

LEASE AGREEMENT

THIS AGREEMENT MADE AND ENTERED INTO BETWEEN THE HUTTON RANCH, A WYOMING FAMILY PARTNERSHIP, MALCOLM B. HUTTON AND MARY VIRGINIA HUTTON, SENIOR PARTNERS HEREINAFTER REFERRED TO AS LESSORS AND DAVID KANE AND CHARLES KANE DBA SR CATTLE COMPANY HEREINAFTER REFERRED TO AS LESSEES,

WHEREIN, IT IS MUTUALLY AGREED:

1.

THAT LESSORS ARE LEASING THE GRASSES GROWING ON THEIR RANCH LANDS AND THAT LESSEES ARE LEASING SAID GRASSES TO FEED THEIR CATTLE AND HORSES. THAT THIS LEASE COVERS ONLY GRASSES GROWING ON THE LAND AND FENCES, CORRALS, AND OTHER ITEMS NECESSARY FOR A LIVESTOCK OPERATION. THAT FOR AND IN CONSIDERATION OF THE TERMS, CONDITIONS, AND COVENANTS HEREINAFTER TO BE KEPT AND PERFORMED BY THE LESSEES, THE LESSORS DO HEREBY LEASE, LET AND DEMISE UNTO THE LESSEES THE FOLLOWING TRACTS OF LAND SITUATED IN SHERIDAN COUNTY, TO-WIT:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF.

TO HAVE AND TO HOLD UNTO THE LESSEES FOR A TERM COMMENCING JANUARY 1, 2013 FOR DURING AND UNTIL DECEMBER 31, 2017.

2

RENTAL PAYMENTS FOR THE NEXT FIVE YEARS SHALL BE AS FOLLOWS:

YEAR 2013 RENT SHALL BE \$ 55,000.00 (FIFTY FIVE THOUSAND DOLLARS)
YEAR 2014 RENT SHALL BE \$ 56,000.00 (FIFTY SIX THOUSAND DOLLARS)
YEAR 2015 RENT SHALL BE \$ 57,000.00 (FIFTY SEVEN THOUSAND DOLLARS)
YEAR 2016 RENT SHALL BE \$ 58,000.00 (FIFTY EIGHT THOUSAND DOLLARS)
YEAR 2017 RENT SHALL BE \$ 59,000.00 (FIFTY NINE THOUSAND DOLLARS)

RENTAL PAYMENTS SHALL BE PAID IN ADVANCE EACH YEAR ON OR BEFORE JANUARY 15 OF THE CURRENT RENTAL YEAR. RENTAL PAYMENTS SHALL BE PAID TO "THE HUTTON RANCH LIMITED PARTNERSHIP" TO MALCOLM B. HUTTON OR MARY V. HUTTON AT 334 SOUTH MAIN STREET, SHERIDAN, WYOMING, OR THEY MAY BE DEPOSITED AT THE BANK OF SHERIDAN, 1375 SUGARLAND DRIVE, SHERIDAN, WYOMING 82801, HUTTON RANCH ACCOUNT 03 0101337 0

3

THE LESSEES AGREE THAT THE STOCKING RATE UPON THE PREMISES DESCRIBED ABOVE SHALL NOT EXCEED 6000 ANIMAL UNIT MONTHS IN ANYONE YEAR. AN ANIMAL UNIT MONTH SHALL BE COMPUTED AS FOLLOWS:

1 COW FOR 1 MONTH, 1 AUM
1 COW AND 1 CALF FOR 1 MONTH, 1.25 AUM
1 YEARLING FOR 1 MONTH, .65 AUM
2 YEAR OLD STEER FOR 1 MONTH, .85 AUM
1 HORSE FOR 1 MONTH, 1.66 AUM

THE LESSEES AGREE TO ABIDE BY GOOD ANIMAL HUSBANDRY PRACTICES AND NOT OVERGRAZE SAID DESCRIBED LANDS. THE LESSORS MAY ENTER UPON THE PREMISES HEREIN LET FOR THE PURPOSE OF INSPECTION AND COUNTING CATTLE AT ANY TIME AND WITHOUT NOTICE.

4

THE LESSEES AGREE NOT TO PLOW ANY OF THE PREMISES LEASED TO THEM WITHOUT THE WRITTEN CONSENT AND PERMISSION OF THE LESSORS FIRST HAD AND OBTAINED THERETO.

5

THE LESSORS RESERVE THE RIGHT TO CONTROL ALL OF THE HUNTING UPON THE PREMISES AND SHALL HAVE THE RIGHT TO TAKE GUESTS UPON THE LAND PROVIDED THE GUESTS ARE ACCOMPANIED BY THE LESSORS OR ARE IN THE COMPANY OF MEMBERS OF THEIR FAMILIES, EMPLOYEES, OR PROFESSIONAL GUIDES TO WHICH THE HUNTING RIGHTS MAY BE LEASED.

6

THE LESSEES SHALL MAKE NO IMPROVEMENTS UPON THE PREMISES WITHOUT THE WRITTEN PERMISSION AND CONSENT HAD FROM THE LESSORS, BUT THEY SHALL KEEP ALL EXISTING IMPROVEMENTS ON THE PREMISES IN AS GOOD A CONDITION AND ORDER AND REPAIR AS WHEN ENTERED UPON, LOSS BY ORDINARY WEAR AND TEAR OR ACT OF GOD EXCEPTED. THE LESSORS RETAIN THE RIGHT TO TEAR DOWN OR REMOVE THE 5 ROOM OTO HOUSE OR TO REMODEL IT FOR THEIR OWN USE.

7

THE LESSORS AGREE TO PROVIDE THE LESSEES WITH WIRE, POSTS, AND STAPLES FOR THE REPAIR OF EXISTING FENCES IN A SUM NOT TO EXCEED THREE PERCENT (3%) OF THE ANNUAL LEASE PAYMENTS IN ANY ONE YEAR. LESSEES AGREE TO PROVIDE LABOR FOR SUCH REPAIRS AND TO KEEP ALL FENCES IN A GOOD SHAPE OF REPAIR. LESSORS AGREE TO PROVIDE AN ADDITIONAL SEVEN PERCENT (7%) FOR IMPROVEMENTS TO THE RANCH. LESSORS AND LESSEES SHALL DISCUSS THOSE IMPROVEMENTS DEEMED TO BE THE MOST NEEDED BUT THE LESSORS SHALL HAVE THE FINAL DECISION AS TO HOW THE FUNDS ARE SPENT.

8

THE LESSORS MAY LEASE THE PREMISES ABOVE DESCRIBED FOR OIL AND GAS OR OTHER DEVELOPMENTS, AND SHALL IN SUCH LEASE PROVIDE THAT THE LESSEES SHALL BE PROTECTED BY THE NORMAL FILLING IN OF SUMPS AND FROM OTHER UNNECESSARY DAMAGE TO THE SURFACE WHICH WOULD DESTROY THE GRAZING CAPACITY OF THE LANDS LEASED HEREIN. ALL OIL, GAS, AND ELECTRIC PAYMENTS FOR ANY REASON GO TO THE LESSORS.

9

THE LESSEES MAY NOT SUBLET, ASSIGN, OR PASTURE LIVESTOCK FOR THIRD PARTIES ON ANY OF THE LANDS LEASED UNTO THEM WITOUT THE WRITTEN PERMISSION OF THE LESSORS FIRST HAD AND OBTAINED THERETO, PROVIDED, HOWEVER, THAT THE LESEES MAY ASSIGN THIS LEASE TO MEMBERS OF THEIR IMMEDIATE FAMILIES OR A CORPORATION IN WHICH THE LESSEE AND SAID MEMBERS OF THEIR FAMILY OWN AT LEASE 51 PERCENT OF THE CORPORATE STOCK, PROVIDED FURTHER, HOWEVER, THAT SUCH ASSIGNMENT SHALL NOT RELIEVE THE LESSEES FROM ANY OBLIGATION TO MAKE THE RENTAL PAYMENTS HEREIN ACCRUING. THE LESSEES ARE HEREBY EXPRESSLY AUTHORIZED TO ENTER CONTRACTS TO RUN CATTLE FOR THEIR CHILDREN, KEY EMPLOYEES, OR TO A CORPORATION IN WHICH THE LESSEES OWN AT LEAST 51% OF THE CAPITAL STOCK.

10

THAT IF THE LESSORS, DURING THE TERM OF THIS LEASE AGREEMENT, DETERMINE THAT THEY DESIRE TO SELL THEIR ENTIRE RANCH OR THE LANDS LEASED HEREUNDER, THEN THEY SHALL NOTIFY THE LESSEES OF THEIR INTENTION TO SELL SUCH LAND OR LANDS, AND THEREAFTER THE LESSEES SHALL HAVE SIXTY (60) DAYS WITHIN WHICH TO NEGOTIATE A PURCHASE OF SUCH LANDS TO BE SOLD UPON SUCH TERMS AND CONDITIONS AS MAY THEN BE AGREED UPON, BUT IF NO AGREEMENT IS REACHED AFTER SUCH SIXTY DAY PERIOD, THE LESSORS MAY SELL SUCH LANDS OR LANDS TO THIRD PARTIES UPON ANY TERMS AND CONDITIONS THAT THEY DEEM AGREEABLE TO THEM. THIS OBLIGATION TO FIRST NEGOTIATE FOR THE SALE OF SUC H LANDS TO THE LESSEES SHALL NOT APPLY TO ISOLATED TRACTS OR SMALL ACREAGES, BUT ONLY TO THEIR ENTIRE LAND HOLDINGS AS DESCRIBED HEREUNDER. THIS OBLIGATION SHALL NOT APPLY TO A SALE OR TRANSFER OF SUCH LANDS TO MEMBERS OF THEIR IMMEDIATE FAMILIES OR ANY CORPORATION IN WHICH THEY OWN 51% OF THE CAPITAL STOCK.

11

THE LESSORS HAVING HERETOFORE MADE CERTAIN ORAL AGREEMENTS WITH THIRD PARTIES AS TO THE JOINT USE AND LOCATION OF FENCES OF CONVENIENCE, WHEREBY SOME OF THE LANDS DESCRIBED ABOVE MAY BE ISOLATED FROM PASTURES FENCED BY THE LESSORS, THE LESSEES AGREE TO RECOGNIZE AND ABIDE BY SUCH AGREEMENTS RESPECTING JOINT USE OF LANDS WITH THIRD PARTIES. LESSORS MAY ALSO WITHDRAW OR ADD TO THE LANDS DESCRIBED ABOVE TO STRAIGHTEN THEIR LINES OR IF THEY ACQUIRE SMALL ACREAGES, THEN IN SUCH EVENT AN ADJUSTMENT IN RENTAL SHALL BE MADE.

12

LESSEE AGREES TO PAY ALL ELECTRIC BILLS FOR THE WELLS AND BUILDINGS AND LESSOR WARRANTS THAT ALL "AID TO CONSTRUCTION" PAYMENTS HAVE BEEN

COMPLETED.

13

THAT IF THE RENT ABOVE MENTIONED SHALL BE UNPAID ON THE DATE OF PAYMENT WHEREIN THE SAME OUGHT TO BE PAID AS AFORESAID, THEN THIS LEASE SHALL FORTHWITH TERMINATE AND ALL OF THE RIGHTS OF THE LESSEES HEREIN SHALL BE AT AN END AND HELD FOR NAUGHT, AND IT SHALL NOT BE NECESSARY FOR THE LESSORS TO GIVE ANY WRITTEN NOTICE OF THE TERMINATION OF THIS LEASE AGREEMENT. IF THE LESSEES DEFAULT IN ANY OF THE COVENANTS OR AGREEMENTS HEREIN TO BE KEPT AND PERFORMED BY THEM, OTHER THAN THE PAYMENT OF THE RENTAL ABOVE DESCRIBED, NON PAYMENT OF WHICH SHALL FORTHWITH WORK A TERMINATION OF THIS LEASE, THEN THE LESSORS MAY AT THEIR ELECTION DECLARE THE TERM OF THIS LEASE AGREEMENT ENDED AND ENTER UPON THE PREMISES HEREIN OR ANY PART THEREOF EITHER WITH OR WITHOUT PROCESS OF LAW. NO MATTER HOW THIS AGREEMENT SHALL END OR TERMINATE, THE LESSEES COVENANT AND AGREE TO SURRENDER AND DELIVER UP THE SAID PREMISES LEASED UNTO THEM HEREIN PEACEABLY UNTO THE LESSORS AND SHALL NOT REMAIN IN POSSESSION BEYOND NEXT JANUARY 1ST NEXT SUCCEEDING OR NINETY DAYS FROM THE DECLARATION OF TERMINATION OF THIS LEASE BY THE LESSEES, WHICHEVER DATE WILL BE THE SOONER. IF THE LESSEES DO NOT VACATE SAID PERMISES AS ABOVE PROVIDED, THEY SHALL BE LIABLE FOR DAMAGES UNTO THE LESSORS FOR HOLDING OVER HEREUNDER. IN THE EVENT THAT LESSEES TAKE OUT BANKRUPTCY, THEN THIS LEASE SHALL TERMINATE ON THE DATE THAT BANKRUPTCY IS FILED AND ANY MONIES PAID IN ADVANCE SHALL BE RETAINED BY THE LESSORS AND LESSEES SHALL REMOVE THEIR LIVESTOCK FROM THE ABOVE DESRIBED PREMISES.

EXECUTED THIS 3 DAY OF JAN, 2013

Malcolm B. Hutton
MALCOLM B. HUTTON

Mary Virginia Hutton
MARY VIRGINIA HUTTON

LESSORS, FOR THE HUTTON RANCH

David Kane
DAVID KANE

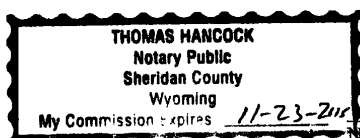
Chas Kane
CHAS KANE

LESSEES

STATE OF WYOMING)
) SS
COUNTY OF SHERIDAN)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 3rd DAY OF January, 2013 FOR THE HUTTON RANCH BY MARY VIRGINIA HUTTON AND MALCOLM B. HUTTON, HUSBAND AND WIFE.

WITNESS MY HAND AND OFFICIAL SEAL.



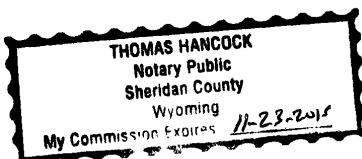
Tom Hancock
NOTARY PUBLIC

MY COMMISSION EXPIRES: 11-23-2015

STATE OF WYOMING)
) SS
COUNTY OF SHERIDAN)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 3rd DAY OF
January, 2013 BY DAVID KANE.

WITNESS MY HAND AND OFFICIAL SEAL



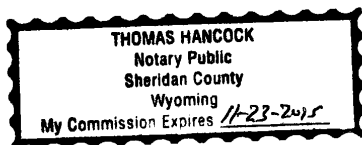
Tom Hancock
NOTARY PUBLIC

MY COMMISSION EXPIRES: 11-23-2015

STATE OF WYOMING)
) SS
COUNTY OF SHERIDAN)

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 3rd DAY OF
January, 2013 BY CHARLES KANE

WITNESS MY HAND AND OFFICIAL SEAL



Tom Hancock
NOTARY PUBLIC

MY COMMISSION EXPIRES: 11-23-2015

EXHIBIT A
THE HUTTON RANCH, MALCOLM HUTTON, SR PARTNER

TWP/RNG	SECTION	DESCRIPTION	APPROX ACRES		
57/81	8	SESW	40		
	14	S2SE	80		
	15	SW, SWSE	200		
	16	ALL	640		
	17	NENW, N2NE,	120		
	21	N2, SE, E2SW	560		
	22	NE	160		
		STATE S2, NW4		480	
	23	N2, SW4,	480		
		STATE SE4		160	
	24	S2SW, LOT 6, TR 47	120		
	25	TR 42, TR 43, TR 46, TR 47	640		
		LOTS 1,2,3,4	40		
	26	ALL	640		
	27	ALL	640		
	33	E2SE	80		
	34	ALL	640		
	35	N2, SW4	480		
		STATE SE4		160	
	36	W2	320		
		STATE E2		320	
56/81	1	NENE	40		
	2	S2, NE4	480		
		STATE NW4		160	
	3	E2	320		
	11	W2	320		
		STATE E2		320	
	12	W2	320		
57/80	16	ALL	640		
	17	SE4	160		
	20	NE4	160		
	21	N2	320		
	29	SWSE, S2SW, NWSW	160		
	30	SE4, S2NE, LOTS 6,7,12	360		
	31	SWSE	40		
	32	N2, SE4	480		
56/80	5	LOTS 1,2,3,4, S2NW, SE4	400		
	6	LOTS 1,2,8,9,10, S2NE, SE4	420		
TOTAL			10,340	1600	11,940
			10,500		



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BOOK: 551 PAGE: 198 FEES: \$45.00 SM LEASE AGREEMENT
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

NO. 2014-716805 LEASE AGREEMENT
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK
SR CATTLE COMPANY 758 BADGER CREEK ROAD
DECKER MT 59025