

After Recording, Return to:
Rocky Mountain Elk Foundation
Attn: Lands Program
5705 Grant Creek Road
Missoula, MT 59808

**Deed of Conservation Easement
Bull Creek, Colorado**

NOTICE: THIS CONSERVATION EASEMENT HAS BEEN ACQUIRED IN PART WITH A GRANT FROM THE STATE OF COLORADO, DEPARTMENT OF NATURAL RESOURCES, DIVISION OF PARKS AND WILDLIFE ("CPW") AND WITH FUNDING ACQUIRED IN PART WITH GRANT 16125 ("GRANT") FROM THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND ("GOCO"). THIS DEED OF CONSERVATION EASEMENT CONTAINS RESTRICTIONS ON THE USE AND DEVELOPMENT OF THE PROPERTY WHICH ARE INTENDED TO PROTECT ITS OPEN SPACE AND OTHER CONSERVATION VALUES. CPW AND GOCO HAVE FOUND THAT THIS CONSERVATION EASEMENT PROVIDES BENEFITS THAT ARE IN THE PUBLIC INTEREST.

THIS DEED OF CONSERVATION EASEMENT IN GROSS ("Easement"), dated this 19th day of April, 2017, is made by **Mountain Meadows Ranch Trust** dated **November 28, 1990**, ("Owner") and the **Rocky Mountain Elk Foundation, Inc.** ("RMEF"). Owner and RMEF may be jointly referred to as the "Parties".

Background

A. Owner. Owner is a trust formed under the laws of Colorado. Owner is the sole owner in fee simple of real property in Mesa County, Colorado, consisting of approximately 523.89 acres, described in the attached Exhibit A ("Property") and approximately located as depicted on the map attached as Exhibit B. Owner owns the rights to identify, conserve, and protect in perpetuity the Conservation Values of the Property, as described below.

B. Grantee. RMEF is a Montana nonprofit corporation which is organized and operated for charitable, scientific, ecological, and educational purposes, including the conservation and protection of land in its natural, scenic, or open space condition. RMEF is a public charity as defined in § 501(c)(3) and § 509(a)(2) of the Internal Revenue Code, and is a qualified organization that is authorized to hold perpetual conservation easements under C.R.S. §§ 38-30.5-101 through 38.30.5-111 and § 170(h)(3) of the Internal Revenue Code.

C. GOCO Funding. Funding for this project has been provided in part by the Great Outdoors Colorado Trust Fund program. The voters of the State of Colorado by adoption of Article XXVII to the

Constitution of the State of Colorado, the legislature of the State of Colorado by adoption of enabling legislation, and GOCO, by adopting and administering competitive grant programs and rigorous due diligence review processes, have established that it is the policy of the State of Colorado and its people to preserve, protect, enhance and manage the state's wildlife, park, river, trail and open space heritage, to protect critical wildlife habitats through the acquisition of lands, leases or easements, and to acquire and manage unique open space and natural areas of statewide significance.

D. Conservation Values. The Conservation Values of Property provide a significant benefit to the people of Mesa County, Colorado, and the United States of America, and are worthy of perpetual conservation. The protection of the Property's Conservation Values is authorized by and recognized by the C.R.S. §§ 38-30.5-101 through 38.30.5-111. In particular, the Conservation Values include, but are not limited to, the following:

1. **Relatively Natural Habitat.** The Property constitutes a valuable element of the relatively natural habitat of the Colorado Plateau Ecoregion and associated ecosystem. The Property provides important habitat for elk, including winter range, summer range, calving range, transition range and movement corridors, and habitat for mule deer, northern harrier, juniper titmouse, Brewer's sparrow, Cassin's finch, olive-sided flycatcher, Lewis's woodpecker, and other Colorado wildlife, and the maintenance of such habitat helps support wildlife populations. The Property is adjacent to Bureau of Land Management (BLM) lands to its west, and the protection of the Property contributes to the ecological viability of these public lands by serving as a buffer to those lands.
2. **Scenic Enjoyment.** The Property qualifies as open space because it will be conserved for the scenic enjoyment of the general public and will yield a significant public benefit. The Property contributes to the scenic character of the local rural landscape in which it lies by the lands openness and relief and harmonious variety of shapes and textures. The Property is visible to the general public from adjacent, well-visited public lands and from 52 ½ Road, IE ¾ Road, and 54 Road within Mesa County, Colorado.
3. **Conservation Policy.** The Property constitutes open space worthy of conservation pursuant to the following clearly delineated federal, state, or local governmental conservation policies:

Federal Conservation Policy. The Farmland Protection Policy Act, P.L. 97-98, 7 U.S.C. §§ 4201, *et seq.*, the purpose of which is "to minimize the extent to which Federal programs contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses, and to assure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government, and private programs and policies to protect farmland."

State Conservation Policy. Protection of the Protected Property is also consistent with *Colorado's Comprehensive Wildlife Conservation Strategy and Wildlife Actions Plans* prepared by Colorado Parks and Wildlife, where conservation of habitat types found on the Property is a "Medium Priority" and "High Priority."

Local Conservation Policy. Protection of the Property is also consistent with the 2005 Mesa County Master Plan and 2013 Amended Mesa County Rural Master Plan where the Land Development Code includes §1.6 Right to Farm and Ranch Policy and the plan's goals include the following guiding principles, "to conserve sustainable ecosystems...to encourage the use of conservation easements, and ... to preserve public access to public lands."

E. Baseline Documentation. The Conservation Values and the current improvements and Uses on the Property as of the date of this Easement are further documented in a Baseline Documentation Report, as defined in Section 9, dated August 19, 2016, and prepared by Rare Earth Science, LLC. The Baseline Documentation Report has been acknowledged as accurate by both Owner and RMEF.

F. Landowner's Intent. Owner intends to protect and conserve the Conservation Values of the Property in perpetuity by continuing only those Uses of the Property that do not adversely impact the Conservation Values, including the expressly permitted Uses below.

G. General Purpose. Owner and RMEF have the common purpose of protecting in perpetuity the Conservation Values of the Property by restricting the Uses of the Property. Owner and RMEF intend that this Easement constitute a "qualified real property interest" as described in § 170(h)(2)(C) of the Internal Revenue Code and intend that the grant of such restrictions and rights qualify as a "qualified conservation contribution" under § 170(h)(1) of the Internal Revenue Code. It is not the intent of the Parties to create a charitable trust or any other form of trust through the conveyance of this Easement.

H. Mutual Consideration. Owner irrevocably and unconditionally conveys to RMEF a real property interest in the Property. In exchange, RMEF undertakes the perpetual obligation to monitor and protect the Conservation Values and to enforce the provisions of this Easement.

I. Definitions. Any capitalized terms not defined in the text are defined in Section 13.

The Granting of Perpetual Easement: NOW, THEREFORE, in consideration of the mutual covenants contained herein, and pursuant to C.R.S. §§ 38-30.5-101 through 38.30.5-111, and other applicable provisions of Colorado statutory and common law, Owner hereby grants, conveys and warrants to RMEF this perpetual Easement over the Property. The scope of this Easement is set forth in this Deed of Conservation Easement. Owner intends that GOCO and CPW have certain rights of inspection and enforcement, as provided for herein.

Section 1. Purpose and General Effect

1.1 Conservation Purposes. The Conservation Purposes of this Easement are: (1) to protect in perpetuity the Conservation Values and other significant conservation interests; and (2) to restrict the use of the Property to those Uses that are consistent with and do not adversely impact the Conservation Values and other significant conservation interests.

1.2 Perpetual Duration. This Easement shall run with the land and encumber the title to the Property in perpetuity. This Easement shall bind Owner, Owner's heirs, assigns, and successors, and all future owners, transferees, tenants, lessees, licensees, occupants, and users of the Property.

1.3 Permitted Uses in General. This Easement shall restrict the use of the Property to the permitted Uses, discussed in Section 3, which shall be conducted in a manner consistent with the Conservation Purposes of this Easement. Any use of the Property inconsistent with the Conservation Purposes of this Easement or that causes any adverse impact on the Conservation Values is expressly prohibited.

1.4 Dedication of Property. Pursuant to the terms of C.R.S. §§ 38-30.5-101 through 38.30.5-111, the Property conserved by this Easement is declared to be relatively natural habitat and open space and may not be converted or directed to any Uses other than those provided in this Easement.

Section 2. Rights Conveyed

In order to protect the Conservation Values of the Property and uphold the Conservation Purposes of this Easement, Owner conveys to RMEF in perpetuity, the following rights:

2.1 Identification and Protection. RMEF has the right to identify, conserve and protect in perpetuity the Conservation Values, and to advance the Conservation Purposes, subject to Owner's reserved rights in this Easement.

2.2 Entry and Access. RMEF has the right to enter the Property at least annually upon prior reasonable notice to Owner to inspect, monitor, and enforce compliance with this Easement, except when emergency circumstances require immediate entry. Grantor shall provide any necessary access to RMEF to the Property for monitoring purposes. Prior to its annual monitoring visit, RMEF shall give CPW notice via phone or email of the visit and CPW shall be given the opportunity to accompany RMEF. RMEF shall send to CPW a copy of its written monitoring report. If RMEF fails to provide CPW with a copy of its monitoring report, CPW shall have the right to enter the Property to monitor the Easement upon 48 hours advance notice to the Grantor and RMEF. If, at CPW's discretion, a monitoring report is incomplete or is the basis for concern, then CPW shall so notify RMEF and RMEF shall respond in writing to CPW regarding these issues within 21 days. If CPW continues to believe the monitoring report is incomplete or is the basis for concern, then CPW may enter upon the Property to address its concerns regarding the monitoring report. While Owner may grant public access to the Property for any permitted use under this Easement, nothing in this Easement shall be construed to grant general public access to the Property.

2.3 Immediate Entry. RMEF has the right to immediately enter the Property after making a reasonable attempt to provide notice to Owner, if, in RMEF's sole discretion, such entry is necessary to prevent or mitigate any adverse impact on the Conservation Values.

2.4 Conservation, Enforcement, Injunction, and Restoration. RMEF has the right to prevent any use of the Property, which violates, potentially violates, or is inconsistent with the Conservation

Purposes of this Easement. RMEF and CPW have the right to enforce the restoration of the Property to the condition that existed prior to any violation, pursuant to Section 6 below.

Section 3. Reserved Rights

The following Uses, subject to the provisions of this Easement, are consistent with the Conservation Purposes and are reserved by Owner. Some of these Uses and practices below are subject to the approval of RMEF pursuant to Section 5, and may not be conducted without RMEF's approval. The remainder of these Uses may not be prevented or limited by this Easement, provided they are conducted in a manner that is consistent with the Conservation Purposes and do not adversely impact the Conservation Values.

3.1 Improvements. Owner may maintain, repair, replace, and make additions to structures and improvements on the Property pursuant to the following provisions.

3.1.1 Residential Structures. No residences exist on the Property. Residences are prohibited.

3.1.2 Temporary Structures. Owner may construct or place Temporary Structures on the Property from time-to-time and on a temporary basis, provided that such Temporary Structures do not adversely impact the Conservation Values. Temporary Structures may not include a dwelling space or be used for human habitation.

3.1.3 Minor Agricultural Structures. Owner may construct, maintain, repair, replace, or make additions to Minor Agricultural Structures on the Property, provided that such Minor Agricultural Structures do not adversely impact the Conservation Values. Minor Agricultural Structures may not include a dwelling space or be used for human habitation.

3.1.4 Major Agricultural Structures. No Major Agricultural Structures are located on the Property, as documented in the Baseline Documentation Report. With the prior approval of RMEF, Owner may construct new Major Agricultural Structures on the Property. Major Agricultural Structures may not include a dwelling space or be used for human habitation.

3.1.5 Fences. Owner may construct, maintain, repair, or replace fences on the Property subject to the following provisions: (1) any new or replacement fence shall be constructed in accordance with Colorado wildlife friendly fencing guidelines or as otherwise agreed between Owner and RMEF; (2) on a temporary basis, Big Game Fences may be placed immediately around harvested crops or to allow establishment of vegetation; and (3) with the prior approval of RMEF, Owner may construct Big Game Fences elsewhere on the property.

3.1.6 Roads. Owner may maintain, repair, or replace existing roads on the Property. With the prior approval of RMEF and CPW, Owner may construct other additional temporary and permanent roads that are necessary for the permitted Uses of the Property under the provisions of this Easement. Any new roads must be located, constructed, and maintained to

minimize any adverse impact on the Conservation Values. Temporary roads must be stabilized and protected from erosion and weed invasion within 6 months after discontinued use.

3.1.7 Trails. Owner may maintain, repair, or replace existing Trails on the Property. With the prior approval of RMEF, Owner may construct new Trails on the Property. Trails must be located, constructed, and maintained to minimize any adverse impact on the Conservation Values.

3.1.8 Utility and Energy Structures. Owner may repair or replace existing Utility Structures. Owner may construct new Utility Structures that are necessary for the permitted Uses of the Property. If the Owner wishes to install new Utility Structures, below-ground installation of such infrastructure shall be required unless the Owner presents compelling evidence to RMEF that below-ground installation is unfeasible. All new Utility Structures shall be located, constructed, and installed in a manner that minimizes any adverse impact on the Conservation Values.

Owner may construct structures that are necessary for generating energy for the permitted activities and Uses of the Property. Any incidental sale of energy is not a violation of this Easement, provided the energy system is primarily designed and scaled to provide energy for the Property and its permitted Uses.

3.1.9 Easements and Rights-of-Way. With the prior approval of RMEF and CPW, Owner may grant additional servitudes, including, but not limited to easements, utility and road rights-of-way, on, above, below, or across the Property, provided RMEF determines such additional servitudes do not adversely impact the Conservation Values.

3.2 Uses and Activities. Owner may use the Property for agriculture, forestry, recreation, and limited commercial activities pursuant to the following provisions:

3.2.1 Agriculture. Owner may produce and sell agricultural crops and livestock on the Property in a manner that does not adversely impact the Conservation Values. Owner may also process and sell agricultural crops and livestock that were primarily produced on the Property and in a manner that does not adversely impact the Conservation Values. Owner may lease the Property or portions of the Property for grazing and agricultural crop production, provided that the lease is subject to the provisions of this Easement. Seasonally, Owner may confine livestock into a fenced area, corral or other facility for feeding, lambing, calving or similar activities.

3.2.2 Plowing and Sod Busting. Owner may plow or cultivate on those lands identified as previously plowed or cultivated fields in the Baseline Documentation Report. With the prior approval of RMEF, Owner may plow or cultivate additional land on the Property for the permitted agricultural Uses or for wildlife forage.

3.2.3 Grazing and Range Management. Owner may graze livestock on the Property, provided that the grazing is consistent with the Management Plan, further described in Section 3.4

below, and the Conservation Purposes of this Easement. Livestock grazing and rangeland management shall not deteriorate the range, wildlife and riparian habitats. Unless otherwise agreed to in writing, up to full grazing use is acceptable, meaning all fully accessible areas are grazed, and key forage species are utilized leaving no less than approximately half of above-ground forage standing. Owner and RMEF acknowledge that, due to the nature of feeding and watering livestock there may be localized areas of high impact on the Property. These high impact areas shall not comprise more than 10 percent of any pasture area.

If RMEF determines that rangeland health is deteriorating beyond the localized areas of high impact described above, Owner and RMEF shall amend the Management Plan to address appropriate use levels, seasons of use, type of livestock, noxious species management, and other necessary practices to improve range conditions. If Owner refuses to amend the Management Plan, RMEF may prepare or have prepared an amendment at Owner's cost. Grazing and rangeland management activities on the Property shall follow the Management Plan.

3.2.4 Forestry. Maintenance of a healthy forest is integral to wildlife, wildlife habitat, and water quality and the scenic provisions of this Easement. As such, all activities affecting the forest and tree cover shall be conducted in a manner that promotes healthy forest and riparian conditions over time using accepted silvicultural and best management practices.

Owner may: (1) cut trees for use on the Property; (2) cut dead, dying and down trees; (3) cut trees which constitute a hazard to persons or property; (4) cut trees to abate disease and infestation and; (5) cut trees to maintain and restore meadows and hay fields. The commercial sale of timber incidental to the activities listed above is permitted. With the prior approval of RMEF, Owner may conduct additional tree cutting and commercial timber harvest in accordance with a Forest Management Plan (FMP) or a Harvest Plan (HP).

The FMP shall address forest health, habitat for elk and other wildlife, scenic quality, and treatment of fuels and erosion. If required by RMEF, the HP will address forest health, habitat for elk and other wildlife, scenic quality, and treatment of fuels and erosion. Timber harvest shall be undertaken at times and by methods that minimize any adverse impact on the Conservation Values.

3.2.5 Agrichemicals and Biological Controls. Owner may use agricultural chemicals for the permitted agricultural and forestry uses to abate disease and to control noxious weeds. Owner shall follow the manufacturer's label instructions in the application of agricultural chemicals. Owner may use biological controls in accordance with local or state guidelines.

3.2.6 Recreation. Owner may use the Property for low impact recreational use, so long as that use does not adversely impact the Conservation Values. Commercial and recreational hunting, fishing, trapping, and predator control, in a manner consistent with state and federal laws and regulations, are permitted.

3.2.7 Off-Road Vehicles. Owner may use off-road vehicles for the following purposes: (1) normal maintenance on the Property and expressly reserved improvements; (2) emergency or severe weather access; (3) fire suppression; and (4) the permitted agricultural, forestry, and recreational Uses, provided that all reasonable efforts are made to minimize any adverse impact on the Conservation Values. Except for hunting activities, recreational off-road vehicle use will be restricted to roads and trails.

3.2.8 Commercial or Professional Business. With the prior approval of RMEF and CPW, Owner may operate a commercial or professional business that is directly related to the agricultural or recreational Uses of the Property. The business shall be contained entirely within a Minor or Major Agricultural Structure permitted in Section 3.1.4 and the business shall cause no adverse impact on the Conservation Values.

3.3 Resources. Owner may use the Property for agriculture, forestry, recreation and limited commercial activities pursuant to the following provisions:

3.3.1 Water Rights. The Property subject to this Easement includes any and all decreed and undeclared water rights, ditch rights, canal rights, spring rights, and reservoir rights which are described in Exhibit C ("Water Rights"). Owner may maintain and enhance the Water Rights and may develop new water rights for the permitted agricultural, forestry, recreational and conservation Uses of the Property. Owner may not transfer, encumber, sell, lease, or otherwise sever the Water Rights from the Property except to legally designate those water use rights for in-stream flows.

3.3.1.1. Instream Flow Use. Owner may enter into temporary legally enforceable water leases, contracts, emergency water loans, or similar agreements for conservation purposes, not to exceed three consecutive years or five out of every ten years, to increase instream flows and/or water levels in streams, rivers, lakes, and reservoirs to preserve or improve the natural environment of such water body(s), provided that: (1) RMEF has given its prior written consent to such arrangements; (2) that such use, in the opinion of RMEF, would not jeopardize the long-term Conservation Values of the Property; (3) that such arrangements do not permanently separate the Water Rights from the Property; (4) that such arrangements comply with current law; and (5) that RMEF has provided written notice to GOCO.

3.3.1.2. Abandonment. Owner shall not abandon or allow the abandonment of any of the Water Rights, by action or inaction. Owner shall annually report to RMEF the nature and extent of use of the Water Rights during the prior year, which report need not be in writing, and shall provide copies of any reports Owner submitted to the State or Division Engineer or Water Commissioner. Owner shall promptly provide to RMEF a copy of any written notice received by Owner from any state water official concerning the use, or possible abandonment, of the Water Rights.

3.3.2 Water Resources. Owner may repair, maintain, replace, and expand new or existing water resources on the Property for permitted agricultural and ranching activities, and fish and wildlife Uses. Owner may maintain, repair, and replace existing stream crossings, culverts, and bridges, and with the prior approval of RMEF, may construct new stream crossings, culverts, and bridges.

3.3.3 Oil and Gas. One oil and gas well pad site currently exists on the Property as identified in Exhibit B. The Owner reserves the right to extract oil and gas from the existing oil and gas well site and one additional future oil and gas well site, as identified in Exhibit B. Any extraction of oil and gas from the existing or future well site shall be subject to the provisions below. With the prior approval of RMEF, Owner may extract oil and gas from the Property from other well sites on the Property, subject to the provisions below. The Parties acknowledge that an oil and gas lease existed on the Property, which expired on March 27, 2017. Owner may extend the existing oil and gas lease or enter into new oil and gas leases, provided the lease is subordinated to this Easement and subject to the provisions below:

3.3.3.1. The exploration for or extraction of oil, gas and other hydrocarbons is conducted in accordance with a plan (the "Oil and Gas Plan"), prepared at Owner's expense and approved in advance by RMEF. The Oil and Gas Plan shall describe: (a) the specific activities proposed; (b) the specific land area to be used for well pad(s), parking, staging, drilling, and any other activities necessary for the extraction of oil and gas, and the extent of the disturbance of such land area before and after reclamation; (c) the location of facilities, equipment, roadways, pipelines and any other infrastructure to be located on the Property; (d) the method of transport of oil or gas produced from the Property; (e) the method of disposal of water, mining byproducts and hazardous chemicals produced by or used in the exploration and development of the oil or gas; (f) the proposed operation restrictions to minimize impacts on the Conservation Values, including noise and dust mitigation and any timing restrictions necessary to minimize impacts to wildlife; (g) the reclamation measures necessary to minimize disturbance to and reclaim the surface of the Property, including restoring soils to the original contours and replanting and re-establishing native vegetation using specific seed mixes and processes to ensure successful re-vegetation of the Property, including and in addition to those measures required by law; and (h) remedies for damages to the Conservation Values.

3.3.3.2. Any surface disturbance resulting from permitted extraction activities shall be limited, localized, and not irretrievably destructive of any Conservation Values, within the meaning of Treasury Regulation § 1.170A-14(g)(4)(i) or its successor provisions. Surface alteration shall be restored upon completion of such activities to a condition similar to its state prior to the disturbance by reclaiming land, restoring soils, replanting vegetation, and husbanding replanted vegetation until the vegetation is established and self-perpetuating.

3.3.3.3. Well facilities and pipelines shall either be placed underground, or screened or concealed from view by the use of existing topography, existing native vegetation, newly planted but native vegetation, and/or use of natural tone coloring. Pipelines shall be

located along or under existing roadways to the maximum extent possible. Drilling equipment may be located above ground without concealment or screening, provided that such equipment shall be promptly removed after drilling is completed.

3.3.3.4. Owner shall not allow use of the Water Rights for any oil and gas activities. Except for the disposal pit noted in the Baseline, any water, mining byproducts or hazardous chemicals produced by or used in the exploration and development of the oil or gas shall not be stored or disposed of on the Property. The disposal pit shall be limited to its existing size, location and use.

3.3.3.5. Flaring to enhance oil production is prohibited; flaring for emergencies or operational necessity is permitted.

3.3.4 Surface Owner. By granting this Easement, Owner has granted to RMEF and CPW an interest in Owner's rights as the surface owner of the Property from which the Minerals may be severed and owned by a third party. RMEF shall have the rights of a surface owner to receive notices of proposed Mineral activities and to take appropriate action to protect the Conservation Values. Accordingly, Owner agrees (1) to provide RMEF with any information or notices Owner receives related to proposed exploration, development, operations and reclamation of any Minerals; and (2) that Owner shall not enter into any lease or agreement pertaining to use of the surface or subsurface of the Property for the exploration, development, operations and reclamation of any Minerals, including any agreement required of a surface owner under Colorado statutes and regulations ("Mineral Agreement") without the prior approval of RMEF. RMEF and CPW shall be a party to any Surface Use Agreement or similar instrument guiding the placement, timing, and ultimate reclamation of the proposed development. Any Mineral Agreement shall require that Owner provide notice to RMEF whenever notice is given to Owner, require the consent of RMEF for any activity not specifically authorized by the instrument, and give RMEF the right, but not the obligation, to object, appeal and intervene in any action in which Owner has such rights. Any Mineral Agreement must either (i) prohibit any access to the surface of the Property or (ii) must (a) limit the area(s) of disturbance to a specified area(s); (b) include provisions that ensure that the proposed activities have a limited, localized impact on the Property that is not irretrievably destructive of the Conservation Values; and (c) contain a full description of the activities proposed, a description of the extent of disturbance, the location of facilities, equipment, roadways, pipelines and any other infrastructure, the proposed operation restrictions to minimize impacts on the Conservation Values, reclamation measures including and in addition to those required by law, and remedies for damages to the Conservation Values. Any Mineral Agreement that only permits subsurface access to Minerals but prohibits any access to the surface of the Property shall also prohibit any disturbance to the subjacent and lateral support of the Property, and shall not allow any use that would materially adversely affect the Conservation Values. RMEF may, in its sole discretion, withhold approval of any lease or agreement if RMEF determines that the proposed surface use is inconsistent with the Conservation Purposes and would adversely impact the Conservation Values.

3.3.5 Carbon. Owner retains all Carbon and Carbon Rights appurtenant to the Property, as may exist on the date this Easement was executed, or as may be granted, discovered, created, declared or developed in the future, including but not limited to the right to trade, sell, transfer, credit, or lease these rights, and the right to use, store, sequester, accumulate, and/or depreciate carbon within the Property by flora that exists, or may exist, on the Property. This Easement shall be interpreted to enhance the security and economic viability of any Carbon Rights appurtenant to the Property.

3.3.6 Habitat Improvement. Owner may improve wildlife habitat in a manner that is consistent with the Conservation Purposes. Owner may reseed disturbed areas with seed that is acceptable to the natural resource agencies in Colorado.

3.4 Management Plan. Owner shall manage the Property in accordance with a Management Plan, a current copy of which is maintained on file with RMEF, GOCO, CPW, and Owner. RMEF, CPW, and Owner shall review the Management Plan approximately every 5 years. The Management Plan may be updated periodically if Owner, RMEF, and CPW mutually agree that an update is necessary. RMEF may enforce the provisions of the Management Plan, and CPW may enforce the provisions of the Management Plan after notice to RMEF pursuant to Section 6 below. Owner, RMEF, and GOCO recognize that CPW has valuable expertise in the management of wildlife and wildlife habitat on the Property and therefore, the Management Plan shall not be updated or otherwise amended without CPW's written approval.

3.5 Division of the Property. Owner may only convey the Property as a single tract.

3.6 Residual Rights. Except as limited by this Easement, Owner may enjoy all rights as owner of the Property, including the right to use the Property for any purpose consistent with this Easement and that does not adversely impact the Conservation Values. The rights reserved pursuant to this Section shall not be deemed "expressly reserved" for any other purpose of this Easement.

Section 4. Prohibited Uses

Any Uses of the Property that are inconsistent with the Conservation Purposes or adversely impact the Conservation Values are expressly prohibited. The following Uses, though not an exhaustive list, are inconsistent with the Conservation Purposes, and are prohibited.

4.1 Improvements.

4.1.1 Construction. Except as expressly permitted in Section 3, Owner shall not construct any structures or improvements of any kind on the Property.

4.1.2 Game Proof Fences. Except as expressly permitted in Section 3, Owner shall not construct any Big Game Fences on the Property.

4.1.3 Roads and Trails. Except as expressly permitted in Section 3, Owner shall not construct any roads or Trails on the Property.

4.1.4 Utilities. Except as expressly permitted in Section 3, Owner shall not construct or install any utility structures or systems on the Property.

4.1.5 Billboards. No commercial signs, billboards, awnings, or advertisements shall be displayed or placed on the Property, except for appropriate and customary ranch or pasture identification signs, "for sale" or "for lease" signs alerting the public to the availability of the Property for purchase or lease, "no trespassing" signs, signs regarding the private leasing of the Property for hunting, fishing or other low-impact recreational uses, and signs informing the public of the status of ownership. Any such signs shall be located and designed in a manner consistent with the Conservation Purpose.

4.2 Uses and Activities.

4.2.1 Industrial Activities. Owner shall not allow industrial facilities or activities on the Property.

4.2.2 Commercial Activities. Except as expressly permitted in Section 3, Owner shall not allow commercial facilities or activities on the Property. Any commercial activities that adversely impact the Conservation Values, including wildlife or wildlife habitat, are expressly prohibited.

4.2.3 Commercial Recreational Activities. Owner shall not allow any commercial recreational activities that exceed the *de minimis* standard set forth in § 2031(c) of the Internal Revenue Code.

4.2.4 Game Farming. Owner shall not keep or raise any Game Farm animals.

4.2.5 Commercial Feed Lot. Owner shall not establish or maintain any Commercial Feed Lot on the Property.

4.2.6 Timber Harvest. Except as expressly permitted in Section 3, Owner shall not harvest timber on the Property.

4.2.7 Conversion of Native Vegetation. Except as expressly permitted in Section 3, Owner shall not convert native vegetation to non-native species.

4.2.8 Dumping and Deposit of Waste. No hazardous, dangerous or toxic waste may be dumped or disposed of on the Property. Other waste generated on the Property by the Uses permitted in this Easement, and permitted by applicable laws, may be disposed of on the Property provided there is no adverse impact to the Conservation Values. If Owner becomes

aware of any accidental, illegal, or other placement or spilling of any hazardous waste or toxic materials on the Property, Owner shall notify RMEF immediately.

4.3 Resources.

4.3.1 Alteration of Land. Except as necessary to the expressly reserved uses in Section 3, Owner shall not cut, fill, grade, or otherwise alter the surface of the Property.

4.3.2 Alteration of Water Resources. Except as necessary to the expressly reserved uses in Section 3, Owner shall not alter or impair any watercourse or wetland on the Property.

4.3.3 Noxious and Invasive Species. Owner shall not knowingly introduce on the Property any species designated as noxious or invasive by any local, state or federal agency.

4.3.4 Mining. Except for the limited, localized Oil and Gas extraction that is expressly allowed in Section 3, Owner shall not allow the extraction or removal of Minerals by any method. If the Mineral rights are currently severed from the surface estate, and the severed Mineral rights and the fee title are merged in the future, Owner shall not allow the extraction or removal of Minerals by any method.

4.3.5 Mineral Remoteness. The Mineral rights in the Property have been severed in whole or in part from the fee title and are not under the current control or ownership of Owner. At the time of conveyance of this Easement, the probability of surface mining on the Property is so remote as to be negligible as documented by the Mineral Assessment Report of remoteness determination prepared by Rare Earth Science, LLC and dated August 21, 2016. If the Mineral rights are currently severed from the surface estate, and the severed Mineral rights and the fee title are merged in the future, such Mineral Rights shall be subject to this Easement, and the Owner shall not allow the extraction or removal of Minerals by any method.

4.4 Subdivision. Notwithstanding that the Property may have been subdivided prior to the grant of this Easement, Owner shall not divide, subdivide, or take any action which creates an actual or *de facto* subdivision of the Property.

4.5 Development Rights. Except as expressly permitted in Section 3, all Development Rights on the Property are extinguished by this Easement. Owner unconditionally and irrevocably relinquishes the right to transfer any such Development Rights. Construction and use of any "condominium unit", as defined in C.R.S. § 38-33-103(1) of the Condominium Ownership Act, is expressly prohibited.

Section 5. Notice and Approval

Several provisions of this Easement require Owner to provide notice or to provide notice and obtain the prior approval of RMEF, before undertaking certain Uses related to the Property. Additionally, if Owner proposes to undertake any use on the Property that is not expressly addressed in this Easement, then Owner shall not undertake that proposed use until Owner has provided notice and

obtained the prior approval of RMEF. The purpose of requiring notice and prior approval is to afford RMEF the opportunity to ensure that the proposed use is carried out in a manner that is consistent with the Conservation Purposes.

5.1 Form of Owner's Notice. Prior to undertaking any use which requires RMEF's prior approval, Owner will notify RMEF of the proposed use. The notice shall describe the nature, scope, design, location, timetable and any other material aspect of the proposed use in sufficient detail to permit RMEF to make an informed decision as to whether the proposed use is consistent with the Conservation Purposes. The notice shall be in writing.

5.2 Form of RMEF's Response. RMEF's approval or response to a proposed use shall be in writing. RMEF may withhold approval of the proposed use if RMEF determines, in its sole discretion, that the proposed use is inconsistent with the Conservation Purposes. RMEF may also withhold approval if RMEF determines, in its sole discretion, that the notice lacks sufficient information to allow RMEF to make an informed decision. RMEF may condition approval of the proposed use on Owner's acceptance of modifications which, in RMEF's sole discretion, make the proposed use consistent with the Conservation Purposes or otherwise address any concerns that RMEF may have.

5.3 Timing of RMEF's Response. RMEF shall have 45 calendar days from the date it receives the notice to review the proposed use and to approve the proposed use or to notify Owner of any objections that RMEF may have. RMEF may approve or conditionally approve a proposed use by email, with electronic delivery confirmation.

5.4 RMEF's Failure to Respond. If RMEF fails to respond within 45 calendar days after RMEF receives the notice, then the proposed use shall be deemed approved. Nevertheless, no such deemed approval shall allow any use that is inconsistent with the Conservation Purposes.

5.5 GOCO and CPW Notice and Response. Wherever Owner is required to provide notice and obtain the prior approval of GOCO and CPW, Owner will notify RMEF, GOCO, and CPW. GOCO and CPW may provide its own written response to Owner's notice, or may join in RMEF's response.

5.6 Notice Form. Unless otherwise noted, any notice or response required by this Section shall be in writing and shall be delivered: (1) by registered or certified mail, with delivery confirmation; or (2) by commercial courier, with delivery confirmation. The notice or response shall be considered delivered on the date shown on the delivery confirmation.

5.7 Addresses. The Parties will send any notice or response to the following addresses or other address as the Parties may designate in writing:

If to RMEF:

Rocky Mountain Elk Foundation, Inc.
Attn: Lands Program
5705 Grant Creek Road
Missoula, MT 59808

If to Owner:

Mountain Meadows Ranch Trust
Attn: John and Sally Walter
P.O. Box 97
Molina, CO 81646

If to CPW:
Colorado Parks and Wildlife
Attn: Real Estate Section
6060 Broadway
Denver, CO 80216
and
Area 7 Wildlife Manager
711 Independent Avenue
Grand Junction, CO 81505

If to GOCO:
Executive Director
State Board of the Great Outdoors
Colorado Trust Fund
1900 Grant Street, Ste 725
Denver, CO 80203

5.8 Force Majeure. Owner is not obligated to send any prior notice to RMEF, and RMEF will not be entitled to bring any action against Owner, with respect to any prudent, good faith use undertaken by Owner to prevent, abate, or mitigate injury to the Property immediately before, during, or immediately following fire, flood, storm, earth movement, acts of war, and similar causes beyond the control of Owner. Owner shall promptly inform RMEF of injury to the Property caused by such events or actions.

Section 6. Breach, Restoration, and Remedies

6.1 Right to Injunction. Owner and RMEF recognize that money damages, or other non-injunctive relief, may not adequately remedy a violation of this Easement. Therefore, Owner and RMEF agree that any violation of this Easement is deemed to result in irreparable harm and may be subject to injunctive proceedings, including the imposition of temporary restraining orders, preliminary injunctions, specific performance, or any other legal or equitable remedy. Owner and RMEF also agree that no proof of damages, or the inadequacy of other remedies, shall be required of either Party, in seeking any such injunctive relief.

6.2 Right to Restoration. RMEF shall have the right to enforce the restoration of the Conservation Values that are adversely impacted by Uses inconsistent with the Conservation Purposes. Such restoration shall be as near as possible to the condition of the Property prior to such injury.

6.3 Right to Recover Damages. In the event of a violation of this Easement, in addition to the other remedies provided for in this Section and any other remedies available in law or equity, RMEF shall also be entitled to recover all damages necessary to place RMEF in the same position that it would have been before the violation, including, but not limited to, the costs of restoration of the Property.

6.4 Costs and Attorney's Fees. In addition to any other damages, RMEF shall be entitled to recover the costs of enforcement or interpretation of any of the provisions of this Easement, including, but not limited to, actual attorney's fees, expenses and court costs, provided that RMEF is, at least in substantial part, the prevailing Party in any such action.

6.5 Cumulative Remedies. The remedies of RMEF set forth in this Easement are cumulative. RMEF may invoke any or all of the remedies if there is an actual or threatened violation of this Easement.

6.6 Notice to GOCO and CPW. Upon discovery of any violation of this Easement, RMEF shall promptly notify GOCO and CPW in writing.

6.7 Entry by CPW. CPW has the right to enter the Property at reasonable times in order to evaluate compliance with the terms of this Easement, provided that such entry shall be upon prior reasonable notice to Owner and RMEF, and CPW shall not unreasonably interfere with Owner's use and quiet enjoyment of the Property.

6.8 Enforcement by CPW. In addition to the above-described right of enforcement of RMEF, CPW also has the right to prevent and correct violations of the provisions of this Easement. If CPW finds what it believes is a non-emergency violation that warrants enforcement, CPW shall promptly notify RMEF in writing of the nature of the alleged violation. Within 30 calendar days of receipt of this written notice, RMEF shall advise CPW in writing whether or not RMEF intends to undertake enforcement against Owner concerning the alleged violation. If RMEF fails to so advise CPW in writing within 30 calendar days, or if RMEF advises CPW in writing that it does not intend to undertake enforcement, then CPW may directly notify Owner in writing of the nature of the alleged violation, and shall provide a copy of the notice to the RMEF at the same time. If the violation is not corrected, then CPW may proceed with a legal action in accordance with the same provisions of this Section 6 and otherwise set forth in this Easement applicable to enforcement by RMEF.

If CPW finds what it believes is an ongoing or imminent violation that is causing material damage to or could irreversibly diminish or impair the Conservation Values of the Property, CPW may take immediate legal action to address the emergency situation, after having given notice to RMEF.

6.9 Third Parties. RMEF shall have the right, but not the obligation, to pursue all legal and equitable remedies provided under this Section against any third party responsible for any violation of this Easement. Owner shall, at RMEF's option, assign Owner's right of action against a third party to RMEF, join RMEF in any action against a third party, or appoint RMEF as attorney-in-fact for the purpose of pursuing an enforcement action against a third party.

6.10 Remedies. The remedies provided in this Section 6 may be sought by any other party authorized by state law to enforce the provisions of conservation easements.

6.11 No Waiver. No delay or omission by RMEF, CPW, or GOCO in the exercise of any right or remedy upon any breach by Owner shall impair such right or remedy, or be construed as a waiver. Owner hereby waives any defense available to Owner pursuant to C.R.S. §38-41-119, or the defense of laches, estoppel, or prescription.

Section 7. Upkeep, Maintenance, Costs and Taxes

7.1 Upkeep. Owner retains all responsibilities and shall bear all costs and liabilities related to Ownership, operation, upkeep and maintenance of the Property. RMEF has no duty or responsibility for the operation or maintenance of the Property, the monitoring of hazardous conditions, or the protection of Owner, the public, or any third parties from risks relating to conditions on the Property.

Owner is solely responsible for any costs related to the maintenance of general liability insurance covering acts on the Property.

7.2 Taxes. Owner shall pay all lawful taxes and assessments levied on the Property. RMEF is authorized, but not obligated, to pay taxes, in accordance with any bill, statement, or estimate procured from the appropriate authority, without inquiry into the validity of the taxes or the accuracy of the bill, statement, or estimate. Owner shall repay RMEF for all costs it incurs in making such payment, together with interest at the maximum rate allowed by law, until all sums are paid by Owner.

7.3 Liens and Encumbrances. Owner shall keep RMEF's interest in the Property free of any liens or encumbrances.

7.4 Environmental Liability. Nothing in this Easement shall be construed as giving rise to any right or ability in RMEF, GOCO, or CPW to exercise physical or managerial control over activities on the Property so as to become an "owner" or "operator" of the Property within the meaning of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601 et seq. or the Colorado Hazardous Waste Management Act, C.R.S. §§ 25-15-301 through 327 and environmental clean-up requirements pursuant to C.R.S. §§ 25-16-101 through 311, or similar state and federal statutes.

Section 8. Indemnification

Owner shall hold harmless, indemnify, and defend the Indemnified Parties from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments, including reasonable attorneys' fees, arising from and in any way connected with the injury or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, except to the extent of the adjudicated proportionate fault of any of the Indemnified Parties.

Owner shall hold harmless, indemnify, and defend the Indemnified Parties from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, actual attorneys' fees, arising from or in any way connected with the presence or release of any hazardous material or substance of any kind on Owner's Property, except to the extent of the adjudicated proportionate fault of any of the Indemnified Parties.

Section 9. Baseline Documentation

The Conservation Values and other natural resources and development on the Property are documented in a report furnished by Owner to RMEF to be kept on file at the offices of RMEF ("Baseline Documentation Report"). The Baseline Documentation Report provides an accurate representation of the Property as of the effective date of this Easement in accordance with Treasury Regulation § 1.170A-14(g)(5)(i). The Baseline Documentation Report is intended to serve as an objective baseline for monitoring compliance with the provisions of this Easement. Notwithstanding the foregoing, if a controversy arises with respect to the condition of the Property, the Parties shall not

be foreclosed from using any and all other relevant information to assist in the resolution of that controversy.

The Parties may agree, from time to time, to prepare a supplemental Baseline Documentation Report. The supplemental inventory of baseline data must be approved in writing by the Parties, GOCO and CPW. Upon approval by the Parties, GOCO and CPW, the supplemental Baseline Documentation Report will be used as the baseline for future monitoring and compliance with the provisions of this Easement.

Section 10. Extinguishment or Termination

10.1 Intent. It is the intent of Owner and RMEF that the Conservation Purposes of this Easement are carried out in perpetuity. If this Easement is extinguished as to all or a portion of the Property, RMEF, CPW, and GOCO shall be entitled to a share of proceeds resulting from the extinguishment on the provisions contained in this Section, as required by Treasury Regulation § 1.170A-14(g)(6)(ii).

10.2 RMEF's Property Right and Valuation. The grant of this Easement gives rise to a property right, immediately vested in RMEF. RMEF's property right shall be based on the condition and improvements on the Property at the time that the Easement is established, which is documented in the Baseline Documentation Report. RMEF's property right shall be deemed to have a fair market value at least equal to the proportionate value this Easement bears to the value of the Property as a whole as of the Effective Date of this Easement (the "Easement Value Ratio"). An appraisal of the Property and this Easement was completed on October 5, 2016 the values established in that appraisal shall be used to determine the Easement Value Ratio. The Parties agree to an Easement Value Ratio of 66%, which the appraisal determined is a reasonable estimation of the value the Easement bears to the value of the Property at the time of its creation. The Easement Value Ratio shall remain constant. GOCO shall be entitled to receive 16.6% of RMEF's compensation. CPW shall be entitled to receive 16.6% of RMEF's compensation. RMEF shall promptly remit to GOCO and CPW their respective shares of these proceeds.

10.3 Extinguishment. As provided in Treasury Regulation § 1.170A-14(g)(6)(i), if a subsequent unexpected change in conditions surrounding the Property arise which make the Conservation Purposes impossible or impractical, this Easement may only be terminated or extinguished, in whole or in part, by judicial proceedings in a court of competent jurisdiction. If this Easement is terminated or extinguished, RMEF shall be entitled to a portion of the proceeds at least equal to the Easement Value Ratio multiplied by the fair market value of the Property unrestricted by this Easement. Owner shall not voluntarily accept less than the full value of the affected Property unrestricted by this Easement without RMEF's, GOCO's, and CPW's approval.

10.4 Eminent Domain. If all or part of the Property is taken for a public purpose by eminent domain, Owner shall, and RMEF may, join in appropriate actions to recover the full value of each party's proportional interest in the Property taken and all incidental or direct damages resulting from such taking. RMEF shall be entitled to a portion of the proceeds at least equal to the Easement Value Ratio multiplied by the fair market value of the Property unrestricted by this Easement. Owner shall not

voluntarily accept less than the full value of the affected Property unrestricted by this Easement without the approval of RMEF, GOCO, and CPW.

10.5 Use of Proceeds. All of RMEF's proceeds from a sale, exchange or involuntary conversion of all or any portion of the Property, shall be used by RMEF in a manner consistent with the Conservation Purposes of this Easement.

10.6 Economic Value. The fact that any use of the Property that is prohibited by this Easement or is inconsistent with the Conservation Purposes of this Easement, or may become more economically valuable than the permitted Uses, has been considered by Owner in granting this Easement. Such circumstances shall not justify the termination or extinguishment of this Easement pursuant to this Section. In addition, the inability to carry on any or all of the permitted Uses, or the unprofitability of doing so, shall not impair the validity of this Easement or be considered grounds for its termination or extinguishment pursuant to this Section.

Section 11. Subsequent Sale

Owner shall reference this Easement in any subsequent deed, or other legal instrument that conveys any interest in the Property (including any leasehold interest), and shall state that any use of this Property shall be subject to the provision of this Easement. Owner shall notify RMEF of any conveyance by sending written notice to RMEF within 30 calendar days of the execution of such conveyance. Any failure to comply with the provisions of this Section shall not render this Easement or any provisions of this Easement unenforceable and shall not impact the perpetual nature or enforceability of this Easement.

Section 12. Miscellaneous

12.1 Assignment of Easement. RMEF may not transfer or assign its interest in the Property created by this Easement except to a "qualified organization" within the meaning of § 170(h)(3) of the Internal Revenue Code that is authorized to acquire and hold conservation easements under Colorado law. Any such qualified organization shall agree in writing to enforce the provisions of this Easement and to protect the Conservation Values. The assignment must be approved in writing by GOCO in its sole and absolute discretion. RMEF shall provide GOCO with a written request to assign the Easement at least 90 days prior to the date proposed for the assignment transaction. GOCO shall provide RMEF with a written response within 45 days of GOCO's receipt of RMEF's request. GOCO may require RMEF to assign its rights and obligations under this Easement to a different organization if RMEF ceases to exist; is unwilling, unable, or unqualified to enforce the terms and provisions of this Easement; or is unwilling or unable to effectively monitor the Property for compliance with this Easement at least once every calendar year. Prior to any assignment under this Section, GOCO shall consult with RMEF and provide RMEF an opportunity to address GOCO's concerns. If GOCO's concerns are not addressed to its satisfaction, GOCO may require that RMEF assign this Easement to an organization designated by GOCO that complies with this section.

12.2 If RMEF desires to transfer this Easement to a qualified organization having similar purposes as RMEF, but GOCO has refused to approve the transfer, RMEF may seek an order by a court with jurisdiction to transfer this Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed on RMEF by this Easement, provided that GOCO shall have adequate notice of and an opportunity to participate in the court proceeding leading to the court's decision on the matter.

12.3 Recording. Upon compliance with the applicable portions of this Section, the Parties shall record an instrument completing the assignment in the property records of the county or counties in which the Property is located and provide a copy of the recorded assignment to GOCO. Assignment of the Easement shall not be construed as affecting the Easement's perpetual duration and shall not affect the Easement's priority against any intervening liens, mortgages, easements, or other encumbrances.

12.4 Severability. If any provision of this Easement is to any extent illegal, otherwise invalid, or incapable of being enforced, that term shall be excluded to the extent of such invalidity or unenforceability. All other provisions shall remain in full force and effect. To the extent possible, the invalid or unenforceable term shall be replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

12.5 No Waiver. The enforcement of the provisions of this Easement shall be at the discretion of RMEF, GOCO, and CPW, and RMEF's, GOCO's, or CPW's delay, forbearance or failure to exercise their rights under this Easement shall not be deemed a waiver of RMEF's, GOCO's, or CPW's rights for any subsequent breach.

12.6 "Owner" and "RMEF." The term "Owner" and associated pronouns means the above named Owner, and its heirs, personal representatives, executors, successors and assigns. If the Property has been transferred by the original Owner, then the term "Owner" means the successors or assigns of the original Owner. The term "RMEF" and associated pronouns means the Rocky Mountain Elk Foundation, Inc., and its successors and assigns.

12.6.1 Joint and Several Liability. If more than one person or entity constitutes Owner, the obligations of each and all of them under this Easement shall be joint and several.

12.7 Titles. Section and Subsection titles and subtitles are for convenience only and shall not have legal effect.

12.8 Construction and Governing Law. This Easement shall be construed according to the laws of the State of Colorado and the United States of America.

12.8.1 Conservation Purposes. This Easement shall be liberally construed in favor of the Conservation Purposes and in accordance with C.R.S. §§ 38-30.5-101 through 38.30.5-111.

12.8.2 Federal Tax Purposes. The Parties intend that the conveyance of this Easement qualify under § 170(h) of the Internal Revenue Code as a “qualified conservation contribution” of a “perpetual conservation restriction.” If any provision of this Easement is found to be ambiguous, an interpretation consistent with the Conservation Purposes and with qualification under § 170(h) of the Internal Revenue Code shall be favored over any other interpretation.

12.8.3 No Warranty. RMEF does not warrant, guarantee or otherwise offer any assurance as to the deductibility of the qualified conservation contribution, and the grant of this Easement is not conditioned upon such deductibility.

12.8.4 Drafter. Neither of the Parties, nor GOCO or CPW shall be deemed the drafter of this Easement, each having had the benefit of counsel of their own choosing in negotiating its terms.

12.9 Perpetuity of Easement. This Easement shall run with and burden the title to the Property in perpetuity and is binding upon, and will inure to the benefit of, Owner’s and RMEF’s successors and assigns. All subsequent owners of the Property are bound by all provisions of this Easement to the same extent as Owner.

12.10 Merger and Integration of Entire Agreement. This Easement sets forth the entire agreement of the Parties, and is the merged and integrated result of the Parties’ negotiations. This Easement supersedes all prior discussions or understandings pertaining to the Property.

12.11 Attachments. All Exhibits and attachments are incorporated by reference and made part of this Easement.

12.12 Compliance with Law. All Uses permitted by this Easement, including the permitted Uses, shall be in full compliance with all applicable local, state and federal laws. Owner remains solely responsible for obtaining any government permits and approval for any use permitted by this Easement, and any use shall be undertaken in accordance with all applicable federal, state, and local laws, and regulations.

12.13 Amendment. The Parties may agree to amend this Easement. Any amendment is subject to the sole discretion of RMEF and subject to the following conditions:

- (1) The amendment shall strengthen the Conservation Purposes and the Conservation Values of this Easement;
- (2) The amendment shall be consistent with the provisions and the Conservation Purposes of this Easement;
- (3) The amendment may not affect the perpetual duration of this Easement;
- (4) The amendment shall conform to C.R.S. §§ 38-30.5-101 through 38.30.5-111; and
- (5) The amendment may not result in an impermissible private benefit or private inurement as prohibited by § 501(c)(3) of the Internal Revenue Code;
- (6) The amendment must comply with RMEF’s and GOCO’s procedures and standards for amendments;

(7) The amendment must receive GOCO's prior written approval.

Any amendment shall be in writing, signed by both Parties, and recorded in the same manner as this Easement. A copy of the recorded amendment shall be provided to GOCO. In order to preserve the Easement's priority, GOCO may require that RMEF obtain subordinations of any liens, mortgages, easements, or other encumbrances, and GOCO may require a new title policy. For the purposes of this section, the term "amendment" means any instrument that purports to alter in any way any provision of or exhibit to this Easement. Nothing in this Section shall be construed as requiring RMEF or GOCO to agree to any particular proposed amendment.

12.14 Current Encumbrances. Owner represents and warrants that any and all liens or encumbrances on the Property have been subordinated prior to the granting of this Easement.

12.15 Future Encumbrances. Owner may use the Property as collateral to secure the repayment of debt, provided that any such encumbrance shall be subordinated to this Easement.

12.16 No Extinguishment through Merger. Should RMEF in the future own all or a portion of the fee interest in the Property: (1) RMEF as successor in title to Owner, shall be bound by the obligations of Owner and the restrictions imposed upon the Property by this Easement; (2) this Easement shall not be extinguished, in whole or in part, through the doctrine of merger in view of the public interest in its enforcement and the property rights held by GOCO and CPW; and (3) RMEF, as promptly as practicable, shall assign RMEF's interests in this Easement according to Section 12.1. RMEF must first obtain the written approval of GOCO prior to acquiring all or a portion of the fee interest in the Property. As a condition of such approval, GOCO may require that RMEF first transfer the Easement to another qualified organization consistent with Section 18 above. In the event RMEF acquires fee title interest or any other interest in the Property without RMEF's prior knowledge (e.g. receiving real property by will), RMEF must immediately provide notice of its acquisition to GOCO, and GOCO may require that RMEF transfer this Easement to another qualified organization consistent with Section 12.1 above.

12.17 Recording. This Easement will be recorded in the official records for the county in which the Property is located. RMEF may re-record this Easement or any other documents necessary to protect RMEF's rights under this Easement or to assure the perpetual enforceability of this Easement.

12.18 Additional Documents. Owner shall, upon request, execute or provide any additional documents reasonably needed by RMEF to carry out the perpetual enforcement of this Easement, including but not limited to, any documents needed to correct any error or mutual mistake, legal description or title issue, or to comply with any federal, state or local law. Corrective acts under this Section are not an amendment to this Easement, but effectuate the original intent of the Parties.

12.19 Termination of GOCO. In the event that Article XXVII of the Colorado Constitution, which established GOCO, is amended or repealed to terminate GOCO or merge GOCO into another entity, the rights and obligations of GOCO under this Easement shall be assigned to and assumed by such other

entity as provided by law, but in the absence of such direction, by the Colorado Department of Natural Resources or its successor.

12.20 Counterparts. The Parties may execute this Easement in two or more counterparts, each of which constitutes an original.

12.21 Effective Date. This Easement shall be effective when signed by all Parties, and it is the intent of the Parties that this Easement shall be effective in the year 2017.

Section 13. Definitions

13.1 “Big Game Fence” means any fence which cannot be crossed by elk, deer or other big game wildlife.

13.2 “Carbon” and “Carbon Rights” mean rights that currently exist or may come to exist in the future and are associated with the absorption by plants of carbon dioxide from the atmosphere and its conversion to hydrocarbons, which are, for example, stored in wood products, such as lumber, and trees and other vegetation and the associated roots, surface duff and organic elements in the soil on the Property.

13.3 “Commercial Feed Lot” means a confined and penned or fenced area or facility where livestock is fed and fattened for commercial slaughter, as opposed to the grazing of livestock on growing vegetation in open range, fields or pastures. Except for the foregoing, nothing in this definition shall prevent the seasonal confinement of livestock.

13.4 “Development Rights” means all rights that are now or in the future allocated to or inherent in the division of the Property or density for industrial, commercial or residential units on the Property including but not limited to, all subdivision and density rights as well as the right to use any of the acreage of the Property in any acreage calculation having the effect of creating or contributing to additional development on or off the Property.

13.5 “Forest Management Plan” means a document that describes forest management activities over a term of years and over a large area to achieve desired forest stand structure and species composition.

13.6 “Game Farm” animals include, but are not limited to, penned, enclosed or privately-owned caribou, black bear, grizzly bear, mountain lion, white-tailed deer, mule deer, black-tailed deer, coues deer, elk, moose, antelope, mountain sheep, mountain goat, red deer, and any other cloven-hoofed ungulate which is indigenous to Colorado and any non-indigenous or exotic cloven-hoofed ungulate which could interbreed with or spread disease to any cloven-hoofed ungulate indigenous to Colorado.

13.7 “Indemnified Parties” means RMEF, CPW, and GOCO and the members, directors, officers, employees, agents, and contractors and the heirs, representatives, successors, and assigns of each of them..

13.8 "Harvest Plan" means a document that describes a forest management activity, which is limited in area and time to accomplish a specific objective.

13.9 "Livestock" means livestock that are considered "traditional" at the time of the execution of this Easement and within the local area surrounding the Property, provided that traditional livestock shall not include any of the Game Farm animals.

13.10 "Major Agricultural Structures" means structures or other improvements that are necessary for the ranching, agricultural, and other permitted Uses of the Property that exceed a footprint of 600 square feet, not including corrals.

13.11 "Minerals" means all surface and subsurface minerals of any kind, including without limitation oil, gas and other hydrocarbons, geothermal and hydrothermal, hardrock, gravel, aggregate, and other minerals.

13.12 "Minor Agricultural Structures" means structures or other improvements that are necessary for the ranching, agricultural and other permitted Uses of the Property, such as pump houses, barns, sheds, and irrigation structures, so long as the footprint of the structure does not exceed 600 square feet, not including corrals.

13.13 "Oil and Gas" means oil and natural gas and all other associated liquid and gaseous hydrocarbons.

13.14 "Rangeland Management Plan" means a document that describes appropriate use levels, seasons of use, type of livestock, noxious species management and other necessary practices to manage rangeland on the Property.

13.15 "Temporary Structures" means a structure that does not include utilities or a concrete or other permanent foundation, and which can be easily removed from the Property, and which shall not remain in place longer than one year.

13.16 "Trail" means a dirt, gravel, wood-chip or unpaved pathway not to exceed 12 feet in width.

13.17 "Use" means physical use of the Property or any part thereof, or an activity on or action related to the Property or any part thereof.

13.18 "Utility Structure" means any structure used to provide electricity, natural gas, water or sewer services or telecommunications to the Property or across the Property.

IN WITNESS HEREOF, this Easement has been executed by Owner and RMEF on the dates indicated below.

Exhibit A
Legal Description

Parcel A:

The S1/2 of the NE1/4 of Section 35, Township 10 South, Range 96 West of the 6th Principal Meridian.
County of Mesa, State of Colorado

Parcel B:

The SE1/4 of Section 35, Township 10 South, Range 96 West of the 6th Principal Meridian;
EXCEPT the Southside Canal.
County of Mesa, State of Colorado

Parcel C:

Beginning at the Southwest corner of Section 36, Township 10 South, Range 96 West of the 6th Principal Meridian;
thence North 00°21'25" West 2407.28 feet along the West line of said Section 36 to the centerline of a 30 foot road right of way;
thence the following courses and distances along the centerline of said 30 foot road right of way:
North 36°03'30" East 171.70 feet;
North 63°33'30" East 115.93 feet;
North 88°17'25" East 455.08 feet;
South 45°32'35" East 371.00 feet;
South 76°10'35" East 188.53 feet;
North 71°05'25" East 216.05 feet;
South 81°56'10" East 103.11 feet;
thence North 49°37'40" East 60.44 feet;
thence North 62°22'30" East 121.54 feet;
thence North 40°29'40" East 227.13 feet;
thence leaving the centerline of said 30 foot access right of way South 00°23'50" East 15.00 feet;
thence the following courses and distances:
South 88°21'00" East 132.26 feet;
South 00°23'50" East 163.33 feet;
South 44°20'35" East 280.00 feet;
North 89°20'35" East 430.00 feet;
South 39°09'40" East 208.74 feet;
South 00°39'20" East 304.22 feet;
South 41°22'35" East 620.02 feet;
South 22°52'55" East 1430.17 feet to the North Quarter corner of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian on the South line of said Section 36;
thence North 89°54'35" West 2765.96 feet along the south line of said Section 36 to the Northwest corner of said Section 6;
thence South 89°26'15" West 824.79 feet along the South line of said Section 36 to the point of beginning;
EXCEPT That portion conveyed in instrument recorded December 01, 1975 at Reception No. 1098058 in Book 1053 at Page 51 and rerecorded December 01, 1975 at Reception No. 1098438 in Book 1053 at Page 576 being more particularly described as follows:
Commencing at the North Quarter corner of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian;
thence North 22°52'55" West 1430.17 feet to the point of beginning;
thence North 41°22'35" West 620.02 feet;

thence North 00°31'20" West 304.22 feet;
thence North 39°09'40" West 208.74 feet;
thence South 89°20'35" West 430.00 feet;
thence North 44°20'35" West 280.00 feet;
thence North 00°23'50" West 163.33 feet;
thence North 88°21'00" West 132.26 feet;
thence South 00°23'50" East to a point which is North 44°20'35" West of the point of beginning;
thence South 44°20'35" East to the point of beginning;
AND EXCEPT That portion conveyed in instrument recorded May 16, 1979 at Reception No. 1191808 in Book 1200 at Page 603 being more particularly described as follows:
Commencing at the Southeast corner of said Section 36;
thence South 89°51'20" West 1726.11 feet to the North Quarter corner of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian;
thence North 22°32'55" West 1430.17 feet to the true point of beginning;
thence North 44°20'35" West 1866.34 feet to the presently existing fence;
thence south 0°23'50" East 102.16 feet along the presently existing fence to a corner;
thence along the presently existing fence South 46°36'27" East 1794.19 feet to the true point of beginning.
County of Mesa, State of Colorado

Parcel D

A parcel of land situated in the N1/2 of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian being more particularly described as follows:
Beginning at a point on the North boundary line of said Section 6, which bears South 89°52'44" East a distance of 829.63 feet from the Northwest corner of said Section 6;
thence South 89°52'44" East 1051.52 feet, along said North boundary to a #5 rebar with a yellow plastic cap marked Nichols LS-12093, being the Northwest corner of that Tract of land as recorded in Book 1009 at Page 89 in the Mesa County Clerk and Recorder's office;
thence South 08°53'48" East 1064.46 feet to the Southwest corner of said Tract, a #5 rebar with a yellow plastic cap marked Nichols LS-12093;
thence South 62°30'59" West 1153.16 feet, to the center line of Jenkins-Cross-Phillips Ditch No. 2;
thence North 37°27'26" West 350.57 feet along the centerline of said ditch;
thence North 00°52'46" East 1307.93 feet, to the Point of Beginning.
All courses are based on a bearing of South 89°52'44" East from the Northwest corner of Section 6, a 1 inch diameter GLO Brass Cap to the North ¼ Section 6, a 2 ½ inch diameter GLO Brass Cap.
County of Mesa, State of Colorado

Parcel E

A parcel of land situated in the N1/2 of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian being more particularly described as follows:
Beginning at a point which bears South 34°20'36" West a distance of 1271.48 feet from the North ¼ corner Section 6;
thence South 89°53'03" East 2012.49 feet to a #5 rebar with a yellow plastic cap marked Nichols LS-12093;
thence South 02°02'09" West 306.87 feet to a #5 rebar with a yellow plastic cap marked Nichols LS-12093;
thence South 03°52'40" West 842.53 feet to a #5 rebar with a yellow plastic cap marked Nichols LS-12093;
thence South 23°21'15" East 133.98 feet to a #5 rebar with a yellow plastic cap marked Nichols LS-12093, being the westerly 40.00' Easement line of Bull Basin Road;
thence South 17°04'13" East 109.57 feet to a #5 rebar with a yellow plastic cap marked Nichols LS-

12093, being the South boundary of Government Lot 7;
thence South 84°34'13" West 18.22 feet, along said South boundary to the centerline of Bull Basin Road;

thence South 22°47'53" East 215.72 feet along said centerline;

thence South 00°08'09" West 63.69 feet along said centerline, to the centerline of Jenkins-Cross-Phillips Ditch No. 2;

thence along said ditch the following 34 courses:

1. North 56°24'44" West 47.67 feet;
2. North 42°11'11" West 370.28 feet;
3. South 83°37'59" West 263.69 feet;
4. South 26°58'59" West 173.42 feet;
5. South 11°43'28" West 403.90 feet;
6. South 14°20'52" West 154.91 feet;
7. South 60°05'18" West 50.08 feet;
8. North 66°43'21" West 62.22 feet;
9. North 13°25'35" West 218.86 feet;
10. North 38°18'17" West 152.16 feet;
11. South 80°01'28" West 91.20 feet;
12. South 46°02'49" West 72.87 feet;
13. South 05°28'22" East 218.95 feet;
14. North 59°32'16" West 105.77 feet;
15. North 39°27'29" West 47.69 feet;
16. North 67°05'31" West 41.83 feet;
17. North 85°00'41" West 102.47 feet;
18. North 31°05'18" West 142.54 feet;
19. North 08°09'52" East 38.10 feet;
20. North 13°54'51" East 118.48 feet;
21. North 12°59'35" West 47.48 feet;
22. North 77°32'06" West 78.86 feet;
23. North 34°00'58" West 81.15 feet;
24. North 49°55'23" West 64.82 feet;
25. North 18°26'06" West 56.92 feet;
26. North 46°29'54" West 351.55 feet;
27. North 70°51'59" West 103.73 feet;
28. North 49°39'58" West 127.83 feet;
29. North 60°11'38" West 70.94 feet;
30. North 71°45'20" West 231.97 feet;
31. North 62°51'30" West 180.57 feet;
32. North 50°18'08" West 485.43 feet;
33. North 77°15'56" West 104.06 feet;
34. South 87°09'36" West 131.19 feet;

thence North 62°30'59" East 1153.16 feet to the Point of Beginning.

All courses are based on a bearing of South 89°52'44" East from the Northwest corner of Section 6, a 4 inch diameter GLO Brass Cap to the North ¼ Section 6, a 2 ½ inch diameter GLO Brass Cap, as determined by GPS measurement.

County of Mesa, State of Colorado

Parcel F:

TOGETHER WITH a non-exclusive 40 foot road right of way know as Bull Basin Road located in SE1/4 of the SE1/4 of Section 36, Township 10 South, Range 96 West and Section 6, Township 11, South, Range 95 West of the 6th Principal Meridian, the centerline of which is described as follows:

Beginning at a point on the East line of section 36, Township 10 South, Range 96 West of the 6th Principal Meridian, said point being North 00°25'40" East 318.12 feet from the Southeast corner of said Section 36 and in the center of the presently existing County Road;
 thence South 87°00'10" West 109.71 feet;
 thence Southwesterly along a curve to the left having a radius of 100 feet and whose chord bears South 53°03'30" West 111.68 feet;
 thence South 19°06'50" West 80.33 feet;
 thence south 27°33'50" West 115.60 feet;
 thence South 34°57'30" West 220.93 feet to Point A;
 thence South 59°55'40" West 261.07 feet;
 thence South 65°52'50" West 113.04 feet;
 thence South 42°51'15" West 113.65 feet;
 thence South 16°34'15" West 243.14 feet;
 thence North 65°47'10" West 120.34 feet;
 thence South 50°58'50" West 76.44 feet;
 thence South 16°49'05" East 296.99 feet;
 thence South 40°20'25" East 135.50 feet;
 thence South 00°18'05" West 106.15 feet;
 thence South 30°54'00" East 217.56 feet;
 thence South 04°07'00" West 147.83 feet;
 thence South 17°01'00" East 602.16 feet;
 thence South 47°35'30" East 57.30 feet;
 thence South 04°10'35" West 85.98 feet;
 thence South 24°33'30" East 280.07 feet to Point B;
 thence South 22°08'10" East 263.58 feet;
 thence South 00°06'20" West 146.56 feet;
 thence South 04°50'30" East 230.76 feet;
 thence South 28°27'30" West 234.94 feet;
 thence South 23°48'30" West 231.14 feet;
 thence South 23°27'20" West 229.10 feet;
 thence South 60°32'10" West 239.43 feet;
 thence South 27°44'40" West 98.62 feet;
 thence South 28°19'00" West 193.92 feet;
 thence South 14°31'00" West 183.32 feet;
 thence South 05°33'30" West 168.28 feet;
 thence South 10°00'50" West 421.23 feet;
 thence South 52°10'20" West 149.56 feet;
 thence South 07°34'10" East 124.69 feet;
 thence Southwesterly along a curve to the right having a radius of 50 feet and whose chord bears South 39°03'50" West 72.70 feet;
 thence South 85°41'50" West 65.42 feet;
 thence Southwesterly along a curve to the left having a radius of 50 feet and whose chord bears South 46°11'20" West 63.62 feet;
 thence South 06°40'50" West 155.79 feet;
 thence South 13°11'20" East 189.82 feet;
 thence South 00°44'00" East 129.70 feet;
 thence South 30°40'00" East 37.10 feet to the North line of the N1/2 of the SW1/4 of Section 6, Township 11 South, Range 95 West of the 6th Principal Meridian.
 County of Mesa, State of Colorado

Exhibit B Property Map

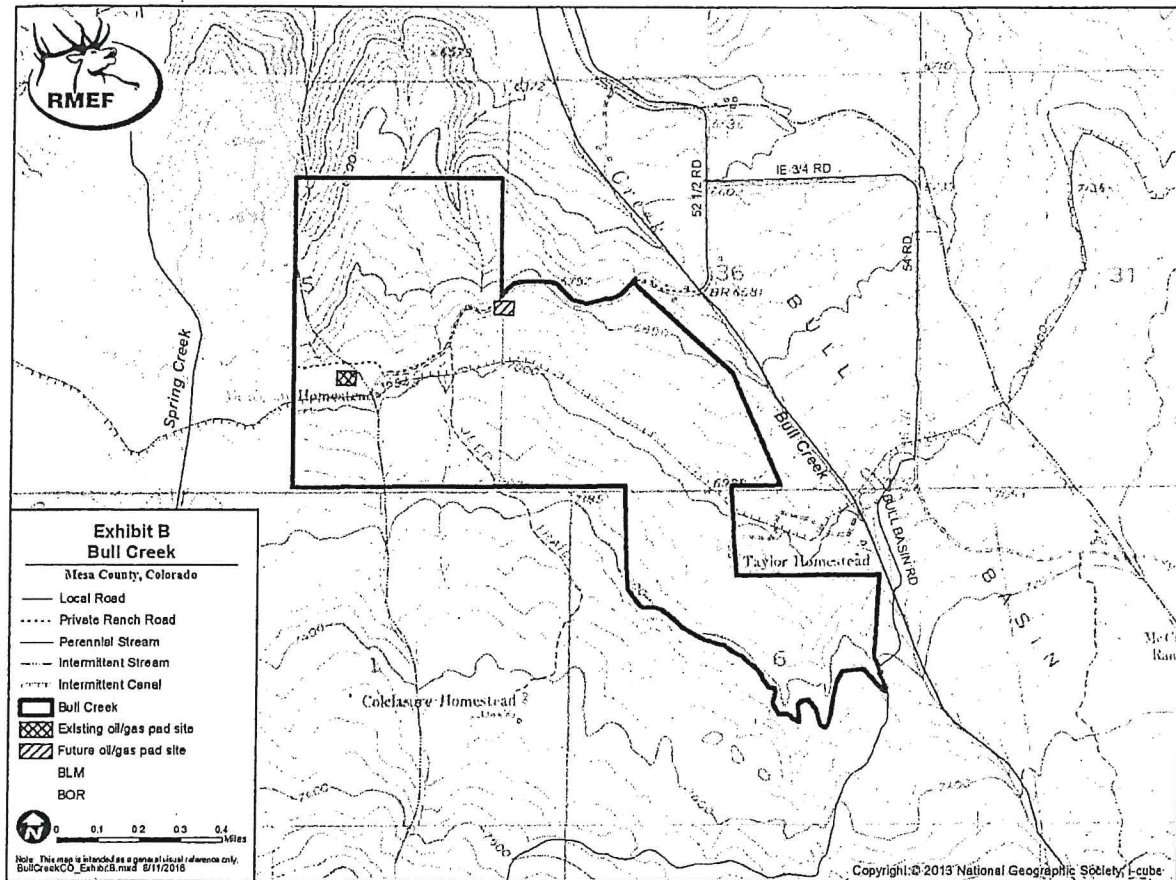


Exhibit C
Water Rights

Bull Creek:

Jenkins, Cross, Phillips #2 Ditch-----3.46 cfs

Jenkins, Cross, Phillips #2 Ditch---1.85 cfs

Jenkins, Cross, Phillips #2 Ditch---2.35 cfs

Spring Creek:

Bonnie View Ditch--0.86 cfs

Henderson Ditch--0.5 cfs

Mary E McKinney --1.56 cfs

Spring #1&2—1.20 cfs

Reservoir:

Collbran Conservancy--40 Acre Feet