

LODGE USE CONTRACT AND LEASE

This contract and lease is entered this day between the Wallop Family Limited Partnership, a Wyoming Limited Partnership, P. O. Box 400, Big Horn, Wyoming, as "Lessor," and Paul Wallop, P. O. Box 11, Big Horn, Wyoming, as "Lessee."

RECITALS

A. Lessor is constructing a log-style hunting and fishing lodge (the "Lodge") on the parcel of land owned by Lessor in Township 54 North, Range 84 West, Section 30: SE4NW4, Sheridan County, Wyoming (the "Lodge Site") described in attached Exhibit "A". It is Lessor's intent to utilize the Lodge approximately 75% of the year for Lessor's hunting and fishing business and associated activities, as well as convention, retreat and similar events operated by Lessor (collectively, "Lessor's Operation").

B. Lessee conducts a hunting and fishing business at or near the same location, and intends to utilize the Lodge approximately 25% of the year for Lessee's hunting and fishing business and associated activities, and well as related events operated by Lessee (collectively, "Lessee's Operation").

C. Lessor and Lessee enter this agreement for the purpose of leasing a portion of the rights to use the Lodge to Lessee, and for the purpose of providing for the joint use and operation of the Lodge by Lessor and Lessee.

AGREEMENT

1. LEASE. Lessor leases to Lessee a portion of the Lodge building for use by the Lessee for the period June 1 through September 30 (the "Summer Season") of each year in which this agreement is in effect. Lessee shall have the right to use all parts of the Lodge during the Summer Season and to use 75% of the available occupant space for the Summer Season. Lessor reserves the right to use all parts of the Lodge and to use 25% of the available occupant space for the Summer Season. Either Lessor or Lessee may book the Lodge for as many guests as desired on any Summer Season day, provided that space is not previously reserved by the other party (on a first to reserve, first priority basis), provided that Lessee's use is limited to 75% and Lessor's use is limited to 25% of the total available occupant space for the Summer Season as a whole. Lessor reserves the exclusive use of the Lodge building for the period October 1 through May 31 (the "Winter Season") of each year in which this agreement is in effect.

2. TERM. This agreement shall remain in effect from October 1, 1993, through September 30, 1994, and for each year thereafter until terminated by written notice from either of the parties to the other given no less than 90 days prior to the effective termination date.

3. LEASE PAYMENT. In consideration of the lease and use rights granted by this agreement, Lessee shall pay to Lessor, on or before September 30 of each year for the term of this agreement, a rental payment of Four Thousand Eight Hundred Dollars (\$4,800.00), attributable to the lease year then ending.

4. TYPE OF USE. Lessee may use the Lodge for housing or lodging up to twelve overnight guests at any given time, food service, meetings and related lodging use. Lessee shall not use the Lodge in any manner contrary to law, or contrary to the intended purposes for Lessee's Operation, or in any manner which creates excessive damage, noise or other nuisance.

5. LODGE REVENUES. The parties shall separately collect and retain the revenues for Lodge use (including lodging charges, food revenues and miscellaneous charges) generated by their respective operations; Lessor shall retain all revenues from Lodge use related to Lessor's Operation; Lessee shall retain all revenues from Lodge use related to Lessee's Operation.

6. PAYMENT OF OPERATING COSTS. Costs of operating, maintaining, cleaning, repairing and otherwise using the Lodge shall be paid as follows:

A. Lessor shall pay 75% and Lessee shall pay 25% of the annual costs of general overhead expenses, including fire, casualty and liability insurance covering the Lodge, real property taxes attributable to the Lodge, long-term maintenance and preservation expenses such as painting, oiling, staining, roofing and chinking, and replacement of floor coverings, window coverings, appliances, equipment and furniture due to long-term wear and tear. Such costs shall be computed for the annual period October 1 through September 30, and shall be payable by Lessee on or before October 30 of each year according to itemized billing statements provided by Lessor. This provision shall not apply to capital improvements, which may be made in the discretion of Lessor. Lessee shall not pay any portion of capital improvement costs, except by separate agreement.

B. Lessor shall pay all variable and day-to-day costs of operating during the Winter Season. Lessor shall pay 25% and Lessee shall pay 75% of all variable and day-to-day costs of operating during the Summer season. Costs to be paid as provided in this paragraph include the cost of propane and other heating fuel, telephone, electric and other utility charges, cleaning services, and similar expenses.

7. TRANSFER OF POSSESSION. At the end of the Winter Season, Lessor, at its expense, shall repair any damage to the building, appliances, furniture and equipment occurring during Lessor's season of use, provide for a complete cleaning of the Lodge, including kitchen, bathrooms, floors and windows, leave a full propane tank, provide for laundering of all bedding, towels, linens, etc., and generally leave the Lodge in a condition ready for immediate occupancy by guests of the Lessor and Lessee. At the end of the Summer Season, the same actions shall be taken by Lessee and the costs paid 75% by Lessee and 25% by Lessor. The parties shall prepare and use an inventory, listing all furniture, art work, decorations, bedding, towels, cookware, kitchen and dining utensils, and similar household items and removable property. At the end of each season of use any missing or damaged inventory items shall be replaced or repaired and the inventory items left in good condition, ordinary wear and tear excepted, for use by the other party in the next season.

8. EXCHANGES OF USE. This agreement is intended to provide general guidelines and a basic plan for the use of the Lodge by both parties. The parties, by separate agreement, may exchange periods of use or provide for changes in the planned seasons of use by setting daily payments or other consideration. This agreement does not restrict mutually convenient operating plans. However, absent an alternative plan expressly agreed to by both parties, this agreement shall control and provide terms of use of the Lodge.

9. LOAN. As a further inducement for the construction of the Lodge by Lessor, Lessee shall loan to Lessor on or before October 20, 1993, the sum of Sixty Thousand Dollars (\$60,000.00), to be repaid to Lessee by Lessor with interest at the rate of eight percent (8%) per annum, amortized over a period of thirty (30) years, with annual principal and interest payments in the amount of Five Thousand Three Hundred Twenty-Nine and 64/100 Dollars (\$5,329.64), due on or before October 19 of each year until the loan is fully paid. In the event this lease agreement is terminated by either party, Lessee may accelerate Lessor's payment obligation under this paragraph, provided Lessor is given written notice no less than one year prior to the date on which Lessor is required to fully pay the remaining principal balance of the loan, along with all accrued interest. Upon default by Lessor, and failure to cure such default within thirty (30) days after receipt of written notice from Lessee, Lessee may accelerate Lessor's obligation under the note and collect

the principal amount, with accrued interest and all reasonable costs of collection, including reasonable attorney's fees, pursuant to the same rights and remedies provided by law to the holder of a promissory note.

10. ALTERATIONS. Lessee shall make no alterations to the Lodge without the prior written consent of Lessor.

11. ASSIGNMENT AND SUBLETTING. Lessee may not assign or sublet his interest under this agreement, without the prior written consent of Lessor.

12. INSPECTIONS. Lessor shall have the right to enter at any reasonable time to inspect the Lodge and its contents and to verify compliance with the terms of this agreement.

13. GENERAL. This agreement shall be governed by the laws of the state of Wyoming and shall be binding on the parties and their heirs, devisees, personal representatives, successors and assigns.

Dated this 20<sup>th</sup> day of October, 1993.

WALLOP FAMILY LIMITED PARTNERSHIP,  
A Wyoming Limited Partnership  
by and through Wallop Canyon  
Ranch Limited Liability Company,  
its General Partner

By: Malcolm Wallop  
Malcolm Wallop, Member

By: Paul Wallop  
French Wallop, Member

Paul Wallop  
Paul Wallop

EXHIBIT "A"

A tract of land situated in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ , and SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 30, Township 54 North, Range 84 West, 6th P.M., Sheridan County, Wyoming; said tract being more particularly described as follows:

Commencing at the southwest corner of said Section 30; thence N36°38'03"E, 3217.79 feet to the POINT OF BEGINNING of the herein described tract; thence N31°04'01"E, 403.49 feet to a point; thence S74°27'17"E, 273.10 feet to a point; thence S15°32'43"W, 420.43 feet to a point; thence N69°42'19"W, 382.30 feet to the POINT OF BEGINNING.

Said tract contains 3.06 acres of land more or less.

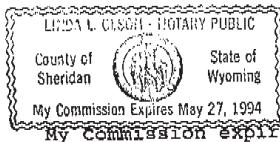
Basis of Bearings is Wyoming State Plane (East Central Zone).

STATE OF WYOMING )  
COUNTY OF SHERIDAN )

: ss

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of October, 1993, by WALLOP FAMILY LIMITED PARTNERSHIP, a Wyoming Limited Partnership by and through Wallop Canyon Ranch Limited Liability Company, its General Partner by Malcolm Wallop, Member.

WITNESS my hand and official seal.



My Commission expires: May 27, 1994

Linda L. Olson  
Notary Public

STATE OF WYOMING )  
COUNTY OF SHERIDAN )

: ss

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of October, 1993, by WALLOP FAMILY LIMITED PARTNERSHIP, a Wyoming Limited Partnership by and through Wallop Canyon Ranch Limited Liability Company, its General Partner by French Wallop, Member.

WITNESS my hand and official seal.



My Commission expires: May 27, 1994

Linda L. Olson  
Notary Public

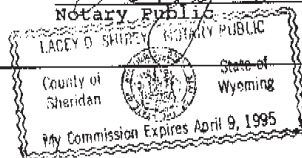
STATE OF WYOMING )  
COUNTY OF SHERIDAN )

: ss

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of October, 1993, by Paul Wallop.

WITNESS my hand and official seal.

My Commission expires: \_\_\_\_\_



Lacey D. Shirley  
Notary Public