

STATE OF IDAHO
STATE LAND LEASE
GRAZING

G-5315

This agreement of lease, made and entered into this 1st day of January, 1982, by and between the State of Idaho, acting by and through its State Board of Land Commissioners, the party of the first part, hereinafter called the lessor, and David Greville c/o Charles Blanton of Box 829, Boise, ID 83701

party or parties of the second part, hereinafter called the lessee, witness:

That the lessor, for and in consideration of the rental paid or to be paid and the covenants, conditions and restrictions hereinafter set forth and to be observed by the lessee, does hereby lease and demise unto the lessee the exclusive right and privilege to possess and use in the manner and for the purpose hereinafter contained the following lands, lying and situate in the County of Washington, State of Idaho, being more particularly described as follows, to-wit:

Subdivision	Section	Township	Range, B.M.
A11	36	13 N	6 W Pub

Assignment to James Eckhardt
247 Thornwood
of Mindion Rd 83642
Recorded Dec. 4 1991

containing 640 acres, together with the right to use and occupy so much of the surface of said lands as may be required for all purposes reasonably incident to said lease, from the date of this lease to the 31st day of December 1991, subject, however, to the covenants, conditions and restrictions hereinafter contained.

In consideration of the foregoing the following covenants, restrictions and conditions are hereby agreed to between the lessee and the lessor.

1. USE OF LAND

That the lands herein described and demised and let to the lessee shall be used for the purpose of grazing and farming in the following proportions:

Grazing, 640 acres Farming, _____ acres

The lands leased for grazing purposes shall not be planted to any crop or crops, nor shall said lands be tilled or farmed without the written consent of the Director, Department of Lands, hereinafter referred to as Director, provided, however, that upon application by said lessee or any other party interested, the Director may reclassify said lands as farm lands and may lease the same as such, to give a preferential right to the lessee in possession upon such increase or rental as may be fair and equitable.

2. RATE OF RENTAL

To pay the lessor in lawful money of the United States at the office of the Director, Department of Lands of the State of Idaho, each year's rental in advance and prior to the legal possession of the property for such year, an annual rental for each acre covered by this lease; the sum of 80¢ per acre per annum for grazing and the sum of _____, per acre per annum for farming land; that said rental shall be payable on or before May 1 each year except where an extension has been granted by the State Board of Land Commissioners in the manner provided by law and in case of such extension it is agreed by and between the parties hereto the State shall have a first lien on all crops sown, growing, grown or harvested on or from the lands hereby leased as provided by law. It is understood and agreed by the lessee that he will not attempt to create any lien on said crops with the intent and purpose of making said lien equal or senior to the lien hereby given to the State of Idaho to secure the payment of such rental and in the event of any such attempt the lessor reserves the right to cancel said lease, after giving ten days notice to said lessee.

3. CHANGE OF RENTAL

The State Board of Land Commissioners reserves the right in its discretion to increase or decrease the annual rental herein provided at the beginning of each and every calendar year during the term of this lease, and in the event of any change in rental the lessee shall be notified six months in advance of the first payment of such increased or decreased rental.

4. RIGHT OF LESSOR TO SELL — APPRAISAL OF IMPROVEMENTS SUBJECT TO SECTION 58-313 I.C., AS AMENDED

The State Board of Land Commissioners reserves the right to sell all or any portion of the land described in this lease and in case of sale of said premises during the continuance of the same, the lessee hereby covenants to deliver immediate possession unless the State Board of Land Commissioners has determined that he shall be permitted to harvest the growing crop. In such event he shall have possession of only the land on which such crops are growing. When surface improvements have been made they will be appraised by the Director, or a fieldman, under the direction of the State Board of Land Commissioners and the lessee will be paid for same by purchaser on the day of sale; provided, however, that no appraisal of improvements shall be final and binding until the same is approved by the State Board of Land Commissioners.

When permanent range improvements, construction of permanent buildings, or clearing of land for agricultural uses, is contemplated by the lessee he must secure the approval of the Director in writing prior to making such improvements and failure to secure such written approval shall work a forfeiture of the value of such improvements in case of sale.

5. RENEWAL OF LEASE — APPRAISAL OF IMPROVEMENTS

If the lessee herein is not the successful bidder at the expiration of this lease and the land is leased to another party, then the value of improvements recognized in paragraph 4 above as agreed upon between the parties, or as appraised and fixed by the Director, shall be paid by said successful bidder for such lease to the lessee herein, provided, however, should said lessee owe delinquent rental to the State at the time of the termination of said lease, the amount paid, or so much thereof as will liquidate said delinquent rental for said improvement, shall be paid to the Director. In case improvements have been made by the lessee herein on land embraced by this lease, and an appraisal of the value of such improvements is required, such improvements shall be appraised by the Director, or a fieldman for the Department of Lands.

6. RELINQUISHMENT OF RIGHTS

The lessee agrees to deliver up the said premises leased upon breach of any of the conditions herein set forth with all permanent improvements thereon in good order and condition when such breach results in cancellation or forfeiture of such lease.

7. TIMBER ON LAND UNDER LEASE

This lease is made subject to all rights that the purchasers of timber upon said lands may have under their deeds or certificates of sale whether purchased before the execution of this lease or after; this lease does not authorize the lessee to cut any timber growing on the land leased; any unauthorized use of such timber by the lessee or with his knowledge or consent, shall work a forfeiture of this lease without notice; and said lessee shall be responsible for all damages to said timber and shall be prosecuted as provided by law. Lessee is subject to the provisions of the state fire law; provided, that the lessee shall not be liable for fire protection charges fixed by such law.

8. MINERAL RESERVATIONS

This lease is subject to any oil, gas or geothermal resource lease that is now in force or effect or that may hereafter be granted on the lands or any part thereof included herein as provided by Title 47, Idaho Code, as the same may have been or may hereafter be amended, and is also subject to any mineral lease that is now in force, provided, however, in the event of a mineral lease, oil and gas lease or geothermal resource lease, being granted subsequent to the granting of the lease herein, said lessee, whether such is a mineral lease, oil and gas lease or geothermal resource lease, shall give a good and sufficient bond to protect said lessee herein from all damage occasioned to the surface of said lands embraced in this lease, whether utilized for actual mineral extraction or for rights-of-way or other purposes necessary to fully operate said mineral lease.

9. PROHIBITED FROM FENCING WATERING PLACES

The lessee shall fence no watering place upon said leased lands where the same is the only water accessible for range stocks within a radius of one mile, without first having secured the consent of the State Board of Land Commissioners, provided, however, that the users of said water for stock or domestic purposes only shall protect the growing crops and improvements of said lessee, including ditches, headgates, dams or pipelines utilized for irrigating the lands of the lessee herein, and that the cost of said protection shall be borne by the users of said watering place situated upon the land herein described.

10. GRAZING REGULATIONS

Where land under this lease is used for grazing, the grazing period on said land and the number of stock to be grazed thereon may be fixed and determined by the Director; said lessee, under the above conditions, shall furnish to the Director such information as may be required from time to time during the term of this lease, to assist in determination of the grazing period and number of stock to be grazed.

Where sheep are grazed on land included in this lease, they shall not be bedded more than one night consecutively on the same bedding ground, nor shall such sheep be grazed in such a fashion as to destroy the natural herbage on said lands leased or demised.

11. PAYMENTS OF WATER CHARGES

Unless otherwise provided, the lessee herein shall pay all water charges, assessments or taxes of whatsoever nature that may be legally levied or assessed for irrigation purposes against the land herein described, or any portion thereof, and if the same is not paid it shall constitute a lien in favor of the State of Idaho against all crops growing on said land.

12. SUBLEASING

The lessee herein covenants and agrees that he will not sublease the land embraced in this lease or any part thereof.

13. ASSIGNMENT

Said lessee shall not assign this lease except upon the approval of the Director and only where the rental owing has been paid in full except that if a rental extension has been granted by the State Board of Land Commissioners on this land such extension shall be assumed by the assignee and if improvements exist, such will be purchased by the assignee. Payments for such improvements in case of assignment of this lease where rentals are delinquent, shall be applied first to liquidate the delinquent rentals. Such assignment must be in writing and subscribed to by the lessee and spouse, if any. An acceptance and Assumption of lease agreement must be subscribed to by the assignee and spouse, if any. The assignment, acceptance and assumption of lease shall be submitted to the Director for approval, and if approved by him, shall then be recorded on the records of the State Department of Lands.

14. RIGHT OF ENTRY AND INSPECTION ABANDONMENT

The State Board of Land Commissioners reserves the right, through its Director, his fieldman, or other employees, to enter upon said land or any portion thereof during the term of this lease for the purpose of inspecting said property in the interest of said lessor. This right of visitation and inspection shall not authorize the lessor to destroy any of the property of the lessee thereon situated. Should any of the property covered by this lease be abandoned, or said lease cancelled or forfeited for any breach of condition herein contained, all improvements placed upon said property by said lessee shall remain a part of the realty and title thereto and ownership thereof shall vest in the State of Idaho.

15. LESSOR PROTECTED AGAINST WASTE

The lessee herein shall use the property under this lease in such manner as will best protect the State of Idaho against loss or waste and shall cooperate with the State, or any agency of the United States or other agency authorized by the State to undertake programs for eradication of noxious weeds thereon, and hereby authorize any of such agencies to inspect said property from time to time for the purpose of determining whether or not such noxious weed control or eradication is advisable. The lessee shall take all precautions to exterminate and prevent the spreading of noxious weeds thereon during the term of this lease.

16. FORFEITURE OF LEASE

In case the lessee herein shall fail to comply with any of the covenants, terms or conditions of this lease the State Board of Land Commissioners may forfeit or cancel the same upon ten days notice to said lessee and said lessee shall not, during said period of notice, remove any of the improvements or crops thereon whether said crops have been harvested or not. The lessee herein shall, at the expiration of this lease, deliver immediate possession of said lands embraced therein and the whole thereof to the State Board of Land Commissioners without further notice or demand.

It is further covenanted and agreed between the parties hereto that every obligation hereunder shall extend to and be binding upon, and every benefit hereunder shall insure to the benefit of the heirs, executors, administrators, successors or assigns of said lessee.

17. EASEMENTS

The State Board of Land Commissioners reserves the right to grant such easment and rights-of-way across or upon the said land described in this lease as it may deem necessary in the public interest, and to grant immediate possession thereof to the grantee of such easement, upon condition that the grantee of such easement shall, before exercising the same, pay to the lessee the reasonable value of the growing and immature crops and improvements within the boundaries of the granted right-of-way or easement. In event of dispute as to the value of such immature crops and improvements, the same shall be appraised by the Director and his appraisal shall be conclusive. This lease is subject to any right-of-way or easement heretofore granted and or over the lands embraced by this lease.

18. These lands are not to be closed at any time to the use of the general public for hunting and/or fishing purposes without the written permission, in advance of the Department of Lands, subject to the statute and/or rules and regulations of the Fish and Game Department, Section 36-2502, Idaho Code, notwithstanding.

IN WITNESS WHEREOF the party of the first part, by and through its State Board of Land Commissioners of the State of Idaho, and the Director and countersigned by the Secretary of State, and the party _____ of the second part ha _____ caused these presents to be executed in person the day and year herein first above written.

COUNTERSIGNED:

STATE BOARD OF LAND COMMISSIONERS OF THE STATE OF IDAHO

Pete T. Cenarrusa
Secretary of the State of Idaho

John V. Evans
President of the State Board of Land Commissioners, and Governor of the State of Idaho

David Brooke
Lessee

[Signature]
Director Department of Lands
Lessee

STATE OF IDAHO
County of N.Y.)
County of N.Y.) ss.
On this 11 day of June, in the year 1982, before me, a Notary Public in and for said State, personally appeared DAVID BROOKE

known to me to be the lessee that executed the within instrument, and acknowledged to me that _____ he _____ executed the same.
IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

William S. Marbit
Notary Public for Idaho
Residing at 45 UNIV. PL NYC

STATE OF IDAHO
County of Ada)
County of Ada) ss.
On this 29 day of January, in the year 1982, before me, a Notary Public in and for said State, personally appeared John V. Evans, known to me to be the President of the State Board of Land Commissioners of the State of Idaho and the Governor of the State of Idaho; and Pete T. Cenarrusa, known to me to be the Secretary of the State of Idaho; and G. C. Trombley, known to me to be the Director, that executed the within instrument, and acknowledged to me that the State Board of Land Commissioners of the State of Idaho, and the State of Idaho executed the same.
IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

John B. Bogan
Notary Public for Idaho
Residing at Idaho City, Idaho
Commission expires 8-25-82

ASSIGNMENT OF STATE LAND LEASE

Department of Lands

For and in consideration of _____ Dollars, paid for the lease and _____ n/a _____ Dollars paid for improvements and/or personal property, the receipt of which is hereby acknowledged, we hereby sell, assign and transfer unto the

JAMES L. ECKHARDT AND NELLIE R. ECKHARDT assigns, all our right, title and interest in and to State of Idaho Lease No. G-5315 so far as the same relates to the following lands only:

See Attachment "A"

A description and location of any improvements and/or personal property included in this transaction is attached hereto.

We hereby swear and affirm that the consideration stated herein is the full and complete amount of consideration paid by the assignees to the assignors, and no additional payment has been or will be made.

Witness our hands this 17th day of Oct, 1981.

David Warwick President
assignor BLUEFIELDS S.A. BY: _____

STATE OF NEW YORK
COUNTY OF NEW YORK ss.

On this 29 day of OCTOBER, in the year 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared DAVID WARWICK - PRES

known or identified to me to be the person whose name is subscribed to the within instrument as _____ and acknowledged to me that he executed the same as such _____

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal as of the day and year in this certificate first above written.

[Signature]
Notary Public for Idaho
Residing at _____
My Commission Expires: _____

HENRY B. TRATTNER
NOTARY PUBLIC, State of New York
No. TR-01-4039363
Qualified in Nassau County
Commission Expires October 31, 1991

ACCEPTANCE AND ASSUMPTION

The undersigned assignee above named assumes and accepts the obligations and conditions of the above described State Land Lease and separately covenants with the State of Idaho that he will abide thereby during tenure. Further, we do hereby swear and affirm that the sum of n/a Dollars is the full and complete amount of consideration paid by us to the assignors herein and no additional payment has been or will be made.

Witness our hands this 10th day of October, 1991

x James Eckhardt
JAMES L. ECKHARDT

x Nellie R. Eckhardt
Assignee NELLIE R. ECKHARDT

STATE OF IDAHO)
County of ~~Washington~~)
Ada

On this 15 day of October, in the year 1991,
before me, a Notary Public in and for said State, personally appeared
JAMES L. ECKHARDT AND NELLIE R. ECKHARDT

known to be the assignee that executed the within instrument and
acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day
and year last above written.

Kimber J. Howland
Notary Public for Idaho

Residing at Boise Idaho

Recorded this _____ day of _____, 1991

David E. Holter
acting for Director