

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:
The Nature Conservancy
Western Resource Office
Attn: Legal Department
2424 Spruce Street, Suite 100
Boulder, Colorado 80302



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EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

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DEED OF CONSERVATION EASEMENT

(Bighorn Foothills-Walter 4)

THIS DEED OF CONSERVATION EASEMENT is made this 29 day of May, 2015 (hereinafter the "Effective Date") by and between Charles F. Walter, Trustee of the Charles F. Walter Living Trust dated March 9, 1999, and Barbara A. Walter, Trustee of the Barbara A. Walter Living Trust dated March 9, 1999, whose address is 147 Soldier Creek Road, Sheridan Wyoming 82801 (the "Grantor") and THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation, whose principal address is 4245 North Fairfax Drive, Suite 100, Arlington, Virginia 22203 (the "Conservancy").

Exhibits to this Deed of Conservation Easement include the following:

- Exhibit A – Legal Description of the Property
- Exhibit B - Map of the Property, Building Envelope Area, and Cultivated Fields
- Exhibit B.1 – Map of the Building Envelope
- Exhibit C – Water Rights

WITNESSETH THAT:

- A. Grantor is the owner of certain real property in Sheridan County, Wyoming, consisting of approximately 366.98 acres, more or less, including without limitation the Water Rights, which is more particularly described and shown in Exhibits A and B (the "Property").
- B. The Property, in its present state, has significant natural, scientific and educational values as a relatively natural habitat for wildlife, or plants or similar ecosystems, and has life-sustaining ecological diversity that Grantor desires to protect.
- C. The Property consists of intact riparian, grassland and sage-grass communities which support important examples of ecologically significant flora, such as plains cottonwood, narrowleaf cottonwood, plum, chokecherry, western snowberry, boxelder, green ash, skunkbush sumac, Wyoming sagebrush, and silver sagebrush. Significant fauna on the Property includes Brewers sparrows, sharp-tailed-grouse and mule deer. The Property is habitat for mule deer, white-tailed deer, pronghorn antelope, sharp-tailed grouse, ring-necked pheasant, aquatic species and other birds and mammals and provides an important corridor for wildlife as well as provides significant relatively natural habitat for native plants and wildlife. The plant and animal



communities and targets are hereinafter referred to collectively as the "Conservation Values". Protection of the Property will contribute to the conservation of these Conservation Values.

D. All of these Conservation Values and ecological features are of great importance to Grantor and to the people of the State of Wyoming, and are worthy of conservation.

E. Grazing, cultivation, irrigation and haying may continue on the Property. The Conservation Values of the Property have not been and are not likely to be adversely affected to any substantial extent by continuing to allow the uses of the Property that presently exist on the Property or which are authorized under this Easement. Also the Conservation Values of the Property have not been and are not likely to be adversely affected to any substantial extent by limited development of the Property through the use and maintenance and/or construction of those Buildings and Structures which presently exist on the Property or which are authorized under this Easement.

F. Grantor, as owner of the Property, owns the affirmative rights to identify, preserve, and protect in perpetuity its significant relatively natural features and values.

G. Grantor desires and intends to transfer such rights to the Conservancy.

H. The State of Wyoming has recognized the importance of private efforts toward the preservation of natural systems in the State by enactment of the Wyoming Uniform Conservation Easement Act, Section 34-1-201 through 34-1-207 of the Statutes of Wyoming.

I. The terms below provide for the conservation of the Property in perpetuity pursuant to the provisions of the Wyoming Uniform Conservation Easement Act, Sections 34-1-201 through 34-1-207 of the Statutes of Wyoming, and this Easement is intended by the Parties hereto to be a "conservation easement," as defined by, and for all purposes within the meaning of, said statute.

J. The Conservancy is a private organization organized to protect and conserve natural areas and ecologically significant land for scientific, charitable and educational purposes, and is a "charitable organization" under the terms of Section 34-1-201(a)(ii)(B) of the Statutes of Wyoming, and is a "qualified organization" within the provisions of Section 170(h) of the Internal Revenue Code of 1986, as amended (the "IRS Code"), qualified to acquire and hold conservation easements and meets the requirements of the IRS Code as a Sec. 501(c)(3) exempt organization.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual covenants contained herein, pursuant to Wyoming Uniform Conservation Easement Act, Section 34-1-201 through 34-1-207, and as an absolute and unconditional gift, Grantor hereby gives, grants, gifts and conveys to the Conservancy, its successors and assigns, a perpetual conservation easement consisting of the rights and restrictions enumerated herein, over, under, above, and across the Property (the "Easement").

1. Purposes. It is the purpose of the Easement to preserve and protect in perpetuity and, in the event of their degradation or destruction, to enhance and restore the Conservation Values and significant relatively natural features and values of the Property. It is further the specific purpose of this Easement to conserve important habitat for wildlife; to protect rare or unique native plants currently known or later identified; and to conserve the upland grassland and sage communities, and shrub communities in the drainages. In achieving these purposes, it is the intent of the Easement to permit the continuation of such uses of the Property as may be conducted consistent with the Conservation Values protected herein.

2. Easement Documentation Report. Competent Conservancy staff familiar with the Property has prepared a collection of baseline data on the Property and its resources. The data and explanatory text are presented in the "Walter 4 Easement Documentation Report" dated May 26, 2015 (the "Report"). A copy of the Report is on file with both Grantor and the Conservancy and by this reference made a part hereof. The parties acknowledge that the Report is intended to establish the condition of the Property subject to the Easement as of the date written above and that both Grantor and the Conservancy have acknowledged in a signed statement that the Report accurately represents the condition of the Property at the time of conveyance of the Easement. The parties agree that, in the event a controversy arises with respect to the nature and extent of the biological or physical condition of the Property, the parties shall not be foreclosed from utilizing all other relevant or material documents, surveys, reports, and other information to assist in the resolution of the controversy. The Report shall document the nature and extent of historic and current use of the Water Rights on the Property. A list of Water Rights is attached as Exhibit C.

3. Rights of the Conservancy. The rights conveyed to the Conservancy by the Easement are the following:

A. To identify, to preserve and protect, and in the event of their degradation or destruction, to restore or to enforce the restoration of the significant relatively natural ecological features and Conservation Values of the Property.

B. To perform such activities on the Property as the Conservancy reasonably determines are necessary or convenient to carry out these rights granted by this Easement.

C. To enter upon the Property after reasonable notice and in a manner not to interfere with Grantor's activities, to monitor the Grantor's compliance with and otherwise enforce the terms of this Easement. The Conservancy shall also have the right of immediate entry to the Property if, in the Conservancy's sole judgment, such entry is necessary to prevent damage to or the destruction of the Conservation Values of this Easement, which right shall be reasonably exercised. In addition, with Grantor's prior approval, which shall not be unreasonably withheld, Grantee shall have the right to study the Property and make scientific observations of its ecosystems.

D. To enjoin any activity on or any use of the Property that is inconsistent with the Easement.

E. As more specifically set forth in **Paragraph 4.Q.(1)** of this Easement, to influence and control impacts to the surface of the Property from mineral development by third parties who already own, or in the future may acquire, some or all of the mineral rights located on or beneath the surface of the Property.

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

4. **Uses of the Property.** The following uses and practices by Grantor are not an exhaustive recital of uses and practices on the Property. Certain of these uses and practices are identified as being subject to specified conditions or to the requirement of and procedures for prior approval by the Conservancy and procedures for such prior approval are provided below. Except as prohibited or otherwise limited by this **Paragraph 4**, Grantor reserves the right to use and enjoy the Property in any manner which is consistent with the conservation purposes of this Easement.

A. **Agricultural and Ranch Use.** Grantor shall have the right to conduct agricultural and ranching activity on the Property that is not otherwise expressly prohibited by the terms of this Easement, including pasturing, grazing, cultivation in Cultivated Fields (as hereinafter defined) and irrigation, haying, feeding and care of livestock (except as specifically prohibited in **Paragraph 4.O.** of this Easement), and which shall specifically include the right to lease pasture for grazing purposes, and to plant, raise, irrigate and harvest crops in areas designated as cultivated fields, as described in the Report and depicted on the map attached hereto as **Exhibit B** (the "Cultivated Fields"), provided that no additional conversion of native ground to cultivated fields may occur.

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

(1) **Structures.** The construction, maintenance, repair, remodel, replacement and rebuilding of new Structures, or the maintenance, repair, remodel, relocation or, in the event of its destruction, reconstruction, or replacement of existing Structures, as documented in the Report is permitted provided that, (i) no construction, placement of any Structures, or ground disturbance shall occur within 100 feet of the banks of any body of water or within 100 feet of the edge of any wetlands recognized by any county, state, or federal agency having jurisdiction over wetlands, with the exception of water lines and water tanks, (ii) construction of new Structures shall be limited to those minor agricultural Structures that support the agricultural uses of the Property and are reasonably necessary to the use of the Property as a ranch, including, but not limited, to pump houses, loafing sheds, corrals, water lines, water tanks and other minor agricultural improvements, including wind, solar, and hydroelectric generation facilities that are for the generation of energy for use in conjunction with the minor agricultural Structures and improvements permitted by this Easement and that are not connected to the electricity utility grid. Notwithstanding anything herein to the contrary, for the purposes of this Paragraph 4.B the term "Structure(s)" shall not be deemed to include water related structures.



(2) *Buildings and Building Envelope.* The construction, maintenance, repair, remodel, replacement and rebuilding of new Buildings or the maintenance, repair, remodel, relocation or, in the event of its destruction, reconstruction or replacement of existing Buildings as documented in the Report is permitted: provided that (i) no construction, placement of any Buildings, or ground disturbance shall occur within 100 feet of the banks of any body of water or within 100 feet of the edge of any wetlands recognized by any county, state, or federal agency having jurisdiction over wetlands, (ii) all new or relocated Buildings must be built within the Building Envelope as hereinafter defined, and (iii) no more than one (1) new single-family residence, one (1) guest or caretaker's house, and associated Buildings (e.g., garages or barns) may be constructed on the Property. For purposes of this Easement, the "Building Envelope" shall mean that certain building envelope consisting of approximately five (5) acres in size generally depicted on the map attached hereto as Exhibit B.1 (the "Building Envelope"). Prior to any construction occurring, the Building Envelope and any roads or utilities appurtenant to the Building Envelope shall be surveyed or located using GPS coordinates and staked on the ground and a legal description or GPS coordinates prepared and provided to the Conservancy, all at Grantor's sole cost and expense.

(3) *Easements and Utilities.* The granting of easements or rights-of-way for power lines, gas lines, sewer lines, water lines, telecommunications towers, and wind farms is prohibited. Notwithstanding this prohibition the Grantor may install utilities for permitted uses of the Property that are consistent with the Conservation Values and the purposes of the Easement, including but not limited to, solar power generation and distribution systems and wind turbines and distribution systems, is permitted, so long as such utility systems are not for commercial purposes (it being understood that running the meter backwards does not constitute a commercial purpose); and provided, further, that Grantor shall bury, if economically and otherwise possible, all utility systems or extensions of existing utility systems, as documented in the Report, constructed in the future. Any disturbed areas shall be revegetated and restored to a natural condition with native vegetation as soon as is practicably possible after completion of any utility construction permitted by this Easement. If the Conservancy determines it is economically or otherwise impractical to locate any new or replacement utility underground, then such utility shall be located in a manner that has minimal impact to the Conservation Values

(4) *Campers.* The temporary parking of vehicular campers owned by Grantor or guests on the Property is permitted as appropriate to accommodate normal visitation.

C. *Fences.* Grantor may maintain, repair and replace existing fencing, as documented in the Report, provided that in the event such fencing is replaced, it shall be replaced with fencing that does not exclude or unduly restrict wildlife movement. Grantor may build, maintain, repair, and replace new fencing related to the ranching and residential uses permitted herein provided that such new fencing shall not exclude or unduly restrict wildlife movement. Notwithstanding anything to the contrary herein, fencing may be built to specifically exclude



wildlife from residential yard areas, gardens, haystacks, newly-seeded areas and temporary vegetative restoration areas.

D. **Road and Trails.** Construction, maintenance and improvement of roads or trails (and associated culverts, bridges, gates and cattle guards ("Road Improvements")) shall be prohibited except as follows:

(1) Maintenance and improvement of existing roads and Road Improvements, as documented in the Report, and only as appropriate for authorized uses of the Property, provided that the roads and trails on the Property may only be improved without paving or any other hardened surface to the minimum standard necessary for agricultural or property management purposes.

(2) Construction, maintenance and improvement of one (1) new road and associated Road Improvements to access the Building Envelope.

(3) Placement, construction, maintenance and improvement of one (1) publicly accessible unpaved foot or horseback trail through the Property provided that the location of such trail shall not detrimentally impact the Conservation Values and shall be approved in advance in writing by the Conservancy.

E. **Subdivision.** The legal or de facto division, subdivision, or partitioning of the Property is prohibited. Notwithstanding the fact that, as of the date of this Easement, the Property might be comprised of separate legal parcels, the terms and conditions of this Conservation Easement shall apply to the Property as a whole, and the Property shall not be sold, transferred, or otherwise conveyed except as a whole, intact, single piece of real estate; it being expressly agreed that neither the Grantor nor the Grantor's personal representative, heirs, successors, or assigns shall sell, transfer, or otherwise convey any portion of the Property that constitutes less than the entire Property. Notwithstanding the foregoing, the Grantor may enter into boundary line agreements to resolve bona fide boundary disputes with the prior written consent of the Conservancy, which shall not be unreasonably withheld, provided that the total acreage of land protected under this Easement shall not materially be reduced thereby. All boundary line adjustments that result in the extinguishment of this Easement shall require an order from a court of competent jurisdiction extinguishing this Easement as to those portions of the Property agreed to be conveyed out by Grantor pursuant to a boundary line agreement.

Regardless of anything to the contrary in the foregoing, ownership of the Property may be held in the form of undivided interests as tenants in common, whether by choice or by operation of any applicable laws, but no owner of an undivided interest in the Property shall have the right of exclusive occupancy or exclusive use of any separate portion of the Property, or any right to have the Property partitioned in kind, whether pursuant to Wyoming statute or otherwise.

F. **Condominium Units.** Construction and use of any "condominium unit", as that term is defined in the Wyoming Condominium Ownership Act, is prohibited.

G. **Commercial Activities.** Establishment or maintenance of any commercial or industrial activity is prohibited except as follows:

(1) Ranching, farming, grazing, hunting, and recreational use (all as limited by the provisions of this Easement) are permitted, provided that such activities do not result in a negative impact on the Conservation Values; and provided further, that notwithstanding anything herein to the contrary, the establishment and operation of a commercial dairy farm, commercial hog farm, commercial poultry farm, or any wild game farming or wild game ranching facilities are prohibited.

(2) Outfitting, guiding and guest ranch operations are permitted as long as the operations do not have a negative impact to the Conservation Values, as determined by the Conservancy.

(3) Home-occupancy commercial or professional uses in accordance with applicable laws are permitted so long as such uses are confined to permitted Buildings and further provided such uses do not generate more than minimal traffic, or otherwise result in a negative impact to the Conservation Values.

H. **Recreational Use.** Personal recreational use and use of the Property for minor or de minimus commercial recreational uses such as hunting or fishing in accordance with Subparagraph H.(1) below, horseback riding, hiking, cross-country skiing, or other traditional non-motorized recreational activities are permitted, provided that any such use does not diminish or impair the Conservation Values of the Property.

(1) Grantor, Grantor's invitees, licensees, and lessees may hunt and fish on the Property, consistent with the conservation purpose, provided that all such hunting and fishing are conducted in compliance with all state and federal laws and regulations and the terms of this Conservation Easement. Hunting and fishing uses permitted by this Paragraph may not require or result in any surface alteration or other development or disturbance of the Property, except that Grantor may erect temporary and portable structures on the Property in association with such hunting activities. For the purpose of this Conservation Easement, "temporary and portable structures" are defined as those that are removed seasonally and do not require surface alteration of the Property.

I. **Motorized Vehicles.** Off-road vehicle courses for snowmobiles, all-terrain vehicles, motorcycles, or other motorized vehicles are prohibited, and use of snowmobiles, all-terrain vehicles, motorcycles, or other motorized vehicles off of roads or travelways permitted by the terms of this Easement, is prohibited except that regular use of motorized vehicles for agricultural, hunting or property maintenance and monitoring purposes is permitted, provided that such use does not significantly impair or diminish the Conservation Values and does not create new identifiable travelways or de facto roads.

J. **Hazardous and Toxic Materials.** The dumping or other disposal of toxic and/or Hazardous Materials on the Property is prohibited. The storage of toxic and/or Hazardous Materials on the Property, other than in the normal course of ranch use, is also prohibited.

Notwithstanding anything in this Easement to the contrary, this prohibition does not make the Conservancy an owner of the Property, nor does it permit the Conservancy to control any use of the Property by the Grantor which may result in the storage, dumping or disposal of hazardous or toxic materials; provided, however, that the Conservancy may bring an action to protect the Conservation Values of the Property, as described in this Easement. Nothing in this Easement shall be construed as giving rise to any right or ability in the Conservancy, nor shall the Conservancy have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act 1980, as amended ("CERCLA"). This prohibition does not impose liability on the Conservancy nor shall the Conservancy be construed as having liability as a "responsible party" under CERCLA or similar federal or state statutes.

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

L. **Chemicals.** Grantor reserves the right to use chemical fertilizers, herbicides, pesticides, fungicides, biocides, defoliant and natural controls for the control of noxious weeds and pests, and for agricultural purposes within the Cultivated Fields provided that (i) such use must be in compliance with all applicable federal, state, and local statutes and regulations, (ii) such use must be in those amounts and with a frequency of application that constitutes the minimum necessary for control; (iii) such use must be applied consistent with labeled instructions and (iv) such use is consistent with the Conservation Values as determined by the Conservancy. Use of all other chemicals on the Property is prohibited. Notwithstanding anything herein to the contrary, aerial spraying of biocides, herbicides, defoliant, chemical fertilizers or other chemicals is permitted only with the prior approval of the Conservancy.

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

(1) The raising, irrigation and harvesting of crops are permitted; provided that such crops are grown only in the Cultivated Fields.

(2) Gardening for personal use and residential landscaping are permitted within the Building Envelope.

(3) Pursuant to the terms and conditions of a Restoration/Enhancement Plan (as that term is defined in **Paragraph 4.S.** below), plowing or other cultivation is permitted where it may be necessary for restoration of the Conservation Values in the event of their degradation or destruction.

N. **Introduction of Species.** The introduction of species that are not native to the ecological systems in Wyoming outside the Building Envelope and Cultivated Fields is

prohibited, except as approved by the Conservancy. Notwithstanding the foregoing, grazing and pasturing of livestock is permitted.

O. **Feedlots.** Establishment and operation of a livestock feedlot (which shall be defined for purposes of this Easement as a permanently constructed confined area within which the land is not grazed or cropped annually, and which is used and maintained for purposes of engaging in the business of the reception and feeding of livestock) is prohibited. Nothing in this section shall prevent Grantor from leasing pasture for the grazing of livestock owned by others or from seasonally confining Grantor's or Grantor's lessee's livestock into an area for feeding.

P. **Timber and Native Vegetation.** Cutting, removing, or destruction of timber or native vegetation is prohibited except as follows:

(1) The selective harvesting of timber is permitted for the following purposes: controlling forest disease or insect infestation; protecting persons or property from the hazards of falling trees or branches or wildfire; use on the Property as firewood; constructing the minor agricultural improvements authorized in this Easement; maintaining existing fields and open pastures, as documented in the Report; and, subject to the Conservancy's prior written approval, enhancing wildlife habitat pursuant to **Paragraph 4.S.** below. These conditions apply to both living and standing dead trees.

(2) Cutting, removing, or destruction of native vegetation is permitted to the extent necessary to allow for uses and activities permitted under this Easement such as grazing, haying, and permitted construction activities.

(3) Using fire, prescribed or otherwise, that furthers the purposes of this Easement.

Q. **Mining.**

(1) With respect to oil, sand, gravel, rock, natural gas, fuel or any other minerals substance of any kind or description (collectively, "Minerals") owned or controlled by Grantor as of the Effective Date, the mining or extraction of such Minerals using any surface mining method is prohibited, provided that nothing herein shall prevent drilling under the Property for production of oil, gas or other hydrocarbons using slant/horizontal drilling techniques from one or more drilling sites located off the Property and also located off any real property encumbered by a conservation easement interest. No exploration or extraction permitted pursuant to this paragraph shall occur without prior written notice to and approval of the Conservancy, which notice shall include a description of the type of extraction or exploration, the areas within which such extraction or exploration shall occur, and the anticipated impact thereof. Any lease, surface use agreement, or other conveyance by Grantor to a third party of Minerals subsequent to the date of recording of this Easement shall be subject to the restrictions of this Easement and shall so state, shall contain terms consistent with the provisions of this Easement, and a copy of the same shall be provided to the Conservancy prior to its execution by Grantor for the Conservancy's review and approval. In the event Grantor at any time becomes the owner or controls any Minerals that are severed as of the Effective

Date and owned or controlled by a third party, then such Minerals shall be deemed immediately subject to this **Paragraph 4.Q**, and any and all subsequent Minerals activity, Minerals conveyances and Minerals leases shall be bound by the provisions of this Easement.

(2) With respect to Minerals that are severed as of the Effective Date and owned by a third party, Grantor agrees that by granting this Easement to the Conservancy, it has granted to the Conservancy a portion of its rights as owner of the surface of the Property on which the exploration, development, operations and reclamation of any Minerals may be conducted ("Surface Owner"). Grantor intends that the Conservancy, in addition to its interest as a holder of this Easement, shall have the rights of a Surface Owner to receive notices of proposed Minerals activities and to take appropriate action to protect the Purpose of this Easement. Accordingly, Grantor agrees: (a) to provide the Conservancy with any notices Grantor receives related to the exploration, development, operations and reclamation of any Minerals and (b) that the Conservancy must approve in advance in writing 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, ("Surface Use Agreement"), between Grantor and owners or lessees of Minerals, which approval the Conservancy may withhold in its reasonable discretion if it determines that the proposed surface use would substantially diminish or impair the Conservation Values, is inconsistent with the preservation of the Conservation Values, is inconsistent with the terms of this Easement, or is not permitted under the terms of the Minerals reservation or severance or the Minerals lease.

(3) In the event that an unrelated third party with a controlling interest in the mineral estate undertakes mineral development, Grantor may collect proceeds from such development to which Grantor is entitled by Grantor's proportional ownership interest in the minerals.

(4) Notwithstanding any of the foregoing to the contrary, soil, sand, gravel or rock may be extracted upon written notice to but without further permission from the Conservancy, so long as such extraction is solely for use on the Property for non-commercial purposes, is in conjunction with activities permitted herein, is accomplished in a manner which is consistent with the Purpose of this Easement, and does not substantially diminish or impair the Conservation Values as determined by the Conservancy in its reasonable discretion. Any such extraction shall be limited to an area less than one-half acre in size at any given time. Any area which is disturbed by extraction must be re-vegetated and restored to a natural condition promptly after completion of extraction.

(5) This **Paragraph 4.Q** shall be interpreted in a manner consistent with § 170(h) of the United States Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted pursuant thereto.

R. **Changing the Topography of the Property.** Any change in the topography of the Property through the placement therein or removal therefrom of soil, land fill, dredging spoils, or other material, except as incidental and necessary to the activities permitted herein is prohibited.

S. **Restoration/Enhancement.** Grantor shall have the right to propose activities and projects which prevent the degradation of the Conservation Values, restore, and/or enhance and improve the quality of the watershed, wildlife habitat, and ecological health of the Property, including but not limited to, stream-bed restoration, wetland creation and/or soil erosion prevention and/or restoration activities, as well as the filing and creation of new water rights and/or the alteration or change of existing Water Rights in furtherance thereof. Grantor's activities or projects under this paragraph shall be undertaken only after creation of a comprehensive site specific plan for restoration/enhancement (the "Restoration / Enhancement Plan"), which has been submitted to and approved by the Conservancy in its sole and absolute discretion.

T. **Water Courses and Wetlands.** Any new manipulation, diversion, or other alteration of natural water courses, wetlands, or other natural bodies of water, any new practice that degrades or destabilizes their natural banks or shorelines, any new pumping of groundwater whether tributary or not, or any other new development of water resources is prohibited except as follows:

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

(2) Grantor may reconstruct two stock reservoirs in a location indicated on **Exhibit B**, not to exceed 1 acre in surface area, to be filled by runoff and spring water.

(3) Grantor shall have the right to continue the historic use of the Water Rights on the Property (as described in the Report) and to maintain, repair, and if destroyed, reconstruct any existing facilities as documented in the Report related to the Water Rights (such as ditches, wells and reservoirs).

(4) Pursuant to the terms and conditions of a Restoration/Enhancement Plan (as that term is defined in **Paragraph 4.S.** above), Grantor may engage in activities that prevent the degradation of the Conservation Values, restore, and/or enhance and improve the quality of the watershed, including but not limited to wetland creation, steam-bed restoration, filing and creation of new water rights and/or the alteration or change of existing Water Rights in furtherance thereof.

U. **Water Rights.** The Water Rights may not (a) be changed to or used for municipal, industrial, commercial uses, or other new uses, (b) be changed for use other than on the Property, (c) be sold, leased or encumbered separately from the Property or otherwise legally separated from the

Property, or (d) have their points of diversion, or their type or place of use within the Property changed, except after a written determination by the Conservancy in its sole judgment that such change, sale, lease, or encumbrance does not impair the Conservation Values of the Property. No loss of any or all of the Water Rights through injury or abandonment shall be considered a loss, severance or other transfer of the Water Rights from the Property for federal or state tax or other purposes.

V. **Impairment of Conservation Values.** Any use or activity on the Property that impairs the Conservation Values of the Property is prohibited.

5. **Conformance with Laws and Pre-existing Restrictions.** Notwithstanding anything herein to the contrary, nothing in this Easement shall be construed as prohibiting or otherwise restricting any activity or use on the Property that is required by any applicable federal, state, county, or local law, rule, ordinance or regulation. Similarly, nothing in this Easement shall be interpreted to permit any use or activity on the Property that is prohibited by any applicable restriction, law, rule, ordinance or regulation that may be in existence as of the date of this Easement for so long as such restriction, law, rule, ordinance or regulation remains in effect.

6. **Prior Notice and Approval.** Grantor shall not undertake or permit any activity requiring prior approval by the Conservancy without first having notified and received approval from the Conservancy as provided herein. Prior to the commencement of any such activity, Grantor shall send the Conservancy written notice of its/his/her intention to undertake or permit such activity. The notice shall inform the Conservancy of all aspects of the proposed activity, including location, design, materials or equipment to be used, dates and duration, and any other relevant information, and shall be sent by registered or certified mail, return receipt requested, to The Nature Conservancy, Wyoming Field Office, whose address is 258 Main Street, Lander, WY 82520, with a copy to the Legal Department, The Nature Conservancy, 2424 Spruce Street, Suite 100, Boulder, CO 80302, or such other addresses as Grantor may from time to time be informed of in writing by the Conservancy.

The Conservancy shall have sixty (60) days from receipt of the notice, as indicated by the date of the return receipt, to review the proposed activity and to notify Grantor of any objections thereto; provided that the 60 day period shall not begin until such time as the Conservancy has received adequate information from Grantor to evaluate the proposed activity. In the event that the Conservancy requires additional information to evaluate the proposed activity, the Conservancy shall request the information from Grantor as soon as practicable and in any case not later than 60 days after the receipt of the notice of the proposed activity.

The Conservancy's decision to approve or disapprove the activity proposed by Grantor shall be sent by registered or certified mail, return receipt requested, to Grantor at the address first stated above, or to such other address as the Conservancy may from time to time be informed of in writing by Grantor.

A decision by the Conservancy to disapprove a proposed activity must be based upon the Conservancy's determination that the proposed activity is inconsistent with the conservation purposes of the Easement. If, in the Conservancy's judgment, it is possible that the proposed

activity can be modified to be consistent with the Easement, the Conservancy's decision notice shall inform Grantor of such modification(s). Once modification is made to the satisfaction of the Conservancy or the Conservancy otherwise concurs with the matters set forth in Grantor's notice, the proposed activity may thereafter be conducted in a manner that is acceptable to the Conservancy.

Should the Conservancy fail to post its response to Grantor's notice within sixty (60) days of its receipt of notice or within sixty (60) days of the time that the Conservancy has received adequate information to evaluate the proposed activity, whichever is later, the proposed activity is automatically deemed consistent with the terms of the Easement and approved.

7. Remedies, Breach and Restoration. The provisions of this Easement are enforceable in law or equity by the Conservancy, its successors or assigns, as follows:

A. Notice of Violation; Corrective Action. If the Conservancy determines that a violation of the terms of this Easement has occurred, the Conservancy shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Easement, to restore the portion of the Property so injured to its prior condition in accordance with a plan approved by the Conservancy.

B. Injunctive Relief. If Grantor fails to cure the violation within forty-five (45) days after receipt of notice thereof from the Conservancy, or under circumstances where the violation cannot reasonably be cured within a 45 day period, fails to begin curing such violation within the 45 day period, or fails to continue diligently to cure such violation until finally cured, the Conservancy may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin the violation, ex parte as necessary, by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to any such injury.

C. Damages. The Conservancy shall be entitled to recover damages for violation of the terms of this Easement or injury to any Conservation Values protected by this Easement, including, without limitation, damages for the loss of scenic, aesthetic, or environmental values. Without limiting Grantor's liability therefore, the Conservancy, in its sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property.

D. Emergency Enforcement. If the Conservancy, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, the Conservancy may pursue its remedies under this **Paragraph 7** without prior notice to Grantor and/or without waiting for the period provided for cure to expire.

E. Scope of Relief. The Conservancy's rights under this **Paragraph 7** apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantor agrees that the Conservancy's remedies at law for any violation of the terms of this Easement are inadequate and that the Conservancy shall be entitled to the injunctive relief described in

Paragraph 7.B. above, both prohibitive and mandatory, in addition to such other relief to which the Conservancy may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. The Conservancy's remedies described in this **Paragraph 7** shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

F. Costs of Enforcement. All reasonable costs incurred by the Conservancy in enforcing the terms of this Easement against Grantor, including, without limitation, costs and expenses of suit and reasonable attorneys' fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Easement shall be borne by Grantor; provided, however, that if Grantor ultimately prevails in a judicial enforcement action, all reasonable costs incurred by the Grantor in such action, including, without limitation, costs and expenses of suit and reasonable attorneys' fees, shall be borne by the Conservancy.

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

H. Waiver of Certain Defenses. Grantor hereby waives any defense of laches, estoppel or prescription.

I. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle the Conservancy to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

8. Liabilities. Grantor shall hold harmless, indemnify, and defend the Conservancy and the Conservancy's members, directors, officers, employees, agents, and contractors and the heirs, personal representatives, successors, and assigns of each of them ("Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or in any way connected with the presence or release of any Hazardous Materials (as defined in **Paragraph 20**) of any kind on the Property. This paragraph shall not apply in the case of any Hazardous Materials in any manner placed on the Property by the Conservancy or the Conservancy's representatives or agents.

9. Costs and Legal Requirements. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property and agrees that the Conservancy shall have no duty or responsibility for the operation or maintenance of the Property, the monitoring of hazardous conditions thereon, or the protection of

Grantor, the public, or any third parties from risks relating to conditions on the Property. Grantor agrees to pay before delinquency any and all real property taxes and assessments levied by competent authority on the Property and that Grantor shall keep the Conservancy's interest in the Property free of any liens, including those arising out of any work performed for, materials furnished to, or obligations incurred by Grantor. Grantor shall be solely responsible for any costs related to the maintenance of general liability insurance covering acts on the Property. Grantor remains solely responsible for obtaining any applicable governmental permits and approvals for any activity or use permitted by this Easement, and any activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. If more than one person or entity constitutes Grantor, the obligations of each and all of them under this Easement shall be joint and several.

10. Access. Nothing herein contained shall be construed as affording the public access to any portion of the Property.

11. Assignment. The Conservancy may assign the Easement provided that:

A. The Conservancy requires, as a condition of such transfer, that the conservation purposes of the Easement continue to be carried out; and

B. An assignment may be made only to an organization qualified at the time of transfer as an eligible donee under the IRS Code and the Wyoming Uniform Conservation Easement Act, Wyo. Stat. §§ 34-1-201 through 34-1-207.

12. Change of Conditions. The fact that any use of the Property that is expressly prohibited by this Easement, or any other use as determined to be inconsistent with the purpose of this Easement, may become greatly more economically valuable than permitted uses, or that neighboring properties may in the future be put entirely to uses that are not permitted thereunder, has been considered by the Grantor in granting this Easement. It is Grantor's belief that any such changes will increase the benefit to the public of the continuation of this Easement, and it is the intent of both Grantor and the Conservancy that any changes should not be assumed to be circumstances justifying the termination or extinguishment of this Easement pursuant to this paragraph. 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 paragraph.

13. Extinguishment. If circumstances arise in the future that render the purpose of this Easement impossible or impractical to accomplish, this Easement can only be terminated or extinguished, whether with respect to all or part of the Property, by judicial proceeding in a court of competent jurisdiction. Each party shall promptly notify the other when it first learns of such circumstances. The amount of proceeds to which the Conservancy shall be entitled, after satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Wyoming law at that time, in accordance with **Paragraph 15** below. No loss of any or all of the Water Rights through injury or abandonment shall be considered a termination or extinguishment of all or any part of this Easement.

14. Property Interests Acquired Under Threat of Condemnation. Grantor shall be permitted to convey a real property interest to a third party entity having the power of eminent domain, provided the following conditions are satisfied: a) the condemning authority has indicated in writing by letter, initiation of legal action, or otherwise, its intent to acquire the real property interest using its power of eminent domain; b) Grantor agrees to provide the Conservancy with its share of any compensation received by the condemning authority in accordance with **Paragraph 15** below; and c) the Conservancy determines, in its sole discretion, that such conveyance will not materially adversely impact the Conservation Values.

15. Proceeds. This Easement constitutes a real property interest immediately vested in the Conservancy, which the parties stipulate to have a market value equal to the proportionate value that the Easement, at the time of this grant, bears to the value of the Property, without deduction for the value of the Easement, at the time of the grant of this Easement. In the event the Easement is extinguished or condemned, the Conservancy shall be entitled to proceeds determined by multiplying the market value of the Property at such time unencumbered by the Easement (minus any increase in value after the date of this grant attributable to improvements) by x/y which is the ratio of the value of the Easement at the time of this grant to the value of the Property, without deduction for the value of the Easement, at the time of the grant of this Easement. For the purpose of this paragraph, the ratio of the value of the Easement to the value of the Property unencumbered by the Easement shall remain constant.

16. Notices. Except as otherwise provided for in **Paragraph 6**, any notice, demand, request, consent, approval, or communication that any party desires or is required to give to another party shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To the CONSERVANCY:

The Nature Conservancy
Wyoming Field Office
258 Main Street
Lander, WY 82520

To GRANTOR:

Charles F. Walter Living Trust
dated March 9, 1999
Barbara A. Walter Living Trust
dated March 9, 1999
147 Solider Creek
Sheridan, Wyoming 82801

with a copy to:

The Nature Conservancy
Western Resource Office
Attn: Legal Department
2424 Spruce Street, Suite 100
Boulder, CO 80302

or such other addresses as Grantor or the Conservancy may from time to time be informed of in writing by each other.



17. Presumption Against Amendment. It is the parties' intention that this Easement will not be amended or modified. In the event of truly unforeseen circumstances or exceptional situations, the Conservancy may in its sole discretion agree to amend or modify this Easement, but in no event shall such amendment be made without compliance with both the Conservancy's internal procedures and standards for such modification and state and local laws regarding the creation and amendment of conservation easements and in conformity with federal laws (including tax laws) associated with conservation easement creation. No amendment shall be allowed that would adversely affect the qualifications of this Easement as a charitable gift or the status of the Conservancy under any applicable laws, including Section 170 (h) of the Internal Revenue Code or the laws of the State of Wyoming, serves to weaken the Easement in terms of protection of the Conservation Values or affects its perpetual duration. Any such amendment shall be recorded in the official records of the county in which the Property is located.

18. Transfer of Development Rights. All Development Rights (as that term is defined in Paragraph 20.A.3. below) that are now or hereafter allocated to, implied, reserved or inherent in the Property are conveyed to the Conservancy, and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield of the Property or any other property. Under no circumstances shall the Property be used as a "remainder parcel" or in any other way for the purpose of calculating or giving development credits which result in additional development density, beyond what is allowed in this Easement, on or off the Property.

19. Interpretation. The provisions of this Easement shall be liberally construed to effectuate their purpose of preserving and protecting the Conservation Values. No remedy or election given by any provision in this Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party and its counsel have reviewed and revised this Easement and that no rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Easement. In the event of any conflict between the provisions of this Easement and the provisions of any use and zoning restrictions of the state or county in which the Property is located, or any other governmental entity with jurisdiction, the more restrictive provisions shall apply. This Easement shall be interpreted in accordance with the laws of the State of Wyoming without regard to the choice of law provisions thereof. Venue shall be proper in the county where the Property is located.

20. Miscellaneous.

A. Definitions.

(1) The terms "Grantor" and "Conservancy," wherever used in this Agreement and any pronouns used in place thereof, shall mean and include, respectively, the above-named

Grantor, his personal representatives, heirs, devisee, and assigns, and all other successors as their interest may appear and the Conservancy and its successors and assigns.

(2) The term "Hazardous Materials" includes, without limitation, (a) material that is flammable, explosive, or radioactive; (b) petroleum products; and (c) hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the CERCLA (42 USC 9601 et seq.), and the Hazardous Materials Transportation Act (49 USC section 6901 et seq.), and in the regulations adopted and publications promulgated pursuant to them, or any other applicable federal, state, or local laws, ordinances, rules, or regulations now in effect or enacted after this date.

(3) The term "Development Rights" means and includes any and all legal rights under federal, state, and/or local laws, ordinances, rules or regulations now in effect or enacted after this date to develop and build structures, expressed as the maximum number of dwelling units per acre for residential parcels or square feet of gross floor area for nonresidential parcels, that could be permitted under applicable zoning and subdivision rules and regulations, and that are not expressly reserved by Grantor herein.

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

(5) The term "Structure" shall mean a man-made improvement such as a dock, picnic pavilion, well house, sign, agricultural improvements, utility tower, etc., that is not a Building, fence, or road.

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

B. Binding Effect. The Easement created by this Deed of Conservation Easement shall burden and run with the Property in perpetuity. Every provision of this Easement that applies to Grantor or the Conservancy shall also apply in perpetuity to their respective agents, heirs, devisees, administrators, employees, personal representatives, lessees, and assigns, and all other successors as their interest may appear and shall benefit in perpetuity the Conservancy and its successors and assigns.

C. Severability. If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions hereof and the application of such provision to persons or circumstances other than those to which it is found to be invalid, shall not be affected thereby.

D. Re-Recording. The Conservancy is authorized to record or file any notices or instruments appropriate to assuring the perpetual enforceability of this Easement; for such purpose, Grantor appoints the Conservancy its/his/her/their attorney-in-fact to execute, acknowledge and deliver any necessary instrument on its/his/her/their behalf. Without limiting the foregoing, Grantor agrees to execute any such instruments upon request.

E. Subsequent Liens on the Property. No provision of this Easement should be construed as impairing the ability of Grantor to use the Property as collateral for subsequent borrowing, provided that any mortgage, deed of trust or lien arising from such a borrowing is at all times subordinated to this Easement.

F. Termination of Rights and Obligations. A party's rights and obligations under this Easement terminate upon transfer of the party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

G. Captions. The captions have been inserted solely for convenience of reference and are not part of the Easement and shall have no effect upon construction or interpretation.

H. Counterparts. The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by all parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

I. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with **Paragraph 17** above.

J. No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

TO HAVE AND TO HOLD the said Easement unto the said Conservancy, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor has hereunto set its hand this 29 day of May, 2015.

GRANTOR:

Charles F. Walter Living Trust dated March 9, 1999

By Charles F. Walter
Charles F. Walter, Trustee

Barbara A. Walter Living Trust dated March 9, 1999

By Barbara A. Walter
Barbara A. Walter, Trustee

STATE OF Wyoming)
) ss.
COUNTY OF Sheridan)

This instrument was acknowledged before me on May 29, 2015, by Charles F. Walter, Trustee of the Charles F. Walter Living Trust dated March 9, 1999, and Barbara A. Walter, Trustee of the Barbara A. Walter Living Trust dated March 9, 1999.

[SEAL]

Richard M. Davis
Notary public

October 18, 2018
My commission expires October 18, 2018
RICHARD M. DAVIS, Notary Public
COUNTY OF SHERIDAN STATE OF WYOMING
My Commission Expires October 18, 2018



ACCEPTANCE OF DEED OF CONSERVATION EASEMENT

The foregoing Deed of Conservation Easement is hereby duly accepted by The Nature Conservancy and has been executed on this _____ day of _____, 2015.

CONSERVANCY:

The Nature Conservancy,
 a District of Columbia nonprofit corporation

By: *[Signature]*

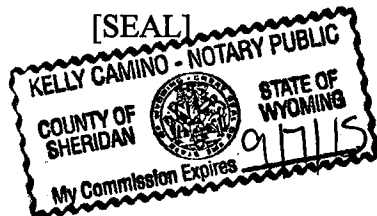
Its: NE Wyoming Landscape Director

STATE OF WYOMING)

COUNTY OF Sheridan)

)ss.

This instrument was acknowledged before me on June 1, 2015, by
Rick Pallister [name], as Landscape Director [title] of The Nature
 Conservancy, a District of Columbia nonprofit corporation.



Kelly Camino
 (Notary's official signature)

9/17/2015
 (Commission expiration date)

Exhibit A

Property Description

All that certain real estate situated in Sheridan County, Wyoming, more particularly described as follows:

Township 56 North, Range 84 West, 6th P.M., Sheridan County, Wyoming

Section 17: SW1/4SE1/4, SE1/4SW1/4, NW1/4SE1/4, N1/2SW1/4, SW1/4SW1/4

Section 20: NW1/4NE1/4, N1/2NW1/4

EXCEPTING THEREFROM A tract of land situated in the SW1/4SE1/4 of Section 17, and the W1/2NE1/4 of Section 20, Township 56 North, Range 84 West, 6th P.M., Sheridan County, Wyoming, said tract of land being more particularly described as follows:

Commencing at the northeast corner of said Section 20 (Monumented with a Military Monument MM-24); thence S47°57'09"W, 1828.22 feet to the **POINT OF BEGINNING** of said tract, said point being the southeast corner of the NW1/4NE1/4, Section 20 (Monumented with a 3¼" Aluminum Cap per PE&LS 3864); thence S00°10'52"E, 25.10 feet along the east line of the SW1/4NE1/4, Section 20 to a point, said point lying on an existing fence line and being an angle point of Cloud Peak Ranch Annexation No. 3, Tract 1, filed in Drawer "A" of Plats, Number "419", County Clerk's Office, Sheridan County Courthouse (Monumented with a 2" Aluminum Cap per PLS 2615); thence N85°46'58"W, 120.36 feet along said fence line and the north line of said Cloud Peak Ranch Annexation No. 3, Tract 1 to a point; thence N00°10'52"W, 20.98 feet to a point, said point lying on the south line of said NW1/4NE1/4, Section 20; thence N00°11'42"W, 1278.35 feet to a point; thence N00°23'19"W, 5.72 feet to a point, said point lying on the north line of said NW1/4NE1/4, Section 20; thence, continue N00°23'19"W, 422.50 feet to a point; thence, through a curve to the right, having a central angle of 25°12'18", a radius of 1260.00 feet, an arc length of 554.29 feet, a chord bearing of N12°12'50"E, and a chord length of 549.83 feet to a point, said point lying on the east line Tract 5, Certificate of Survey Filed in Drawer "A" of Plats, Number "438", County Clerk's Office, Sheridan County Courthouse; thence S00°23'54"E, 205.57 feet along said east line of Tract 5 to a point, said point being the northeast corner of Tract 1, Certificate of Survey Filed in Drawer "A" of Plats, Number "438" (Monumented with a 2" Aluminum Cap per PE&LS 3864); thence S00°23'19"E, 331.01 feet along the east line of said Tract 1 to a point, said point being the southwest corner of a Record of Survey, Boundary Line Adjustment, Filed in Drawer "A" of Plats, Number "445" (Monumented with a 2" Aluminum Cap per PLS 6812); thence, continue S00°23'19"E, 428.52 feet along said east line of Tract 1 to a point, said point being the northeast corner of said NW1/4NE1/4, Section 20; thence S00°11'42"E, 1283.59 feet along the east line of said NW1/4NE1/4, Section 20 to the **POINT OF BEGINNING** of said tract.

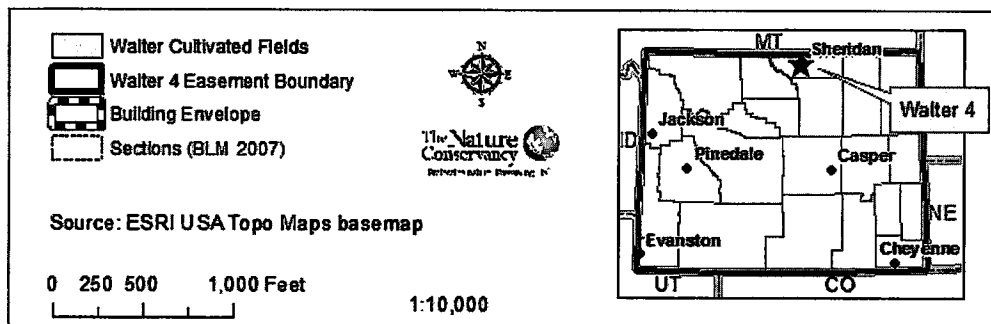
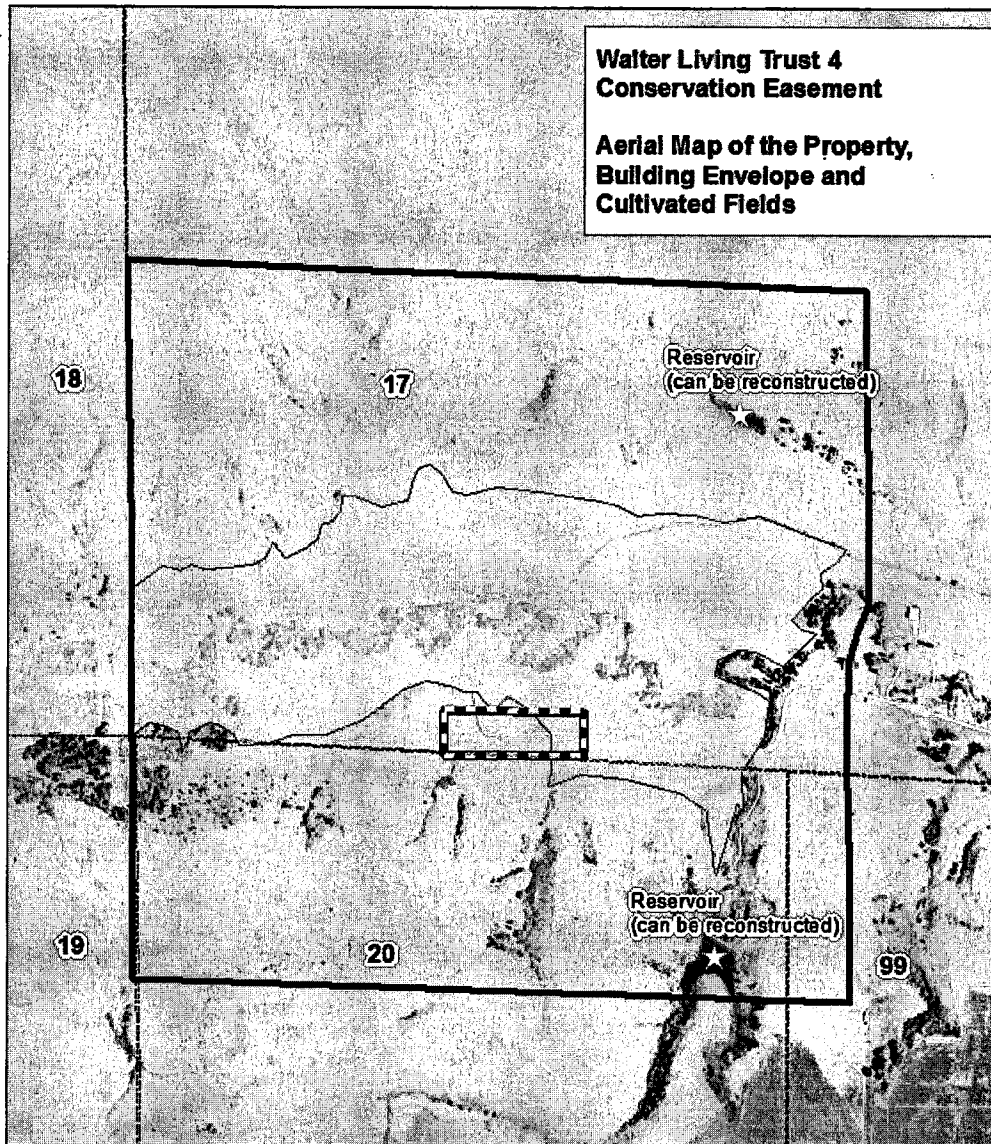
Said tract contains 5.77 acres of land, more or less.

Bearings are Based on the Wyoming Coordinate System, NAD 1983, East Central Zone.



Exhibit B

Map of the Property

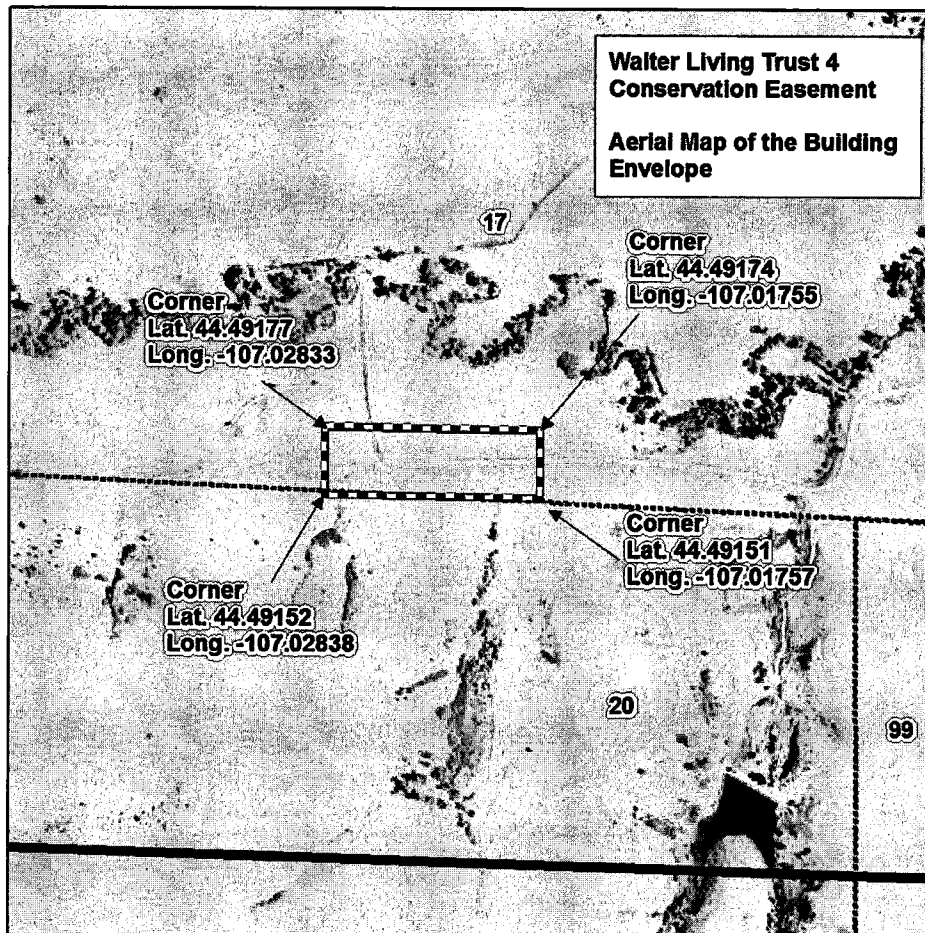


Date: 5/15/2015

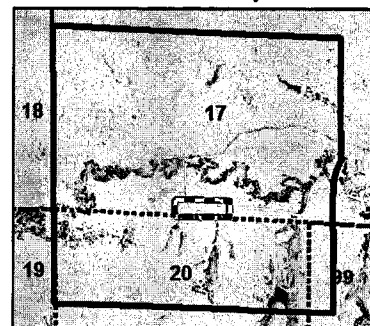
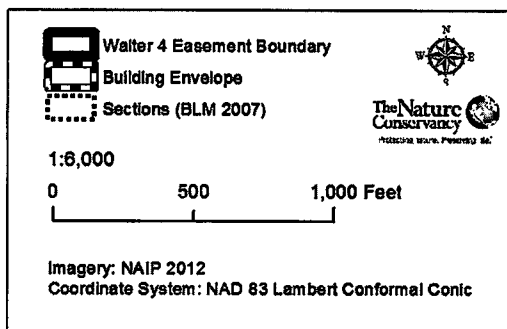
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Exhibit B.1

Map of the Building Envelope



Locator Map



Date: 1/12/2015

Path: S:\ALL_PROJECT_FILES\A_CURRENT_PROJECTS\Walter 4\GIS\mxd\CE\CE_ExhC_BE_Walter4.mxd



Exhibit C

Water Rights

Alliance Ditch: Permit #83.0D, Priority Date of June 29, 1891. Adjudicated water right for domestic uses and irrigation on 92.5 acres in Sections 17 and 20, T56N, R84W, out of a total of 2141.5 acres. Big Goose Creek is the source.

Mydland Pipeline: Permit #29498.0D, Priority Date of May 10, 1982. Total diversion rate of 0.240 cfs, Adjudicated water right for irrigation on 14.6 acres in Sections 17, T56N, R84W, out of a total of 17.4 acres. Soldier Creek is the source.

NO. 2015-719711 EASEMENT

EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK
WILCOX AGENCY
SHERIDAN WY 82801