for which they are acting hereunder.

IN WITNESS WHEREOF, the undersigned have executed this Subordination this day of March 19, 2013.

By: TERRY N. JOST
Title: PRESIDENT & CEO

STATE OF COLORADO)
COUNTY OF Routt) ss.

The foregoing instrument was acknowledged before me this 19th day of March, 2013, by Terry Jost as President/CEO of Mountain Valley Bank.

Witness my hand and official seal.

My commission expires: 7/25/2013

JEANNIE M. WIXSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #20054029080
My Commission Expires July 25, 2013

Jeannie M. Wixson
Notary Public