

RECORD AND RETURN TO:

The Nature Conservancy
Western Resource Office
Attn: Legal Department
2424 Spruce Street
Boulder, Colorado 80302

DEED OF CONSERVATION EASEMENT

This Deed of Conservation Easement (**Conservation Easement or Easement**) is granted and accepted effective as of December 30, 2019 by JW Cattle Ranch, LLC with an address of PO Box 1772, Guymon, Oklahoma 73942 (**Landowner**), and The Nature Conservancy, a District of Columbia non-profit corporation having a local address of 2424 Spruce Street, Boulder, Colorado 80302 (**Holder**).

Exhibits to this Conservation Easement include the following:

- Exhibit A - Property Description and Overview Map
- Exhibit A-1 – Descriptions and Map of Building Envelopes, Parking Area Envelopes, and Historic Sites
- Exhibit B - Water Rights
- Exhibit C - Cultivated Fields

RECITALS

- A. PROPERTY.** Landowner is the owner in fee simple of the property legally described in **Exhibit A** which consists of approximately 4,823 acres located in Huerfano County, Colorado (the **Property**). For the purposes of this Conservation Easement the Property includes any and all water and water rights beneficially used or conditionally decreed for use on the land described in **Exhibit A** that are owned by the Landowner, and all ditches, headgates, springs, reservoirs, water allotments, water shares and stock certificates, contracts, units, and wells, together with any associated easements and rights of way (the **Water Rights**). The Water Rights include surface water rights and groundwater rights, of any legal character whatsoever, including, but not limited to, those water rights or interests specifically described on **Exhibit B** attached hereto.
- B. MISSION.** The mission of The Nature Conservancy is to conserve the lands and waters on which all life depends.
- C. QUALIFIED ORGANIZATION.** Holder is a “qualified organization” as that term is defined in 26 U.S.C. §170(h)(3) and applicable regulations.
- D. AUTHORIZING STATUTE.** The State of Colorado has authorized the creation of conservation easements and recognized the importance of private efforts toward the preservation of natural systems in Colorado by enactment of C.R.S. Sections 38-30.5-101 to 38-30.5-111, as may be amended from time to time, and Landowner and Holder wish to avail themselves of the provisions of that law without intending that the existence of this Conservation Easement be dependent on the continuing existence of such law.
- E. CURRENT USE OF THE PROPERTY.** The Property is currently used for and will continue to be used for livestock grazing, haying, limited forestry, and recreational use, including hunting. The

Conservation Values (defined below) of the Property have not been and are not likely to be adversely affected to any substantial extent by continuing to allow the uses of the Property that presently exist on the Property or which are authorized under this Conservation Easement. Also, the Conservation Values of the Property have not been and are not likely to be adversely affected to any substantial extent by limited development of the Property through the use and maintenance and/or construction of those Buildings and Structures which presently exist on the Property, as permitted herein or by the limited additional development which is authorized under this Conservation Easement.

NOW, THEREFORE, for and in consideration of the facts recited above and of the mutual covenants, terms, conditions and restrictions contained herein, and as an absolute and unconditional gift, Landowner hereby gives, grants, warrants and conveys unto Holder a Conservation Easement in perpetuity on, over, across, under and above the Property of the nature and character as follows:

1. **PURPOSE.** The purpose of this Conservation Easement is to preserve and protect in perpetuity the Conservation Values (defined below) (the **Conservation Purpose**).

The Property is a natural area that consists of “a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem,” as that phrase is used in 26 U.S.C. §170(h)(4)(A)(ii) and applicable regulations. Specifically, the Property includes a mix of forest, shrubland, and grassland and is currently dominated by Gambel Oak-mixed montane shrublands, foothill and piedmont grassland, mixed conifer forest and woodlands, pinyon-juniper and ponderosa woodlands, irrigated meadows, and riparian woodlands and shrublands. Oak Creek, South Abeyta Creek, and Middle Creek and their associated riparian habitats are located on the Property. The confluences of Oak Creek and South Abeyta Creek with Middle Creek are located on the Property, and Middle Creek is tributary to the Cucharas River approximately 1 mile east of the Property. Two natural lakes, including Rock Lake and Pinon Lake, are present. The Property provides habitat for Elk, Mule Deer, Black Bear, Mountain Lion, Pronghorn, Turkey, numerous raptors, including Ferruginous Hawk and American Peregrine Falcon (both State Species of Concern as documented by Colorado Parks & Wildlife), a variety of small mammals, reptiles and amphibians, and migratory bird species, including Lewis’ Woodpecker. The ponds and reservoirs on the Property offer seasonal habitat for waterbirds, including mallards and blue-winged teal.

Two State Wildlife Action Plan (CPW 2015) “Tier 1” Species of Greatest Conservation Need are known from the Property: Golden Eagle and Colorado Checkered Whiptail. The Property is potential habitat for Wahatoya Creek Larkspur (*Delphinium robustum*), a Colorado state-ranked rare plant species (ranked S2, imperiled) that is found locally in sandy soil on canyon bottoms of the Spanish Peaks and Cuchara Valley at elevations of 7000 to 8500 feet. Although Canada Lynx, a federally threatened and state endangered species, is not currently known from the Property, the Property is located within the La Veta Lynx Linkage corridor as mapped by the US Forest Service and partners (USFS 2008), and if Lynx continues to successfully re-establish in Colorado, they may be reasonably expected to use the Property. The majority of the Property comprises “severe winter range” for Elk and Mule Deer as documented by Colorado Parks & Wildlife.

The Property is in the region between the Sangre de Cristo Mountains and the Spanish Peaks Wilderness in Huerfano County. It is located within The Nature Conservancy’s La Veta Pass Link Conservation Area of the Southern Rocky Mountain Ecoregion as described in the report “Southern Rocky Mountains: An Ecoregional Assessment and Conservation Blueprint” (Neely et al, 2001). It is adjacent and near to private lands protected by numerous conservation easements, and a small portion of the western boundary is adjacent to public land owned by the Bureau of Land Management, with National Forest lands extending from there.

The Property lies within one mile north of the Indian Creek at Sulphur Springs Potential Conservation Area (PCA) with “Very High Biodiversity Significance” (Biodiversity Rank B2) and within one mile east of the South Middle Creek PCA with “High Biodiversity Significance” (Biodiversity Rank B3). These PCA’s were identified by the Colorado Natural Heritage Program (CNHP) of Colorado State University as sites containing natural heritage resources worthy of conservation. The goal of delineating PCAs is to identify a land area that can provide the habitat and ecological needs for particular natural heritage elements (or suite of elements) for their continued existence. Being nearly adjacent to these PCAs indicates that permanent conservation of the Property will enhance the natural heritage resources of these PCAs by not altering the management of this nearby Property.

The western portion of the Property is defined by steep canyons and surrounding sloping mesas and foothills, while the central and eastern portions are less rugged. The Property generally slopes from west to east. There are as many as 300 acres of irrigated meadow, depending on annual water availability. The Property’s woodlands, shrublands, grasslands, meadows, lakes, ponds, and topographic and geologic features provide important relatively natural habitat and habitat linkages for wildlife in the area.

The attributes of the Property described in this section are collectively referred to in this Conservation Easement as the **Conservation Values**.

2. **EASEMENT DOCUMENTATION REPORT.** The parties acknowledge that an **Easement Documentation Report** (the **Report**) has been prepared and approved in writing by Holder and Landowner. The Report contains: (a) an accurate representation of the natural resources and physical condition of the Property at the time of this conveyance, (b) a description of the current and historical uses of the Property, and (c) a statement signed by the Landowner and a representative of Holder as required by Treasury Regulations §1.170A-14(g)(5)(i). The Report also documents the nature and extent of historic use of the Water Rights on the Property. The Report may be used to determine compliance with, and to enforce, the terms of this Conservation Easement; however, the parties are not precluded from using other relevant evidence or information to assist in that determination or for enforcement of this Conservation Easement. In case of any conflict or inconsistency between the terms of the Conservation Easement and the Report, the terms of this Conservation Easement shall prevail. A copy of the Report is on file with Landowner and Holder at their respective addresses for notices set forth below. The Holder shall provide a copy of the Report to the Landowner’s successors in title upon written request.

3. **PROPERTY USES.** The following uses and practices by Landowner are not an exhaustive recital of uses and practices that are permitted, limited and/or prohibited on the Property. Certain of these uses and practices are subject to specified conditions or to the requirement of and procedures for prior approval by Holder and procedures for such prior approval are provided below. Except as prohibited or otherwise limited by this section 3, Landowner reserves the right to use and enjoy the Property in a manner which is consistent with the Conservation Purpose and protection of the Conservation Values of this Conservation Easement.

3.1 **Construction of Buildings and Structures.** Construction or placement of any Buildings or Structures is prohibited except as follows:

(a) *Buildings, Structures and Building Envelopes.* The construction, maintenance, repair, remodel, replacement and rebuilding of new Buildings and Structures, or the maintenance, repair, remodel, relocation or, in the event of its destruction, reconstruction or replacement of existing Buildings and Structures as documented in the Report is permitted: provided that (i) all new or relocated Buildings and Structures must be built within three (3) current building areas and one (1) new building area, defined as the “**Main Headquarters (HQ) Building Envelope**,” the “**Caretaker Building Envelope**,”

the “**Ranch Hand Building Envelope**,” and the “**New Building Envelope**,” the locations and permitted sizes of which are as described and shown in **Exhibit A-1** and the Report (the **Building Envelopes**).

Additionally, the construction, maintenance, repair, remodel, replacement and rebuilding of new Buildings and Structures for the use and enjoyment of Landowner and, if permitted by Landowner, the public as a scenic rest stop, including picnic pavilions, restroom facilities and unpaved parking areas, but not including any Buildings or Structures for overnight accommodations or any other human residential purposes, within six (6) new parking sites, the locations and permitted sizes of which are as described and shown in **Exhibit A-1** and the Report is permitted (the **Parking Area Envelopes**).

Maintenance, repair and restoration of existing historic buildings and structures at two sites, the “**Jameson Homestead Ranch Buildings**” and “**Santa Claus Cabin**”, as described and shown in **Exhibit A-1** and the Report, is permitted. At no time may these historic structures be moved, replaced or utilized for long-term or permanent habitation.

(b) *Agricultural Structures.* Notwithstanding the above, Landowner reserves the right to construct Structures (such as covered corrals, hay sheds and livestock shelters) to support the permitted agricultural uses of the Property outside of the Building Envelopes that are reasonably necessary to the use of the Property as a ranch, provided that such Agricultural Structures shall not (i) individually or collectively impair the Conservation Values of the Property; (ii) be located or built within 300 feet of Rock Lake or Pinon Lake as shown in the Report; or (iii) be used as overnight accommodations or for any other human residential purposes.

(c) *Easements and Utilities.* Notwithstanding anything herein to the contrary, establishment, creation and construction of utility systems consistent with the Conservation Values for use on the Property, including but not limited to, solar power generation and distribution systems and wind turbines and distribution systems, is permitted, so long as the energy produced by such utility systems is for use in conjunction with those activities permitted by this Conservation Easement and is not for commercial purposes, provided however, that any solar or wind energy generated on the Property in accordance with this subsection that is in excess of Landowner’s consumption may be sold, conveyed, or credited to a provider of retail electric services 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. Except where located in Cultivated Fields as defined and described in **Subsection 3.14**, any disturbed areas shall be revegetated and restored to a natural condition with native vegetation as soon as is practicably possible after completion of any utility construction permitted by this Conservation Easement.

(d) *Water Structures.* Notwithstanding anything herein to the contrary, for the purposes of this **Subsection 3.1** the term “Structure(s)” shall not be deemed to include water related structures.

3.2 Subdivision. The legal or de facto division, subdivision, or partitioning of the Property is prohibited. Notwithstanding the fact that, as of the date of this Conservation Easement, the Property might be comprised of separate legal parcels, the terms and conditions of this Conservation Easement shall apply to the Property as a whole, and the Property shall not be sold, transferred, or otherwise conveyed except as a whole, intact, single piece of real estate; it being

expressly agreed that neither the Landowner nor the Landowner's personal representative, heirs, successors, or assigns shall sell, transfer, or otherwise convey any portion of the Property that constitutes less than the entire Property. Regardless of anything to the contrary in the foregoing, ownership of the Property may be held in the form of undivided interests as tenants in common, whether by choice or by operation of any applicable laws, but no owner of an undivided interest in the Property shall have the right of exclusive occupancy or exclusive use of any separate portion of the Property, or any right to have the Property partitioned in kind, whether pursuant to Colorado statute or otherwise.

3.3 Common Interest Community. Construction and use of any common interest community, timeshare, condominium or other similar multiple-housing use unit, as such terms may be defined in relevant state statutes, including but not limited to the Colorado Condominium Ownership Act and the Colorado Common Interest Ownership Act, is prohibited.

3.4 Commercial and/or Industrial Activities. Industrial activities are prohibited on the Property unless allowed by other provisions of this Conservation Easement, or Holder has determined in its sole discretion that the activity does not materially affect the Conservation Purpose of this Conservation Easement and has approved the activity in writing pursuant to **Subsection 4.2** of this Conservation Easement. Landowner reserves the right to conduct commercial activities that: (a) 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, (b) are consistent with the Purpose of this Easement, (c) do not diminish or impair the Conservation Values of the Property, and (d) do not require development or infrastructure on the Property other than as permitted by **Subsection 3.1** of this Easement. Such commercial uses may include, but shall not be limited to: home offices as permitted under applicable zoning or land use regulations, provided that the use occurs solely inside a permitted residential Building, does not diminish or impair the Conservation Values, and has no more than a negligible impact on the amount and character of traffic on the Property; processing or sale of agricultural products predominantly raised on the Property, and customary rural enterprises, including but not limited to ranch machinery repair and bed and breakfasts. Prior to commencing any commercial uses not specifically listed within this subsection, Landowner shall notify Holder in accordance with **Subsection 4.1**.

3.5 Feedlots. Establishment and operation of a livestock Feedlot (which shall be defined for purposes of this Conservation Easement as a permanently constructed confined area within which the land 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 for hire) is prohibited. Nothing in this section shall prevent Landowner from leasing pasture for the grazing of livestock owned by others or from seasonally confining Landowner's or Landowner's lessee's livestock into an area for feeding, all in accordance with **Subsection 3.15** below.

3.6 Recreational Use. Non-commercial recreational uses such as hunting or fishing in accordance with applicable laws, horseback riding, cross-country skiing, or other non-motorized recreational activities are permitted provided that any such use does not materially diminish or impair the Conservation Values of the Property as determined by Holder in its reasonable discretion. Commercial recreational use is prohibited.

3.7 Roads. Construction, maintenance and improvement of roads shall be prohibited except as follows:

(a) *Existing Improved Roads.* Maintenance and improvement of existing Improved Roads, as documented in the Report, are permitted provided that (i) no improvement shall widen the existing roads beyond thirty (30) feet or the width necessary to allow emergency vehicles to pass, whichever is greater, and (ii) no road shall be paved or oiled or have calcium carbonate applied or otherwise be improved with chemical coatings or impervious materials, including but not limited to, asphalt or concrete unless such existing Improved Road is documented in the Report to be in such an improved state, or in all other cases without the prior written approval of the Holder.

(b) *New Improved Roads.* Construction, maintenance and improvement of the following new Improved Roads: (i) a single new Improved Road to access the New Building Envelope and (ii) new Improved Roads within the Building Envelopes to access any new Buildings or Structures within the Building Envelopes. Any Improved Road constructed pursuant to this **Subsection 3.7(b)** shall (iii) not exceed thirty (30) feet or the width necessary to allow emergency vehicles to pass, whichever is greater, (iv) be of dirt or gravel surface, (v) be designed so as to minimize erosion and (vi) not be paved or oiled or have calcium carbonate applied or otherwise be improved with chemical coatings or impervious materials, including but not limited to, asphalt or concrete without the prior written approval of the Holder. Furthermore, the location of the road to access the New Building Envelope shall be subject to the Holder's prior written approval.

(c) *Unimproved Roads.* Maintenance of Unimproved Roads that exist as of the date of the Easement and that are depicted in the Report is permitted provided that such maintenance does not convert Unimproved Roads into Improved Roads. Establishment and maintenance of new unimproved roads are only permitted (i) within the Building Envelopes or (ii) if located outside the Building Envelopes, only as minimally necessary to access Buildings and Structures or as minimally necessary to conduct ranching activities and other activities expressly permitted in this Easement. Notwithstanding the foregoing, no permitted maintenance of Unimproved Roads shall convert any Unimproved Roads into prohibited Improved Roads.

(d) No new roads, whether improved or unimproved, shall be constructed within 300 feet of Rock Lake and Pinon Lake as shown in the Report.

3.8 Vehicles. Except in emergency situations, there shall be no operation of snowmobiles, dune buggies, motorcycles, all-terrain vehicles (ATVs) or other types of motorized recreational vehicles on the Property, except on roadways existing at the time of the reservation of this Conservation Easement or new roadways permitted by this Conservation Easement, or in conjunction with activities otherwise allowed by this Conservation Easement, as described below. Cars, trucks, ATVs, snowmobiles, and other ranch vehicles shall not be considered as recreational vehicles when used for the ranching, agricultural, or hunting purposes allowed by this Conservation Easement. All permitted vehicle use shall be conducted in a manner that minimizes soil erosion, soil compaction, or in the interference with vegetation or the natural habitat of animal species or other Conservation Values on the Property. The temporary use of vehicular campers owned by Landowner or guests on the Property within the Building Envelopes is permitted as appropriate to accommodate normal visitation. Parking of vehicles related to the ranching, residential, and other permitted uses of the Property is permitted within the Building Envelopes and Parking Area Envelopes described in **Subsection 3.1(a)**.

3.9 Hazardous Materials. The dumping or other disposal of Hazardous Materials on the Property is prohibited. The storage of Hazardous Materials on the Property, other than in the normal course of ranch or residential use, is also prohibited.

Notwithstanding anything in this Conservation Easement to the contrary, this prohibition does not make Holder an owner of the Property, nor does it permit Holder to control any use of the Property by the Landowner which may result in the storage, dumping or disposal of Hazardous Materials; provided, however, that Holder may bring an action to protect the Conservation Values of the Property, as described in this Conservation Easement. Nothing in this Conservation Easement shall be construed as giving rise to any right or ability in Holder, nor shall Holder 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 1980, as amended (**CERCLA**). This prohibition does not impose liability on Holder nor shall Holder be construed as having liability as a "responsible party" under CERCLA or similar federal or state statutes.

3.10 Trash. Dumping or other disposal on the Property of non-compostable refuse, wildlife-attracting materials, or any other material which could reasonably be considered debris is prohibited.

3.11 Animal Trapping. Animal trapping is prohibited except as follows: Animal trapping is permitted (i) for control of predatory animals which demonstrably have caused damage to property or injury to humans or domestic animals; (ii) for control of animals which present an immediate risk to person, or crops, real or personal property or livestock; (iii) for animals when conducted as an official restoration or research effort by state, federal or non-governmental conservation organizations and with prior written approval by Holder; (iv) for removal of non-native species.

Any trapping must be in compliance with state, federal and local laws. Any trapping methods employed must be selective for the target species, be administered as humanely as is possible, and be conducted only so long as needed to protect persons or private property from damage as indicated above.

3.12 Fences. Maintenance, removal, repair, and, if destroyed, reconstruction of existing fencing, as documented in the Report, and the construction of new fences is permitted; provided that new or reconstructed boundary or pasture-division fences shall not unduly restrict or exclude wildlife use of the Property.

3.13 Biocides, Biological Agents, and Fertilizers. Application of herbicides, pesticides, fungicides, biocides, defoliants, chemical fertilizers, or other chemicals is prohibited on the Property except as follows:

- (a) Biocides. Herbicides, pesticides, fungicides, biocides and defoliants (collectively, **Biocides**) may be used to manage and/or control county, state or federally-designated noxious weeds, invasive plants, non-native plants, pathogens, or pests on the Property, provided the use of such Biocides is designed to minimize the impact on the Conservation Values of the Property. Any Biocide use as described in this Subsection shall be: (i) in compliance with all applicable federal, state, and local statutes and regulations, (ii) in those amounts and with a frequency of application that constitutes the minimum necessary for control; (iii) applied consistent with label instructions, and (iv)

consistent with the Conservation Values as determined by Holder. Notwithstanding the foregoing, there shall be no indiscriminate broadcast spraying of Biocides. Without the prior written approval of Holder, Biocides may be used by spot applications (including by gun or boom nozzles) only. Broadcast spraying of Biocides, including aerial applications, may be permitted with prior written approval by the Holder, provided that, at a minimum, the following conditions are met: (a) spot treatment is not practical because of the severity of the infestation or infection; (b) timing of application is scheduled to minimize damage to non-target species; and (c) type of Biocide used has the least impact to non-target species while still being effective in controlling target species or pathogens. The Holder shall have sole and absolute discretion in granting or denying broadcast spraying of Biocides.

(b) Biological Agents. Use of biological weed and insect control agents is permitted, subject to prior written approval of Holder.

(c) Fertilizers. The use of chemical and/or organic fertilizers on Cultivated Fields and for landscaping and personal gardening within Building Envelopes is permitted, provided that use of fertilizers, including, but not limited to, the amount, frequency, and manner of application, shall be in accordance with the labeling instructions and all applicable laws and regulations, and that fertilizer use shall not injure or destroy the naturally occurring ecosystem, beyond the effects associated with the intended use of such fertilizers, as used in reasonable farming practices.

3.14 Conversion of Native Vegetation. Conversion of native vegetation to exotic cover species or the introduction of non-native plant species; farming, plowing or any type of cultivation is prohibited except as follows:

(a) Gardening for personal use and residential landscaping are permitted within the Building Envelopes.

(b) The raising and irrigation of crops typically cultivated in Huerfano County, Colorado or other crops with the prior written approval of Holder are permitted; provided that said crops are grown only in those existing fields as documented in the Report and depicted in **Exhibit C** (the **Cultivated Fields**).

(c) Pursuant to the terms and conditions of a Restoration Plan (as that term is defined in **Subsection 3.19** below), plowing or other cultivation is permitted where it may be necessary for the restoration or enhancement of the Conservation Values in the event of their degradation or destruction.

3.15 Introduction/Release of Nonnative Animal Species. Introduction or release of nonnative animal species is prohibited except that grazing and pasturing of horses and cattle are permitted, provided that the condition of grasslands, shrublands and wetlands (the **Range Conditions**) shall be maintained at or improved from those documented in the Report. Grazing of other livestock species shall be subject to prior written approval by Holder.

3.16 Cutting of Native Vegetation. Cutting, removing, or destruction of native vegetation is prohibited except as follows:

(a) The selective harvesting of timber is permitted for the following purposes: controlling forest disease; protecting persons or property from the hazards of falling trees

or branches or wildfire; constructing the Buildings, Structures, and roads authorized in this Conservation Easement; maintaining existing fields and open pastures, as documented in the Report; and, subject to Holder's prior written approval, restoration or enhancing wildlife habitat pursuant to **Subsection 3.19** below. These conditions apply to both living and standing dead trees. Subject to Holder's prior written approval, in the event that Landowner desires to sell wood products as a result of selective harvesting of timber permitted herein, such activity shall not be deemed a commercial activity prohibited by this Conservation Easement.

(b) Cutting, removing, burning, or destruction of native vegetation is permitted to the extent necessary to allow for uses and activities permitted under this Conservation Easement such as grazing, haying, permitted construction activities, and restoration/enhancement/research activities permitted under **Subsection 3.19** below.

3.17 Mineral and Oil and Gas Activities.

(a) To the extent Landowner owns or has control over the mineral rights on or under the Property at the time of the grant of this Conservation Easement, the exploration for, extraction, mining, quarrying, and transportation through gathering or transmission lines of oil, gas, coal, coalbed methane, gold, silver, or any other hydrocarbon, non-hydrocarbon, or hardrock minerals of any nature (collectively **Mineral Activities**) on or below the surface of the Property are prohibited, except to the extent otherwise permitted by the remainder of this Subsection. Except to the extent permitted by the remainder of this Subsection, Landowner shall not use or occupy or allow others to use or occupy any portion of the surface or subsurface of the Property in connection with Mineral Activities and shall not place, build, install or situate any wells, pads, facilities, fixtures, equipment, buildings, structures, gathering or transmission lines, transmission, rights of way, roads, or personal property of any kind or nature whatsoever associated with any Mineral Activities on or under the Property. Without limiting the foregoing, surface mining and any other surface disturbance, surface occupation or any other surface activities associated with Mineral Activities on the Property are expressly prohibited. Any and all subsequent mineral contracts, mineral conveyances, and mineral leases in which Landowner participates shall be subject to and bound by the provisions of this Conservation Easement, and any such conveyance or lease shall contain terms consistent with the provisions of this Conservation Easement. Any mineral interest in the Property now owned or hereafter acquired by Landowner cannot be severed from the Property.

(b) As of the Effective Date of this Easement, approximately 2,240 acres of the Property are subject to some form of Mineral severance. A qualified expert has determined that the probability of surface mining occurring on 1,800 acres of the Property subject to federal coal severance is "so remote as to be negligible." Additionally, the probability of surface mining occurring on 80 acres of the Property subject to a state of Colorado mineral severance is "so remote as to be negligible." Although less than 360 acres of the Property is subject to federal or private severances that could lead to leasing for oil, gas, coalbed methane, and/or CO₂, a mineral evaluation conducted by a qualified expert concluded that the potential surface access footprint even if the less than 360 acres subject to mineral severance are developed would be approximately 10 acres, or 0.2% of the Property, which would have only a limited, localized impact on the Property within the meaning of 26 CFR 1.170A-14(g)(4). To the extent all or part of the oil, gas, coal, coalbed methane, gold, silver, or any other hydrocarbon, non-hydrocarbon, or hardrock minerals of any nature on or below the surface

of the Property (**Minerals**) are owned or leased by third parties as of the date of this Conservation Easement (**Third Party Mineral Rights**), the following provisions shall apply:

i. Landowner shall notify Holder of any exploration, development or other Mineral Activities proposed or planned for the Property by any such Third Party Mineral Rights owners or lessees (collectively, **Third Party Mineral Rights Holders**) immediately upon (and in no event later than ten (10) business days after) becoming aware of such proposed activity. Landowner shall use reasonable efforts to enter into an agreement with Third Party Mineral Rights Holders regarding surface use or geophysical exploration of the Minerals (**Surface Use Agreement**). Holder is granted the right (but not the obligation) to negotiate and join as a party in any Surface Use Agreement or other agreement with Third Party Mineral Rights Holders for the protection of the Conservation Purpose of this Conservation Easement. Surface Use Agreements shall (a) incorporate the terms and conditions of this Conservation Easement with the purpose of preserving the Conservation Values and achieving the Conservation Purpose to the maximum extent practicable, (b) shall be subject to the prior review and approval of Holder (which approval may be withheld in Holder's sole discretion), and (c) in no case shall Surface Use Agreements grant or otherwise expand the Third Party Mineral Rights. In Surface Use Agreements, Landowner shall use its best efforts to require that:

(1) Third Party Mineral Rights Holders who own subsurface rights on the Property may explore, including any exploration by geophysical methods, and extract subsurface minerals only by exploration and extraction methods that (a) will have a limited, localized impact, within the meaning of 26 CFR 1.170A-14(g)(4), on the Property, (b) are not irretrievably destructive of significant conservation interests, and (c) do not materially impair or interfere with, the Conservation Values and Purpose of this Conservation Easement;

(2) Third Party Mineral Rights Holders that undertake Mineral Activities shall at all times use best efforts and practices to prevent damage or impairment of the Conservation Values and to restore any area damaged to its original condition; and

(3) All extraction facilities relating to the exploration, development or other activity concerning the Minerals be concealed or otherwise located so as to be compatible with existing topography and landscape to the greatest extent practical.

ii. In the event that a Third Party Mineral Rights Holder undertakes Mineral Activities, Landowner may collect proceeds from such development to which Landowner is entitled by Landowner's proportional ownership interest in the Minerals.

iii. In the event Landowner at any time becomes the owner of Third Party Mineral Rights, then the Third Party Mineral Rights shall be immediately subject to this Conservation Easement, and any and all Mineral Activities, contracts, conveyances and leases of or relating to such ownership rights entered into after

the date of the reversion of ownership to Landowner shall be subject to and bound by the provisions of this Conservation Easement restricting minerals owned or controlled by Landowner.

(c) Notwithstanding the foregoing, directional or horizontal drilling from a surface location off the Property shall be permitted for the purposes of exploring for or otherwise extracting any oil, gas or other minerals in or under the Property; provided that any such drilling below the surface of the Property does not disturb the subjacent and lateral support of the Property; and provided further that all surface use restrictions described in this Subsection shall apply and that Landowner shall use its best efforts to minimize (or require the Third Party Rights Holder to minimize) any damage or other negative impact to the Conservation Values and Conservation Purpose of this Conservation Easement.

3.18 Changing the Topography of the Property. Changing the topography of the Property by placing on it or removing from it any soil, dredging spoils, land fill, or other material, is prohibited except to the extent such activity is necessary to conduct activities permitted by this Conservation Easement (such as improvements permitted pursuant to Subsections of this easement addressing Buildings, Structures, Roads, and/or Parking Areas) and/or restoration/enhancement/research activities permitted under **Subsection 3.19**.

3.19 Restoration/Enhancement/Research. Landowner shall have the right to propose activities and projects which prevent the degradation of, restore, and/or enhance and improve the quality of the watershed, wildlife habitat, and ecological health of the Property, including but not limited to soil erosion prevention and/or restoration activities, as well as the filing and creation of new water rights and/or the alteration or change of existing Water Rights in furtherance thereof. Landowner shall also have the right to propose research, restoration, and enhancement activities associated with scientific, educational, and/or historic projects. Landowner's activities or projects under this **Subsection 3.19** shall be undertaken only after creation of a comprehensive site-specific plan for restoration/enhancement (the **Restoration Plan**), which has been submitted to and approved by Holder in its sole and absolute discretion. Subject to Holder's prior written approval, in the event the Landowner desires to sell byproducts, including but not limited to timber and fill, as a result of restoration activities permitted herein, such activity shall not be deemed a commercial activity prohibited by this Conservation Easement.

Notwithstanding the foregoing, should the Landowner propose any activities or projects relating to fire, including prescribed burns and/or the cutting, removing, burning or destruction of native vegetation for fire mitigation purposes, a Prescribed Burn Plan or Fire Mitigation Plan shall be prepared by the Landowner and Holder prior to the commencement of any such activity.

3.20 Water Courses, Wetlands and Groundwater. Any new manipulation, diversion, or other alteration of natural water courses, wetlands, or other natural bodies of water, any new practice that degrades or destabilizes their natural banks or shorelines, any new pumping of groundwater whether tributary or not, or any other new development of water resources including development of any conditional water rights for diversion or use on the Property is prohibited except as follows:

(a) The development, construction, use and maintenance of new exempt well(s) to provide domestic supply to buildings permitted herein or new stock watering facilities and necessary infrastructure for their use, including but not limited to windmills, pipelines, stock tanks, and solar pumps; provided said wells and facilities are developed and constructed in a manner so as to maintain the Conservation Values.

(b) The development, construction, use and maintenance of springs for stock use or new stock ponds are permitted; provided (i) said facilities are developed and constructed in a manner so as to maintain the Conservation Values, and (ii) Landowner shall, prior to construction of said structures and facilities, receive prior written approval from the Holder.

(c) Landowner shall have the right to continue the historic use of the Water Rights on the Property (as described in the Report) and to maintain, repair, and if destroyed, reconstruct any existing facilities as documented in the Report related to the Water Rights (such as ditches, wells and reservoirs) unless the Conservation Values of the Property are materially diminished or impaired as determined by Holder in its reasonable discretion. The Landowner shall provide to Holder annually a report documenting the extent of use of the Water Rights during the prior water year, including any reports submitted to the State or Division Engineer or local water commissioner.

(d) Pursuant to the terms and conditions of a Restoration Plan (as that term is defined in **Subsection 3.19** above), Landowner may engage in activities that prevent the degradation of, restore, and/or enhance and improve the quality of the watershed, including but not limited to filing and creation of new water rights and/or the alteration or change of existing Water Rights in furtherance thereof.

3.21 Water Rights. The Water Rights may never (a) be changed to or used for municipal, industrial, commercial uses, or other new uses, (b) be changed for use other than on the Property, (c) be sold, leased, encumbered separately from the Property or otherwise legally separated from the Property, or (d) have their points of diversion, or their type or place of use within the Property changed, except after a written determination by Holder in its sole judgment that such changes, sale, lease or encumbrance are in furtherance of a Restoration Plan or do not materially diminish or impair the Conservation Values of the Property. No loss of any or all of the Water Rights through injury or abandonment, shall be considered a loss, severance or other transfer of the Water Rights from the Property for federal or state tax or other purposes.

3.22 Impairment of Conservation Values. Subject to the foregoing, any use of the Property that materially impairs the Conservation Values of the Property is prohibited.

3.23 Public Access. Landowner will allow a right of access for the general public to access those portions of the Property adjoining the “public access route,” which coincides with the improved roads on the Property as depicted in the Report, and within the **Parking Area Envelopes** as described and shown in **Exhibit A-1** and in the Report. Holder and Landowner expressly acknowledge that this public access is for a “recreational purpose” under C.R.S. Section 33-41-101, et. seq., and the Landowner and Holder are entitled to the benefits, protections, and limitations on liability afforded by Colorado law governing recreational easements, including without limitation said Section 33-41-101, et. seq. Access may be by foot or vehicle traffic between the dates of May 15 to October 15, between the hours of 7 AM and 7 PM Mountain time. Notwithstanding the foregoing, this Easement does not and shall not otherwise give or grant to the public a right to enter upon or to use the Property or any portion thereof.

Notwithstanding anything to the contrary contained in this Easement, Landowner may erect and maintain fencing around the Parking Area Envelopes, post signage, and take other reasonable steps to prevent the public from gaining access to the rest of the Property, to advise and enforce the limits on the use, and to otherwise maintain, protect and preserve the public access areas on

the Property. Landowner shall be solely responsible for ensuring that any public use of the Property is conducted in accordance with the terms of this Easement and in accordance with applicable laws and regulations, and for preventing any unauthorized or improper use of the remainder of the Property.

3.24 Other Activities. If any question exists regarding whether historic, current, or new practices or activities are permitted or would be inconsistent with the Conservation Purposes or would diminish or impair the Conservation Values, Landowner shall notify the Holder in writing and obtain the Holder's written approval, not to be unreasonably withheld, prior to engaging in such practices or activities.

4. NOTICE AND APPROVAL REQUIREMENTS.

4.1 Notice. When notification of Holder is required and Holder's prior approval is not expressly required, Landowner hereby agrees to notify Holder in writing fifteen (15) days before exercising the reserved or retained right under this Conservation Easement subject to the notification requirement (unless a different time period is otherwise expressly required in this Conservation Easement). The purpose of requiring Landowner to notify Holder prior to undertaking certain permitted activities is to afford Holder an opportunity to ensure that the activities in question are designed and carried out in a manner that is consistent with the Purpose of this Easement and that does not diminish or impair the Conservation Values.

4.2 Approval. When Holder's approval is required prior to Landowner engaging in any activity (or when Holder's approval is required for any other purpose under this Conservation Easement), Landowner's request for approval shall be in writing and contain detailed information regarding the proposed activity, and Holder's approval (if the request is approved) shall be in writing. Landowner's request shall be delivered to Holder at least forty-five (45) days prior to the anticipated start date of such activity. Holder agrees to use reasonable diligence to respond to the request in writing within 45 days; however, approval shall not be deemed to have been given in the event Holder fails to respond within 45 days, affirmative approval must be provided.

This section is only intended to request approval for activities which are expressly allowed in the Conservation Easement but are subject to Holder's approval or consent. It is not intended for any other purpose, including, without limitation, to request approval for activities that are expressly prohibited or activities for which an amendment of this Conservation Easement is needed.

5. HOLDER'S RIGHTS. To accomplish the Conservation Purpose, the following rights are granted to Holder (and Holder's agents, representatives and invitees) by this Conservation Easement:

5.1 Right to Enforce. The right to preserve and protect the Conservation Values of the Property and enforce the terms of this Conservation Easement.

5.2 Right of Entry. The right to enter the Property at reasonable times for the purposes of: (a) inspecting the Property to determine if there is compliance with the terms of this Conservation Easement; (b) obtaining evidence for the purpose of seeking judicial enforcement of this Conservation Easement; (c) attending to the Water Rights on the Property as described below; provided, however, that the foregoing rights of Holder shall not relieve Landowner from any obligations to comply with the terms of this Conservation Easement or waive any of Holder's rights or remedies to enforce this Conservation Easement against any violation.

Holder agrees that entry will be done in a manner that will not interfere unreasonably with Landowner's permitted uses of the Property. Holder also agrees to provide advance notice to Landowner prior to entering the Property, except in any case where immediate entry is necessary to prevent, terminate, or mitigate damage to, or the destruction of, the Conservation Values, or to prevent, terminate or mitigate a violation of the terms of this Conservation Easement.

This right of entry shall include the right to access the Property over roads owned by Landowner and any rights-of-way or other access ways now or hereafter available to Landowner for access to the Property.

5.3 Water Rights. If Landowner fails to maintain the historic use of the Water Rights, or the Water Rights are otherwise subject to a threat of abandonment, the right, but not the obligation, to (i) enter upon the Property and undertake any and all actions reasonably necessary to continue the use of the historic Water Rights, or (ii) after 90 days written notice to Landowner, to seek to change the Water Rights.

6. VIOLATION AND REMEDIES.

6.1 Notice of Violation; Corrective Action. If Holder determines that a violation of the terms of this Conservation Easement has occurred or is threatened, Holder shall give written notice to Landowner of such violation and demand corrective action sufficient to (a) cure the violation, and (b) where the violation involves injury to the Property resulting from any use or activity inconsistent with the Conservation Purpose, restore the portion of the Property so injured to its condition before the violation occurred, or to a condition otherwise acceptable to Holder, in accordance with a plan approved by the Holder.

6.2 Injunctive Relief. If Landowner fails to cure the violation or threatened violation of this Conservation Easement, fails to comply with any affirmative obligation under this Conservation Easement, or fails to cause such other corrective action to be taken as requested by the Holder within forty-five (45) days after receipt of notice thereof from Holder, or under circumstances where the violation cannot reasonably be cured within the forty-five (45) day period, fails to make good faith efforts to initiate and pursue the requested corrective action within the forty-five (45) day period, Holder may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement, to enjoin the violation, *ex parte* as necessary, by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to any such injury or to a condition otherwise acceptable to Holder (regardless of whether the costs of restoration exceed the value of the Property). The Holder shall be entitled to seek expedited injunctive relief to enforce its rights with respect to the Property, and the Landowner waives any bond requirement otherwise applicable to any petition for such relief.

6.3 Damages. Holder shall be entitled to recover damages for violation of the terms of this Conservation Easement or injury to any Conservation Values protected by this Conservation Easement, including, without limitation, damages for the loss of environmental, ecologic, scenic or aesthetic values.

6.4 Emergency Enforcement. If Holder, in its sole discretion, determines that circumstances require immediate action to prevent, terminate or mitigate significant damage to the Conservation Values of the Property, or to prevent, terminate or mitigate a violation of this Conservation Easement, the Holder may pursue its remedies under this section without prior notice to Landowner and/or without waiting for the period provided for cure to expire.

6.5 Scope of Relief. Holder's rights under this section apply equally in the event of either actual or threatened violations of the terms of this Conservation Easement. Landowner agrees that Holder's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that Holder shall be entitled to the injunctive relief described above, both prohibitive and mandatory, in addition to such other relief to which Holder may be entitled, including without limitation: (a) specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies; and (b) the right to enter the Property to undertake any corrective action Holder may elect to complete. Holder's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

6.6 Costs of Enforcement. In any action, suit or other proceeding undertaken to enforce any right or obligation under this Conservation Easement, or to interpret any of the provisions of this Conservation Easement, if the court determines that Landowner has failed to comply with this Conservation Easement, Landowner shall reimburse Holder for any reasonable costs associated with enforcement, including Holder's staff time, costs of restoration, court costs and reasonable attorneys' fees, in addition to any other payments ordered by such court. However, if Holder initiates litigation and the court determines that Landowner has complied with all the terms of this Conservation Easement and that Holder initiated litigation in bad faith, then Holder shall reimburse Landowner for any reasonable costs of defending such action, including court costs and reasonable attorneys' fees.

6.7 Forbearance. Forbearance by Holder to exercise its rights under this Conservation Easement in the event of any violation of any term of this Conservation Easement by Landowner shall not be deemed or construed to be a waiver by Holder of such term or of any subsequent breach of the same or any other term of this Conservation Easement or of any of Holder's rights under this Conservation Easement. No delay or omission by Holder in the exercise of any right or remedy upon any breach by Landowner shall impair such right or remedy or be construed as a waiver.

6.8 Waiver of Certain Defenses. Landowner hereby waives any defense of laches, estoppel or prescription with respect to any failure to act or any delay by Holder in enforcing any restriction or exercising any rights under this Conservation Easement.

6.9 Natural Events. Nothing contained in this Conservation Easement shall be construed to entitle Holder to bring any action against Landowner for any injury to or change in the Property resulting from any natural event, natural cause, or natural disaster (collectively, **Natural Events(s)**) beyond Landowner's control, including, without limitation, weather, fire, flood, storm, infestation, natural deterioration, earth movement, climate change, or from any prudent action taken by Landowner under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such a Natural Event. Landowner shall notify Holder of any Natural Event or acts taken in response to such a Natural Event that may adversely affect or interfere with the Purpose or Conservation Values, whether caused by the Natural Event or the Landowner's or a third party's acts or omissions in response to the Natural Event. If a Natural Event alters the Property, Landowner and Holder will work together to identify restoration or rehabilitation activities and develop a Restoration Plan as described in **Subsection 3.19**. Nothing in this subsection shall prohibit Holder from bringing an action against Landowner for any violation of the terms of this Conservation Easement resulting from Landowner's negligence or intentional misconduct in response to the Natural Event.

6.10 Acts of Third Parties. Nothing contained in this Conservation Easement shall be construed to entitle Holder to bring any action against Landowner for any injury to or change in the Property resulting from (a) acts of third parties legally authorized to act by recorded instrument or other legally established rights to which this Easement is subject or (b) the wrongful acts of third parties other than Landowner's agents, employees, invitees or contractors (provided the Landowner has taken reasonable actions to prevent such third parties from trespassing and from causing harm to the Property and has not authorized, consented to or participated in the acts of such third parties). Landowner shall notify Holder of any act or occurrence that would adversely affect or interfere with the Conservation Purpose, whether caused by the Landowner's acts or omissions or by a third party or parties. In the event of a violation of this Conservation Easement caused by the wrongful acts of a third party, Landowner shall cooperate fully with Holder in enforcement of this Conservation Easement, including but not limited to: gathering facts and information relevant to the violation; assigning its right of action to the Holder; joining in any claim or legal action; and/or appointing the Holder as its attorney-in-fact for purposes of enforcement, all at the election of the Holder. In the event that such third party acts interfere with the Conservation Purpose and/or Conservation Values of this Conservation Easement, Landowner and Holder will work together to identify restoration or rehabilitation activities and develop a Restoration Plan as described in **Subsection 3.19**. This Subsection shall not be construed to relieve Landowner of the obligation to clean up garbage or materials dumped on the Property by third parties, to take all reasonable actions to prevent violations of the Conservation Easement by third parties, or to otherwise maintain the Property in a condition consistent with the Purpose of this Conservation Easement. Nothing in sub-paragraph (b) of this **Subsection 6.10** shall prohibit Holder from bringing an action against Landowner resulting from Landowner's failure to take reasonable actions to prevent violations of the Conservation Easement by third parties or from Landowner's authorization, consent, or participation in the wrongful acts of third parties resulting in violations of the Conservation Easement.

6.11 Enforcement Rights of Others. Nothing in this Conservation Easement is intended to create any right to enforce this Conservation Easement in any third party where no such right otherwise exists under this Conservation Easement or under law.

7. **COSTS AND LIABILITIES.** Landowner retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, or the protection of Landowner, the public, or any third parties from risks relating to conditions on the Property. Landowner shall maintain adequate comprehensive general liability insurance coverage on the Property. Landowner shall keep the Property free of any liens arising out of any work performed for, materials furnished to, or obligations incurred by Landowner.

Landowner shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property by competent authority (collectively **taxes**) including any taxes imposed upon, or incurred as a result of this Conservation Easement, and shall furnish Holder with satisfactory evidence of payment upon request. Holder may, at its discretion, pay any outstanding taxes or assessments and shall then be entitled to reimbursement by Landowner.

8. **ACCESS.** Nothing contained in this Conservation Easement shall give or grant to the public a right to enter upon or to use the Property or any portion thereof, although public access may be granted by the Landowner at Landowner's discretion as described in **Section 3**. It shall be Landowner's responsibility to undertake reasonable actions to prevent the unlawful entry and trespass by persons whose activities might diminish or impair the Conservation Values.

9. **TRANSFER OF EASEMENT.** The parties recognize and agree that the benefits of this Conservation Easement are in gross and assignable. Holder shall have the right to transfer or assign this Conservation Easement to an entity that: (a) satisfies the requirements of §170(h)(3) of the U.S. Internal Revenue Code (or successor provisions thereof) and is qualified to hold the Conservation Easement under applicable state law, and (b) as a condition of transfer, agrees to uphold the Conservation Purpose of this Conservation Easement, as required in Treasury Regulations § 1.170A-14, as amended. If Holder ever ceases to exist or no longer qualifies under §170(h) or applicable state law, a court with jurisdiction shall transfer this Conservation Easement to another qualified organization having similar purposes that agrees to assume the responsibility. The Holder may also assign separately, without the Landowner's consent, all restrictions and responsibilities in this Conservation Easement concerning the Water Rights subject to the terms of this Conservation Easement.

10. **TRANSFER OF PROPERTY.** As set forth below, Landowner agrees that a reference to this Conservation Easement will be inserted by Landowner in any subsequent deed or other legal instrument by which Landowner divests either the fee simple title or possessory interest in the Property, including without limitation a leasehold or mortgage interest. Landowner further agrees to notify Holder of any pending transfer at least thirty (30) days in advance of transfer and to provide Holder with a copy of any legal instrument affecting such transfer within thirty (30) days following its execution. The failure of Landowner to comply with this section shall not impair the validity of this Conservation Easement or limit its enforceability in any way. Any successor in interest of Landowner, by acceptance of a deed or other document purporting to convey an interest in the Property, shall be deemed to have consented to, reaffirmed and agreed to be bound by all of the terms, covenants, restrictions and conditions of this Conservation Easement.

11. **PRESUMPTION AGAINST AMENDMENT.** It is the parties' intention that this Conservation Easement will not be amended or modified. In the event of unforeseen circumstances or exceptional situations the Holder may in its sole discretion consider an amendment or modification to this Conservation Easement, but in no event shall such amendment be made without compliance with Holder's internal procedures and standards for such modification, and federal, state and local laws regarding the creation and amendment of conservation easements. No amendment shall be allowed that would adversely affect the qualifications of this Conservation Easement as a charitable gift (if applicable) or the status of Holder under any applicable laws, including §170 (h) of the Internal Revenue Code or the laws of the State where the Property is located, or that would be inconsistent with the purpose of the Conservation Easement, diminish the Conservation Values or affect the Conservation Easement's perpetual duration. Any such amendment shall be signed by both parties, and shall be recorded in the official records of the county in which the Property is located.

12. **EASEMENT VALUATION, EXTINGUISHMENT, TERMINATION, EMINENT DOMAIN.**

12.1 **Value of Easement and Proceeds.** Landowner hereby agrees that at the time of the conveyance of this Conservation Easement, this Conservation Easement gives rise to a real property right, immediately vested in Holder, with a fair market value that is at least equal to the proportionate value that this Conservation Easement, at that time, bears to the value of the Property as a whole at that time, which the parties have determined through an appraisal to be 56.97%.

Accordingly, if this Conservation Easement is extinguished, terminated, or taken by eminent domain as described below, then prior to the payment of any expenses reasonably incurred by Holder and Landowner in connection with such eminent domain action, Holder on any sale, exchange or involuntary conversion of the Property shall be entitled to a portion of the proceeds

at least equal to that proportionate value. Holder's interest shall be valued at the greater of the following: (1) the proportionate value that the Conservation Easement at the time of the conveyance, bears to the value of the Property as a whole at that time, as described above; or (2) the proportionate value that this Conservation Easement at the time of termination, extinguishment or condemnation bears to the then value of the Property as a whole.

Holder shall use any proceeds received in conjunction with this provision and the following provisions in a manner consistent with the Conservation Purpose of this Conservation Easement.

12.2 Extinguishment or Termination. This Conservation Easement may be released, terminated or otherwise extinguished, whether in whole or in part, only if (1) a court with jurisdiction determines a subsequent unexpected change in conditions surrounding the Property makes impossible or impractical the continued use of the Property for the Conservation Purpose of this Conservation Easement, and (2) any conditions or limitations imposed by federal and state law are also complied with.

No loss of any or all of the Water Rights through injury or abandonment shall be considered a termination or extinguishment of all or any part of this Conservation Easement.

12.3 Eminent Domain. Whenever all or part of the Property is taken with authority to exercise eminent domain by public, corporate, or other authority so as to terminate or extinguish the restrictions imposed by or so as to make it impossible to fulfill the Conservation Purpose of this Conservation Easement, Landowner and Holder shall join in appropriate actions and negotiations at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the value of Landowner's and Holder's interests, as described above.

13. CHANGED CONDITIONS. In making this grant, Landowner has considered the possibility that uses prohibited by the terms of this Conservation Easement may become more economically valuable than permitted uses, and that neighboring properties may in the future be put entirely to such prohibited uses. In addition, the unprofitability of conducting or implementing any or all of the uses permitted under the terms of this Conservation Easement shall not impair the validity of this Conservation Easement or be considered grounds for its termination or extinguishment. It is the intent of both Landowner and Holder that any such economic changes shall not be deemed to be changed conditions or a change of circumstances justifying the judicial termination, extinguishment or amendment of this Conservation Easement.

14. INTERPRETATION. This Conservation Easement shall be interpreted under the laws of the state or commonwealth in which the Property is located, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its Conservation Purpose. No remedy or election given by any provision in this Conservation Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party has reviewed and revised this Conservation Easement and that no rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Conservation Easement. In the event of any conflict between the provisions of this Conservation Easement and the provisions of any use and zoning restrictions of the state or county in which the Property is located, or any other governmental entity with jurisdiction, the more restrictive provisions shall apply. In the event of any dispute or ambiguity arising under the terms of this Conservation Easement, the parties intend that this Conservation Easement is to be construed as a perpetual interest in land held for conservation purposes and public benefit in conformance with the

provisions of C.R.S. Sections 38-30.5-101 to 38-30.5-111, as may be amended from time to time and is expressly not to be interpreted in accordance with the common law rules regarding restrictive covenants.

15. INDEMNIFICATION. Landowner hereby agrees to indemnify, defend (with counsel approved by Holder, which approval will not be unreasonably withheld) and hold harmless Holder and each of Holder's officers, directors, employees, agents, invitees, and contractors from and against any and all claims, costs, liabilities, penalties, damages, or expenses of any kind or nature whatsoever (including, but not limited to, court costs and reasonable attorneys' fees and expenses) arising or resulting from this Conservation Easement or any activities on the Property, except to the extent caused by the gross negligence or intentional misconduct of Holder.

16. TITLE. Landowner covenants, represents and warrants that Landowner is the sole owner and is in possession of the Property in fee simple and has good right to grant and convey this Conservation Easement; that the Property is free and clear of any and all monetary encumbrances, including but not limited to, any mortgages or deeds of trust not subordinated to this Conservation Easement, and that Holder shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement; and that there is no pending or threatened litigation in any way affecting, involving or relating to the Property.

17. NOTICES. Any notices required by this Conservation Easement shall be in writing and shall be served by any of the following means: (i) by delivery in person, in which case notice shall be deemed given upon delivery (or refusal of delivery), (ii) by certified U.S. mail, return receipt requested, postage prepaid, in which case notice shall be deemed given upon the earlier of the date of first attempted delivery or the third day after deposit in the mail, or (iii) by reputable commercial courier service, charges prepaid, in which case notice shall be deemed given upon the earlier of the date of first attempted delivery or the third day after deposit with the courier service. All notices shall be sent to the following addresses, or such other address as either party may hereafter specify by written notice to the other:

To Landowner:

JW Cattle Ranch, LLC
PO Box 1772
Guymon, Oklahoma 73942

To Holder:

The Nature Conservancy
Attn: Stewardship Director
2424 Spruce Street
Boulder, Colorado 80302

with a copy to:

The Nature Conservancy
Western Resource Office
Attn: Legal Department
2424 Spruce Street
Boulder, CO 80302

18. DENSITY. Neither the Property nor any portion of it shall be included as part of the gross area of other property not subject to this Conservation Easement for the purposes of determining density, lot coverage or open space requirements under otherwise applicable laws, regulations or ordinances controlling land use and building density. No development rights that have been encumbered or extinguished by this Conservation Easement shall be transferred to any other lands pursuant to a transferable development rights scheme, cluster development arrangement or otherwise.

19. **ENVIRONMENTAL LIABILITY.** Landowner is solely responsible, and Holder has no responsibility, for the operation of the Property or the monitoring of hazardous or other conditions thereon. Landowner covenants, represents, and warrants that, after investigation and to the best of their knowledge:

(a) Landowner and the Property are in compliance with, and shall remain in compliance with, all applicable Environmental Laws (as defined below). Landowner has no actual knowledge of any use or release of Hazardous Materials (as defined below) on the Property that is in violation of any Environmental Law. Landowner has received no notices from any governmental authority of any violation or alleged violation of, noncompliance or alleged noncompliance with, or any liability under any Environmental Law relating to the operations or conditions on the Property.

(b) **Environmental Laws** means any and all federal, state, local, or administrative agency statutes, regulations, rules, codes, ordinances or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) regarding air, water, solid waste, Hazardous Materials, petroleum products, worker and community right-to-know, hazard communication, radioactive material, resource protection, wetlands and watercourses, health protection and similar environmental health, safety, building and land use laws and regulations as may now or at any time hereafter be in effect.

(c) **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 that may pose a present or potential hazard to human health or the environment. The term "Hazardous Materials" shall also include related materials defined in the CERCLA (42 USC 9601 et seq.), and the Hazardous Materials Transportation Act (49 USC section 6901 et seq.), and in the regulations adopted and publications promulgated pursuant to them, and any other applicable federal, state, or local laws, ordinances, rules, or regulations now in effect or enacted after this date.

(d) There are not now any underground storage tanks located on the Property, whether presently in service or closed, abandoned, or decommissioned, and no underground storage tanks have been removed from the Property in a manner not in compliance with applicable federal, state, and local laws, regulations, and requirements.

Without limitation of any other indemnity or release set forth in this Conservation Easement, Landowner releases and shall indemnify, defend and hold Holder and its directors, officers and employees, harmless from any and all liability, litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, related to Landowner's representations and warranties in this section and/or related to the use, deposit or release of any Hazardous Materials and/or substances regulated by Environmental Laws on the Property. Nothing in this Conservation Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability to Holder to exercise physical or managerial control over the day-to-day operations of the Property, or any of Landowner's activities on 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 (**CERCLA**), or any successor, related, or similar law, or any corresponding state statute.

20. **COMPLIANCE WITH APPLICABLE LAWS.** Landowner shall comply with all Federal, state, and/or local statutes, laws, ordinances, rules, regulations, codes, orders, guidelines, or other restrictions, or requirements applicable to the Property (**Applicable Laws**). Nothing herein shall be construed to allow Landowner to engage in any activity which is restricted or prohibited by Applicable Laws.
21. **SEVERABILITY.** If any provision of this Conservation Easement is found to be invalid, the remaining provisions shall not be altered thereby.
22. **PARTIES.** Every provision of this Conservation Easement that applies to Landowner or Holder shall also apply to their respective heirs, executors, administrators, assigns, and all other successors as their interest may appear. A person's or entity's obligation hereunder as Landowner, or successor owner of the Property, shall be joint and several, and will cease, if and when such person or entity ceases to have any present, partial, contingent, collateral, or future interest in the Property (or pertinent portion thereof), but only to the extent that the Property (or relevant portion thereof) is then in compliance herewith. Responsibility of owners for breaches of this Conservation Easement that occur prior to transfer of title will survive such transfer, provided that the new owner shall also be responsible for bringing the Property into compliance.
23. **RE-RECORDING.** In order to ensure the perpetual enforceability of the Conservation Easement, Holder is authorized to re-record this instrument or any other appropriate notice or instrument; for such purpose, Landowner appoints Holder as Landowner's attorney-in-fact to execute, acknowledge and deliver any necessary instrument on Landowner's behalf. Without limiting the foregoing, Landowner agrees to execute any such instruments upon request.
24. **SUBSEQUENT LIENS ON PROPERTY.** No provision of this Conservation Easement should be construed as impairing the ability of Landowner to use this Property as collateral for subsequent borrowing. Any mortgage or lien arising from a borrowing subsequent to the granting of this Conservation Easement is subordinate to this Conservation Easement. Said subsequent mortgage or lien shall not violate the terms and conditions of this Conservation Easement and may not be interpreted to allow anything that is prohibited in this Conservation Easement including subdivision.
25. **ACCEPTANCE & EFFECTIVE DATE.** As attested by the signature of its authorized representative, Holder hereby accepts without reservation the rights and responsibilities conveyed by this Conservation Easement. This Conservation Easement is to be effective the date recorded in the Land Records of the county in which the Property is located.
26. **COUNTERPARTS.** The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by all parties; each counterpart shall be deemed an original instrument as against any party who has signed it.
27. **ENTIRE AGREEMENT.** This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with the terms of this Conservation Easement.
28. **CAPTIONS, RECITALS AND EXHIBITS.** The captions herein have been inserted solely for convenience of reference, are not a part of this Conservation Easement, and shall have no effect upon its construction or interpretation. The Recitals set forth above and all Exhibits referred to in this

Conservation Easement are an integral part of this Conservation Easement and are incorporated herein by reference.

29. **GOVERNING LAW.** This Conservation Easement will be interpreted in accordance with the laws of the state or commonwealth in which the Property is located.

30. **DISCLAIMER.** Holder does not represent the interests of Landowner. Holder has advised Landowner to have the document reviewed by Landowner's attorney, and Landowner has had ample opportunity to do so. Holder makes no representation as to whether this Conservation Easement qualifies for a charitable deduction and/or state tax credit or if it is in the proper form for that purpose, in the event Landowner claims a charitable gift deduction on its federal or state income tax returns or a tax credit on its state income tax return.

31. **SUBSEQUENT ACTIVITIES: NO REPRESENTATIONS OR WARRANTIES.** Permission to carry out any proposed use or activity will not constitute consent to any subsequent use or activity of the same or any different nature, unless explicitly included in said permission. Likewise, permission by the Holder to carry out, or failure by the Holder to object to, or any language in this Conservation Easement that allows any proposed use or activity or designates a specific area of the Property where the use or activity is to be conducted, will not be deemed to constitute any representation or warranty by the Holder regarding the use or activity, including, without limitation, the fitness of the Property for the use or activity or the legality of the use or activity.

32. **MERGER.** The parties agree that the terms of this Conservation Easement shall survive any merger of the fee and conservation easement interests in the Property.

33. **DEFINITIONS.**

33.1 **Building.** The term "**Building**" shall mean an enclosed space with walls and a roof that provides shelter or housing or provides working, office, parking, display or sales space and which includes, but is not limited to houses, barns, sheds, cabins, garages, temporary living quarters of any sort, and mobile homes.

33.2 **Structure.** The term "**Structure**" shall mean a man-made improvement such as a dock, picnic pavilion, loafing shed, unenclosed hay shed, sign, billboard or other advertising material, utility tower, etc., that is not a Building, fence, or road.

33.3 **Improved Road.** The term "**Improved Road**" shall mean a graded surface for vehicular access.

33.4 **Unimproved Road.** The term "**Unimproved Road**" shall mean a set of ruts, either well established or faint, but otherwise not in any way improved, except for structural drainage features. Unimproved Roads are not graded, surfaced, and have no shoulders.

33.5 **Water Rights.** The term "**Water Rights**" means and includes any and all water and water rights beneficially used or conditionally decreed for use on the land described in **Exhibit A** that are owned by the Landowner, and all ditches, headgates, springs, reservoirs, water allotments, water shares and stock certificates, contracts, units, and wells, together with any associated easements and rights of way. It includes surface water rights and groundwater rights, of any legal character whatsoever, including, but not limited to, those water rights or interests specifically described on **Exhibit B** attached hereto.

TO HAVE AND TO HOLD this Conservation Easement, together with all appurtenances and privileges belonging or in any way pertaining thereto, either in law or in equity, either in possession or expectancy, for the proper use and benefit of Holder forever.

IN WITNESS WHEREOF, Landowner and Holder have executed this document the day and year first above written.

LANDOWNER:

JW Cattle Ranch, LLC

By: John W Moore Jr.

Its: Manager

STATE OF Colorado)
) ss.
COUNTY OF Rio Grande)

The foregoing instrument was acknowledged before me this 30 day of December, 2019, by John W. Moore, Jr., as Manager of JW Cattle Ranch, LLC, a Colorado limited liability company, on behalf of the company.

MARLIN REED
Notary Public
State of Colorado
Notary ID # 20064011677
My Commission Expires 03-27-2022

Marlin Reed
(Notary's official signature)

Notary
(Title)

3/27/22
(Commission Expiration)

HOLDER:

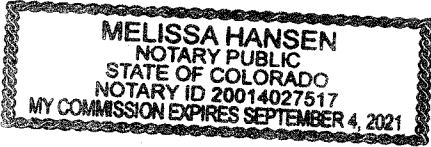
The Nature Conservancy, a
District of Columbia nonprofit corporation

By: *Nancy Fishbein*

Its: Director of Land + Water Protection

STATE OF COLORADO)
) ss.
COUNTY OF Boulder)

The foregoing instrument was acknowledged before me this 19th day of December 2019, by Nancy Fishbein, Director of Land + Water Protection of The Nature Conservancy, a District of Columbia non-profit corporation, on behalf of the corporation.



Melissa Hansen
(Notary's official signature)

Notary Public
(Title)

September 4, 2021
(Commission Expiration)

EXHIBIT A
Property Description and Overview Map

TRACT A

Township 29 South, Range 69 West, 6th P.M., County of Huerfano, State of Colorado.

S1/2SE1/4 of Section 16, LESS those parcels/right-of-ways described in Deeds to the Denver and Rio Grande Railroad Company recorded July 18, 1899 in Book 52 at Page 568 and recorded September 29, 1899 in Book 53 at Page 35.

The S1/2NE1/4, the NE1/4NE1/4, the N1/2SE1/4, and the SE1/4SE1/4 of Section 20.

All of Section 21, LESS those parcels/easements described in Deeds to the Denver and Rio Grande Railroad Company recorded February 14, 1900 in Book 53 at Page 151 and recorded July 18, 1902 in Book 58 at Page 108.

The N1/2, the SW1/4, the S1/2SE1/4, and the NW1/4SE1/4, LESS the railroad right-of-way, of Section 22.

The S1/2SW1/4 and the SE1/4 of Section 23.

The SW1/4, the S1/2NW1/4, the NE1/4NW1/4, the N1/2NE1/4, the SW1/4NE1/4, the W1/2SE1/4 of Section 24, Township 29 South, Range 69 West, 6th P.M., and a portion of the SE1/4NE1/4 of Section 24 more particularly described as follows:

Commencing at the Southeast Corner of the SE1/4NE1/4 of Section 24, Township 29 South, Range 69 West of the 6th Principal Meridian, County of Huerfano, State of Colorado, thence N 86°46'24" W along the South line of said SE1/4NE1/4 a distance of 1,140.23 feet to a point on an existing fence line, said point being the TRUE POINT OF BEGINNING for this description; thence continue N 86°46'24" W along the South line of said SE1/4NE1/4 a distance of 165.78 feet to the Southwest Corner of said SE1/4NE1/4, thence N 00°02'13" E along the West line of said SE1/4NE1/4 a distance of 1,343.46 feet to the Northwest Corner of said SE1/4NE1/4, thence S86°59'17"E along the North line of said SE1/4NE1/4 a distance of 1,307.70 feet to the Northeast Corner of said SE1/4NE1/4, thence S 00°07'11" W along the East line of said SE1/4NE1/4 a distance of 635.25 feet to a point in an existing fence line, thence N 86°12'19" W along said existing fence line a distance of 108.19 feet, thence S 61°04'63" W along said existing fence a distance of 104.50 feet, thence S 57°32'46" W along said existing fence a distance of 417.72 feet, thence S 57°31'20" W along said existing fence line a distance of 408.34 feet, thence S 56°21'43" W along said existing fence line a distance of 292.50 feet to the POINT OF BEGINNING. (The basis of bearings for this description is the South line of the SE1/4NE1/4 of Section 24, N 86°46'24" W - 1,306.01 feet. The direction is based on the Land Survey Plat of Indian Creek Ranch prepared by David Evans and Associates, signed by Jeff Gustafson PLS #29039 and dated February 14, 2000. The document can be found in the Huerfano County Records under deposit number I 7-S-435. The line is monumented by a 2-1/2" diameter aluminum cap LS 29039 on the West and a 1" diameter pipe with a 2" diameter cap LS 6532 on the East).

The W1/2 of Section 25.

The W1/2, the NE1/4, the N1/2SE1/4 and the SE1/4SE1/4 of Section 26.

The N1/2 and the SE1/4 of Section 27.

The SE1/4NW1/4 and the SE1/4NE1/4 of Section 29.

The E1/2NW1/4, the NW1/4NE1/4, and the NE1/4SW1/4 of Section 32.

The N1/2NE1/4 of Section 34.

The NW1/4NW1/4 of Section 35.

AND

R19-653

Township 29 South, Range 68 West 6th P.M., County of Huerfano, State of Colorado.

All the part of the S1/2SW1/4NE1/4 lying South of the County Road, and the W1/2NW1/4 (sometimes described as Lots 1 and 2), and SE1/4NW1/4, Section 19, Township 29 South, Range 68 West of the 6th Principal Meridian, LESS AND EXCEPT the following tracts of land, to wit:

A strip of land 100 feet wide being 50 feet on each side of the center line of the new Standard Gauge Railroad of the D. and R.G.R.R. Company as located on, over, and across the NW1/4NW1/4 19-29-68, also a strip of land 50 feet wide north of and adjoining the strip of land last above described and extending westerly 635 feet along the southerly line of the tract of land last above described from the easterly line of said NW1/4NW1/4 of said Section 19. ALSO EXCEPTING a strip of land commencing at the Northwest corner of the NW1/4NW1/4, thence running east along the north line of the NW1/4NW1/4 to the Northeast corner of the NW1/4NW1/4, thence South 400 feet, thence northwest to a place 100 feet south of the Northwest corner of the NW1/4NW1/4 of Section 19, thence North to the place of beginning, it being all the land lying north of the D. and R.G.W.R.R. in the NW1/4NW1/4, Section 19, Township 29, South of Range 68 West, same having been conveyed to Albert A. Campbell under date of May 12, 1938, recorded in Book 180 at Page 453 in Huerfano County records. ALSO EXCEPTING all that part of the S1/2NW1/4 lying South of the County Road as conveyed in Quit Claim Deed recorded September 21, 1971 in Book 327 at Page 27.

All that part of the N1/2NE1/4, the SW1/4NE1/4, and the NE1/4NW1/4 of Section 19, Township 29 South, Range 68 West of the 6th Principal Meridian, lying southerly of the right of way of the main line of the Denver and Rio Grande Western Railway, said right of way of the Denver and Rio Grande Western Railway being a strip of land 100 feet wide, 50 feet each side of a certain described centerline, said strip being described in that certain special warranty deed dated May 2, 1899, and recorded in Book 52 at Page 515 of the records in the office of the County Clerk and Recorder in Huerfano County, Colorado.

TRACT B

The SE1/4 of Section 15, Township 29 South, Range 69 West of the 6th Principal Meridian, County of Huerfano, Colorado, LESS AND EXCEPT the following tracts of land more particularly described as follows: Commencing at the Northeast corner of the SE1/4 of Section 15, Township 29 South, Range 69 West; thence Westerly along the North line of said SE1/4, 708 feet to a point about 100 feet distant measured southwesterly at right angles from the center line of the Denver and Rio Grande Railroad as now being constructed, thence Southeasterly in a straight course parallel with said center line to the intersection with the east line of said SE1/4 at a point 261 feet southerly from the Northeast corner of said SE1/4; thence Northerly to place of beginning;

AND

Commencing at a point on the North line of the SE1/4 of Section 15, Township 29 South, Range 69 West, said point being about 2,195 feet westerly from the 1/4 corner on the East line of said Section Fifteen 15, and about 50 feet Southwesterly at right angles from the center line of the D & R. G. Railroad as now being constructed, thence Southwesterly on a straight course parallel with and 50 feet from said center line of tangent by said Railroad at its intersection with the North line of the SE1/4 and parallel with said tangent produced to intersection with the West line of the SE1/4 to a point 407 feet Southerly from center of said Section Fifteen 15; thence Northerly 407 feet to center of Section Fifteen 15; thence Easterly 530 feet to place of beginning.

TRACT C

Lots 2, 3, 4, 5, 6, and 7, La Veta Mesa, according to the records of the Clerk and Recorder for County of Huerfano, State of Colorado, and a tract of land lying in the SW1/4NW1/4 of Section 14, Township 29 South, Range 69 West, 6th P.M., more particularly described as follows: Beginning at the Southwest corner of the SW1/4NW1/4 of said Section 14, as monumented by aluminum cap PLS 16163; thence along the West line of the SW1/4NW1/4 bearing N 00°06'57" E (GPS Bearing), 87.97 feet; thence along fence S 89°12'55" E 1261.63 feet to the 1" iron axle; thence S 02°14'18" W 85.47 feet to the South line of the SW1/4NW1/4; thence S 89°47'50" W 1278.75 feet to the point of beginning.

R18-653

LESS AND EXCEPT a tract of land lying in part of the SE1/4NW1/4 of Section 14, Township 29 South, Range 69 West of the 6th P.M., County of Huerfano, State of Colorado, more particularly described as follows: Beginning at a point on the Southeast line of a tract of land deeded to the Louis P. Farrar and Rosalee A. Farrar Revocable Trust as recorded in Book 395, Page 968 in the Huerfano County Clerk & Recorder's office, from which the Southwest corner of the SE1/4NW1/4 of said Section 14 bears S 44°33'01" W, 142.7 feet; thence N 58°02'17" W, 67.00 feet (N 59°30' W, 67 feet on the Farrar Deed) to a point; thence N 32°27'43" E, 54.42 feet (N 31°00' E, 72 feet on the Farrar Deed) to a point on the Southeast line of said Farrar Tract; thence S 44°33'01" W, 55.78 feet to the point of beginning.

TRACT D

Parcel 1:

Township 29 South, Range 68 West, 6th P.M., County of Huerfano, State of Colorado.

A parcel of land located in the E1/2 of Section 19 being more particularly described as follows:

Basis of Bearings: The East line of the SE1/4 of Section 24, Township 29 South, Range 69 West of the 6th P.M., being monumented on the North end by a 1" iron pipe with a 2" metal cap stamped "LS 6532" and on the South end by a 1" iron pipe in a mount of stones and being assumed to bear N 00° E;

Beginning at the East quarter corner of Section 19; thence S 00°35'39" W along the East line of the NE1/4SE1/4 of Section Nineteen 19 a distance of 1,295.82 feet to a point on the Northerly boundary of the County Road 430 Right-of-Way;

Thence along said Northerly and Easterly boundary of the County Road 430 Right-of-Way the following six courses:

1. N 88°28'04" W a distance of 695.10 feet;
2. Along the Arc of a curve to the right having a central angle of 42°04'19", a radius of 170 feet, and an arc length of 124.83 feet;
3. N 46°23'45" W a distance of 934.57 feet;
4. Along the arc of a curve to the right having a central angle of 30°48'42" a radius of 230 feet and an arc length of 123.69 feet;
5. N 15°35'02" W a distance of 499.67 feet;
6. Along the arc of a curve to the left having a central angle of 20°48'23" a radius of 140 feet and an arc length of 50.84 feet to a point on the North line of the NW1/4SE1/4 of Section 19;

Thence S 88°28'27" E along the North line of said NW1/4SE1/4 of Section 19 a distance of 397.97 feet to the Northeast corner of said NW1/4SE1/4 of Section 19; thence continue S 88°28'27" E along the North line of the NE1/4SE1/4 of Section 19 a distance of 1,319.68 feet to the point of beginning.

Parcel 2:

Township 29 South, Range 68 West, 6th P.M., County of Huerfano, State of Colorado.

Section 19: SE1/4NE1/4, lying South of the Denver and Rio Grande Railroad right of way.

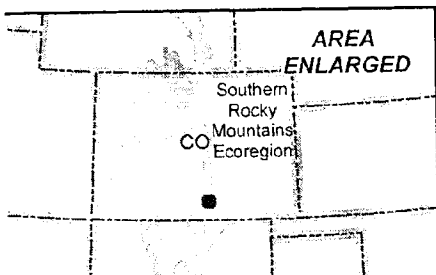
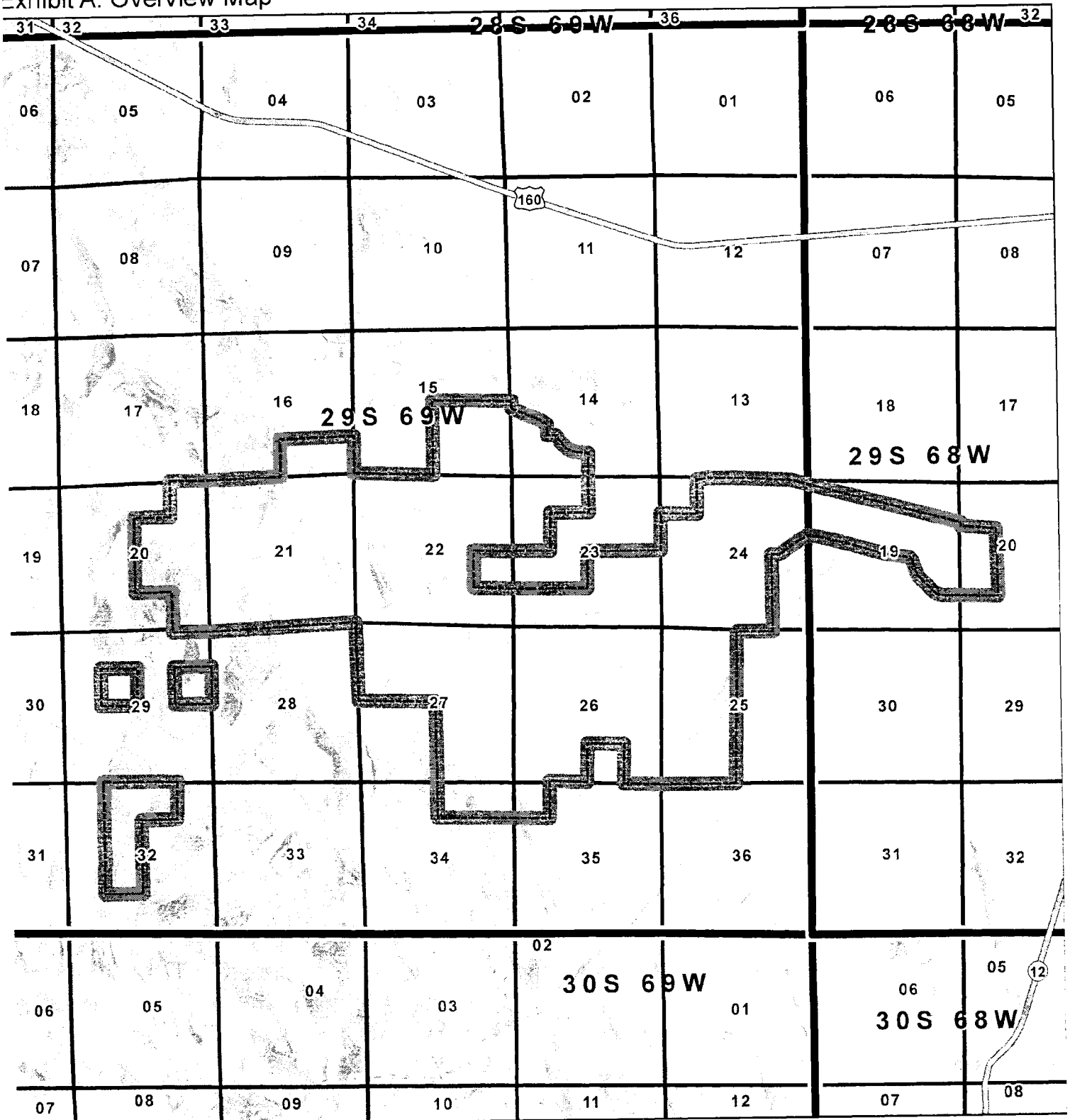
Section 20: NW1/4SW1/4 and SW1/4NW1/4, EXCEPT that portion described in Book 53 at Page 136, said exception being described as follows:

A strip of land 200 foot in width being 100 feet on each side of a certain centerline as situated in the W1/2NW1/4 of Section Twenty 20, Township 29 South, Range 68 West, said line being described as follows: Commencing at a point on the west side of Section 20, 1,323.3 feet southerly from the Northwest corner thereof; thence southeasterly on an angle of 81°12' from said west line; thence on a line curved to the North with a radius of 2,865 feet, 110.8 feet; thence in a straight line southeasterly on a tangent to said curve 1,225 feet to the East line of said W1/2NW1/4.

R18-653

JW Cattle Ranch, LLC

Exhibit A: Overview Map



1:55,000 Miles

Legend


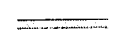
-  Property Boundary
-  CDOT Highways



EXHIBIT A-1
Descriptions and Map of Building Envelopes,
Parking Area Envelopes, and Historic Sites

Description	Size (ac.)	Longitude (WGS84)	Latitude (WGS84)
Building Envelopes:			
1 - Main Headquarters (HQ) Building Envelope	3.0	-105.042111	37.513892
2 - Caretaker Building Envelope	2.0	-105.033222	37.511614
3 - Ranch Hand Building Envelope	1.0	-105.044286	37.511764
4 - New Building Envelope	2.0	-105.096444	37.500233
Parking Area Envelopes:			
5 - Public Access Entrance, Parking Area and Ag Buildings and Equipment Storage	2.0	-105.057739	37.510678
6 - Klikus Mine Public Access Parking Area	2.0	-105.095181	37.509175
7 - Public Access Parking, Turn-Around and Picnic Area	1.0	-105.084583	37.519575
8 - Robber's Roost (Roadside Pullout for Viewing Only)	0.1	-105.096361	37.516833
9 - Rock Lake Public Access Parking Area	1.0	-105.090867	37.499339
10 - Hellfire Public Access Parking Area	0.5	-105.089511	37.493761
Historic Structure Sites:			
11 - Jameson Homestead Ranch Buildings	1.0	-105.074119	37.506658
12 - Santa Claus Cabin	0.5	-105.113611	37.507778

Boundary Vertex Points (WGS84):

1 - Main Headquarters Building Envelope

Point	Longitude	Latitude
1	-105° 02' 29.95"	37° 30' 50.49"
2	-105° 02' 29.44"	37° 30' 49.07"
3	-105° 02' 29.72"	37° 30' 47.93"
4	-105° 02' 36.17"	37° 30' 50.21"
5	-105° 02' 35.82"	37° 30' 51.31"
6	-105° 02' 36.59"	37° 30' 53.19"
7	-105° 02' 35.67"	37° 30' 53.46"
8	-105° 02' 34.85"	37° 30' 52.17"
9	-105° 02' 33.10"	37° 30' 51.35"

2 - Caretaker Building Envelope

Point	Longitude	Latitude
1	-105° 01' 57.13"	37° 30' 43.21"
2	-105° 01' 57.18"	37° 30' 40.88"
3	-105° 02' 1.87"	37° 30' 40.94"
4	-105° 02' 34.94"	37° 30' 43.33"

3 – Ranch Hand Building Envelope

Point	Longitude	Latitude
1	-105° 02' 37.65"	37° 30' 42.80"
2	-105° 02' 38.26"	37° 30' 40.98"
3	-105° 02' 41.27"	37° 30' 41.67"
4	-105° 02' 40.46"	37° 30' 43.47"

4 – New Building Envelope

Point	Longitude	Latitude
1	-105° 05' 45.15"	37° 30' 2.31"
2	-105° 05' 45.32"	37° 29' 59.48"
3	-105° 05' 49.20"	37° 29' 59.48"
4	-105° 05' 49.12"	37° 30' 2.19"

5 - Public Access Entrance, Parking Area and Ag Buildings and Equipment Storage

Point	Longitude	Latitude
1	-105° 03' 25.87"	37° 30' 39.95"
2	-105° 03' 25.87"	37° 30' 37.11"
3	-105° 03' 29.78"	37° 30' 37.15"
4	-105° 03' 29.82"	37° 30' 39.92"

6 - Klikus Mine Public Access Parking Area

Point	Longitude	Latitude
1	-105° 05' 41.37"	37° 30' 35.18"
2	-105° 04' 41.18"	37° 30' 31.38"
3	-105° 05' 44.03"	37° 30' 31.34"
4	-105° 05' 44.21"	37° 30' 35.21"

7 - Public Access Parking, Turn-Around and Picnic Area

Point	Longitude	Latitude
1	-105° 05' 3.03"	37° 31' 11.36"
2	-105° 05' 2.98"	37° 31' 9.59"
3	-105° 05' 6.19"	37° 31' 9.67"
4	-105° 05' 6.03"	37° 31' 11.38"

8 - Robber's Roost (Roadside Pullout for Viewing Only)

Point	Longitude	Latitude
1	-105° 05' 46.21"	37° 31' 1.16"
2	-105° 05' 46.50"	37° 31' 0.75"
3	-105° 05' 47.43"	37° 31' 0.31"
4	-105° 05' 47.64"	37° 31' 0.66"

9 - Rock Lake Public Access Parking Area

Point	Longitude	Latitude
1	-105° 05' 27.12"	37° 29' 57.64"2
2	-105° 05' 27.12"	37° 29' 50.74"
3	-105° 05' 29.96"	37° 29' 50.74"
4	-105° 05' 29.96"	37° 29' 57.64"

10 - Hellfire Public Access Parking Area

Point	Longitude	Latitude
1	-105° 05' 21.13"	37° 29' 38.50"
2	-105° 05' 21.13"	37° 29' 36.36"
3	-105° 05' 22.38"	37° 29' 36.38"
4	-105° 05' 22.40"	37° 29' 38.51"

11 - Jameson Homestead Ranch Buildings

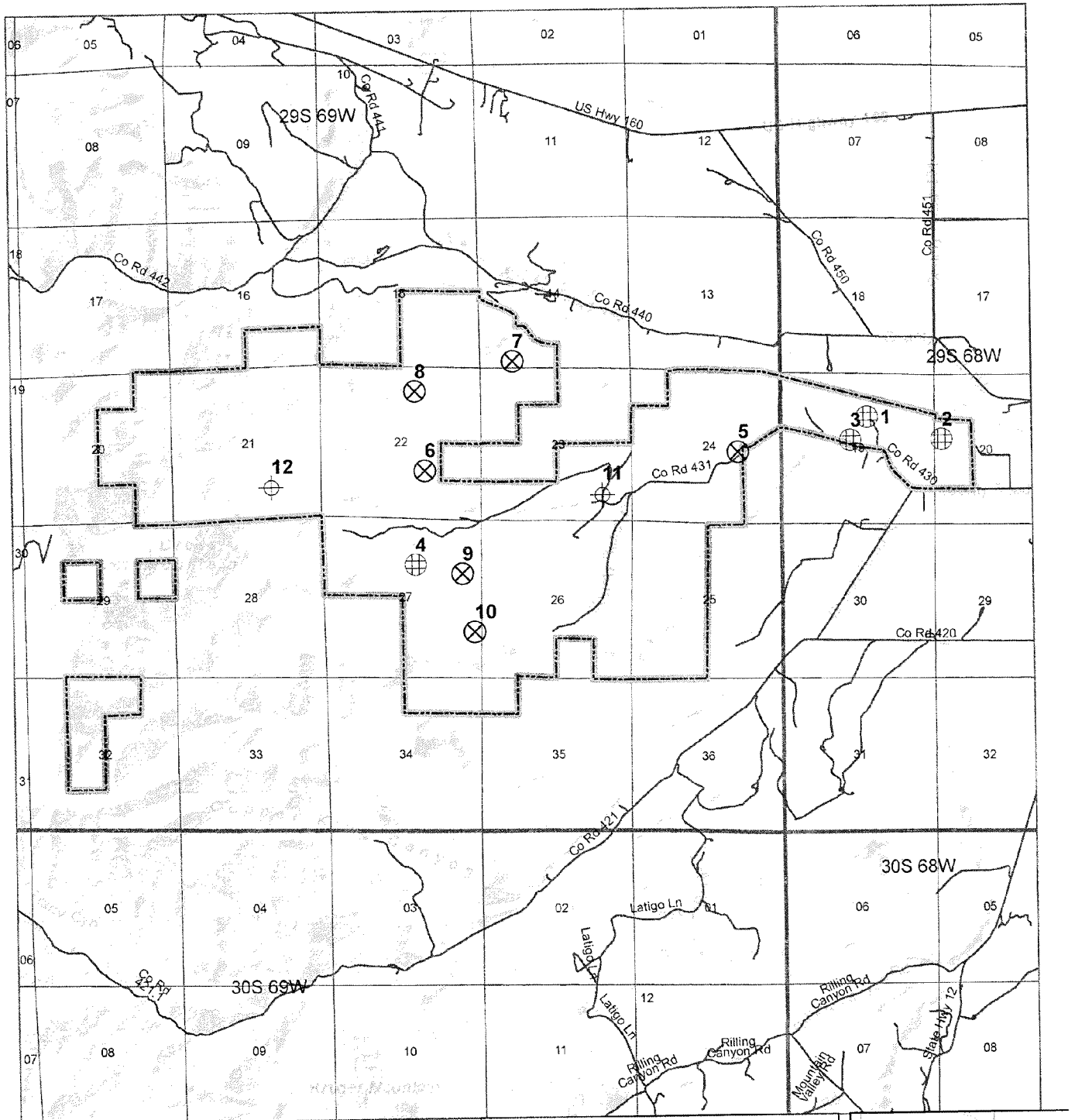
Point	Longitude	Latitude
1	-105° 04' 25.32"	37° 30' 26.16"
2	-105° 04' 24.74"	37° 30' 25.54"
3	-105° 04' 26.14"	37° 30' 23.39"
4	-105° 04' 28.04"	37° 30' 32.67"
5	-105° 04' 27.92"	37° 30' 24.81"

12 - Santa Claus Cabin

Point	Longitude	Latitude
1	-105° 06' 48.95"	37° 30' 28.85"
2	-105° 06' 48.92"	37° 29' 27.44"
3	-105° 06' 50.85"	37° 29' 27.43"
4	-105° 06' 50.90"	37° 30' 28.79"

JW Cattle Ranch, LLC

Exhibit A-1: Map of Building Envelopes, Parking Area Envelopes, and Historic Sites



Scale 1:55,000



Map Created By: (C. Hanns)
 The Nature Conservancy Colorado Field Office
 Projection: NAD83 UTM 13N

Legend

- Property Boundary
- Building Envelope
- Historic Site
- Parking Envelope

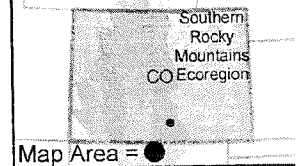


EXHIBIT B
Water Rights

Water Right Name	WDID	Source	Adjudication Date	Appropriation Date	Priority Admin No.	Case No.	Priority No.	Net Absolute	Ownership Interest
Bernard & Alexander Ditch	1600828	Middle Creek	6/12/1889	6/20/1871	7841.00000	06/12/1889, CA1414	23	1.8 cfs	0.9 cfs
Sandoval Ditch	1600833	Middle Creek	6/12/1889	5/1/1876	9618.00000	06/12/1889, CA1414	50	1.5 cfs	0.75 cfs
South Sandoval Ditch	1600834	Middle Creek	6/12/1889	5/15/1872	8171.00000	06/12/1889, CA1414	26	2.0 cfs	2.0 cfs
Bear Canon Ditch	1600840	Bear Canyon Creek	2/23/1898	4/22/1879	14408.10704	02/23/1898	74	1.0 cfs	1.0 cfs
Faulkner Ditch	1600846	Bear Creek	2/23/1898	6/12/1889	14408.14350	02/23/1898	136	1.0 cfs	1.0 cfs
Zember Spring Ditch	1600906	Oak Creek	10/3/1921	5/31/1913	23151.00000	CA 1414	432	1.3 cfs	1.3 cfs
Zember Reservoir	1603514	Oak Creek	10/3/1921	9/3/1910	22160.00000	CA 1414	420	4.1781 AF	4.1781 AF
Fielden Ditch	1600885	Indian Creek	10/3/1921	5/31/1901	18915.18778	CA 1414	283	0.5 cfs	0.25 cfs
Willow Creek Ditch	1600904	Indian Creek	10/3/1921	10/1/1906	20727.00000	CA 1414	265	1.0 cfs	1.0 cfs
Willow Creek Reservoir	1603835	Willow Creek	10/3/1921	10/1/1906	20727.00000	CA 1414	366	34.533 AF	34.533 AF
Klikus Brothers Spring No. 1	1602313	Cucharas River	12/31/1972	12/31/1912	44559.23010	W3613		0.005 cfs 2.2 gpm	0.005 cfs 2.2 gpm
Klikus Brothers Spring No. 2	1602314	Cucharas River	12/31/1972	12/31/1912	44559.23010	W3613		0.007 cfs 3 gpm	0.007 cfs 3 gpm
Klikus Brothers Well No. 1	1608265	Arkansas River groundwater	12/31/1972	12/31/1940	33237.00000	W3614		0.0067 cfs 3 gpm	0.0067 cfs 3 gpm
Klikus Brothers Well No. 2	1608266	Arkansas River groundwater	12/31/1972	12/31/1940	33237.00000	W3614		0.0067 cfs 3 gpm	0.0067 cfs 3 gpm
Klikus Brothers Well No. 3	1608267	Arkansas River groundwater	12/31/1972	12/31/1940	33237.00000	W3614		0.0067 cfs 3 gpm	0.0067 cfs 3 gpm

EXHIBIT C
Cultivated Fields

An approximately 17-acre Cultivated Field is located north of the Main Headquarters Building Envelope in Section 19 of Township 29S Range 68W as depicted and described in the Report and with boundary vertex points as follows:

Point	Longitude (WGS84)	Latitude (WGS84)
1	-105° 02' 18.65"	37° 30' 53.18"
2	-105° 02' 19.31"	37° 30' 51.39"
3	-105° 02' 25.89"	37° 30' 48.89"
4	-105° 02' 28.84"	37° 30' 47.94"
5	-105° 02' 29.42"	37° 30' 48.52"
6	-105° 02' 30.28"	37° 30' 50.48"
7	-105° 02' 35.66"	37° 30' 51.71"
8	-105° 02' 34.85"	37° 30' 52.17"