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Environment and Natural Resources Division
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Counsel for the United States of America

DISTRICT COURT - SRBA
Fifth Judicial District
County of Twin Falls-State of Idaho

MAY 15 2026

By _____ Clerk
_____ Deputy Clerk

**IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS**

In Re SRBA) Subcase No: 67-15209 - 67-15212 (Chandler)
)
) UNITED STATES' OPPOSITION TO MOTIONS
Case No. 39576) TO FILE LATE OBJECTIONS
)
)
)
)
)

On April 27, 2026, Claimants Cody & Britney Chandler (the “Chandlers”) filed Motions to File Late Objections in Subcase Nos. 67-15210, 67-15211, and 67-15212 (collectively, the “Motion”). The United States of America, on behalf of the Department of the Interior - Bureau of Land Management (“United States”), opposes. The Chandlers’ Motion is untimely by four years and, moreover, the Chandlers both waited nearly a year into their active participation in these subcases to file it, after declining to file when the Court first set a deadline for objections to the Amended Director’s Reports. In support of this Opposition, the United States notes the following:

Background

1. The Idaho Department of Water Resources (“IDWR”) filed Director’s Reports on June 8, 2022. IDWR recommended 67-15210, 67-15211, and 67-15212 as disallowed.
2. The deadline to file an objection to IDWR’s recommendations was August 8, 2022.
3. Claimants’ grazing predecessor, Mr. Gary Gallant, did not object to the recommendations of disallowance. The Idaho Department of Lands (“IDL”) filed objections in 67-15211 and 67-15212 indicating any water right should be in IDL’s name.
4. These cases were set for an initial hearing on August 27, 2024, and further hearings were held on November 12, 2024; January 14, 2025; April 1, 2025; May 13, 2025; July 8, 2025; August 5, 2025; September 2, 2025; December 9, 2025; and March 17, 2026.
5. At the initial hearing, IDWR noted to Mr. Gallant that the claims were “[r]ecommended as disallowed.” *See Minutes (Aug. 27, 2024)*. At the July 8, 2025 hearing, the parties discussed that all five claims made by Mr. Gallant would be disallowed, and he stated he was “happy with settlement.” *See Minutes (Jul. 8, 2025)*.
6. The Chandlers first began attending status conferences on August 5, 2025. Because it was

their first conference, IDWR again explained that all three claims were recommended disallowed. *See Minutes* (Aug. 5, 2025).

7. At the December 9, 2025 status conference—the third attended by the Chandlers—the Court set a January 28, 2026 deadline for objections and responses to forthcoming amended Director’s Reports substituting the Chandlers for Mr. Gallant.
8. On December 10, 2025, IDWR filed Amended Director’s Reports substituting the Chandlers but continuing to recommend all three claims as disallowed.
9. The United States timely filed an amended objection in 67-15209. The Chandlers responded to that objection, but did not file any objections of their own.
10. After no new objections were filed, the United States began preparing for trial on the Director’s Reports as filed on December 10, 2025. Because 67-15210, 67-15211, and 67-15212 were recommended disallowed and the only objections—filed by IDL—supported disallowance, the claims were ripe for Partial Decree on January 29, 2026.

Legal Standards

11. In Idaho, “[p]ro se litigants are held to the same standards and rules as those represented by an attorney.” *Merrill v. Smith*, 167 Idaho 795, 799 (2020) (quoting *Suits v. Nix*, 141 Idaho 706, 709 (2005)).
12. SRBA Administrative Order 1 (“AO1”) sets time limits for objecting to Director’s Reports. *See, e.g.*, AO1 § 4(d), 10(j).
13. AO1’s objection deadline is absolute. *See State v. United States*, 134 Idaho 106, 109 (2000) (Noting that AO1 “provides an *absolute* rule” for objections and responses such that “[b]y the plain language of the SRBA rules, the Irrigators’ response was untimely and the special master correctly denied the motion to file the response.”) (italics in original).

14. “Pro se status does not excuse parties from adhering to procedural rules, even though they may be unaware of such requirements.” *Elliott v. Verska*, 152 Idaho 280, 289 (2012) (citation omitted). “Such standards and rules include timely filing requirements.” *Sheehan v. Sun Valley Co.*, 171 Idaho 248, 252 (2022); *see also Morley v. RS Unlimited, Inc.*, 173 Idaho 14, 18 (2023) (“As this Court has consistently held to be axiomatic, ignorance of the law is not a defense.”) (citation modified).
15. “In subcases for which partial decrees have not been entered, the legal standard for filing a late objection to a water right claim in the SRBA has been historically determined pursuant to the standard set forth in AO1 for filing late claims since AO1 does not expressly provide a standard for reviewing late objections.” Ord. on Mot. to Set Aside Partial Decrees and File Late Objections, Subcases 65-07267, *et al.*, at 6 (Jan. 31, 2001). This is the I.R.C.P. 55(c) “good cause” standard for setting a default judgment. *Id.* at 6-7. The standard considers whether the default was willful, whether it would prejudice the opponent, and whether a meritorious position has been presented. *Id.*
16. The meritorious position requirement exists because “it would be an idle exercise for a court to set aside a default judgment if there is in fact no justifiable controversy.” *Id.* (quoting *McFarland v. Curtis*, 123 Idaho 931, 934 (Ct. App. 1993)).

Argument

17. The Chandlers and their predecessor, Mr. Gallant, had two separate opportunities to meet the absolute filing deadline for objections to a Director’s Report. They did not do so.
18. The Chandlers’ stated reason for the lateness of the objections is that “grazing rights that water rights were associated with were being transitioned in 2022. Change in ownership for said water rights to Chandlers was not applied for until October 2025 and in the

interim there was some correspondence that was delayed or not received until deadlines had passed.” *See* Motion at 2. This in no way grapples with the standards for a late objection, is not a meritorious position, and thus does not meet the threshold to merit a late objection.

The default was willful.

19. Mr. Gallant, the Chandlers’ grazing predecessor, was properly served with the Director’s Reports in 2022 and declined to object to IDWR’s recommendations of disallowance. Mr. Gallant was an active participant making a willful choice not to object.
20. Similarly, the Chandlers then attended numerous status conferences as the claimant at which the disallowed recommendations were discussed, and at the hearing where the Court set a new deadline to file objections. Accordingly, the Chandlers’ default should be considered willful.
21. The Chandlers now say that there were delays in correspondence. This is simply not a sufficient explanation. Even if that were true—and no evidence is presented for the proposition—it would be irrelevant. First, at no time did Mr. Gallant, their predecessor, contest service of the original Director’s Report or notice of the recommendation. He appeared at every status conference, at which the recommendation of disallowance was discussed. Even if this were somehow insufficient, the Chandlers also appeared at a series of status conferences at which the recommendation was discussed. Because IDWR filed Amended Director’s reports which changed ownership, the Court appropriately set a new deadline for objections to the Amended Director’s Reports, which gave the Chandlers a new opportunity to object. They did not do so. Further, the United States *did* do so in 67-15209, to which the Chandlers filed a response. *See* Standard Form 2, 67-15209 (Feb. 12,

2026). Accordingly, they were certainly aware that there was a renewed period for objections.

22. Because the Chandlers and their predecessor had multiple opportunities to object to the recommendation, and declined to do so, a late objection is inappropriate. *See, e.g., Franklin Bldg. Supply Co. v. Hymas*, 157 Idaho 632, 642 (2014) (noting “multiple opportunities to present his evidence” as a reason not to allow an untimely filing).
23. The Chandlers present no evidence of late correspondence, let alone which documents were delayed or how they would have illustrated the requirement to object. Nor do they explain how the actual order to file objections, which their predecessor was aware of for several years of the proceeding, and which was renewed verbally at a hearing they attended, was insufficient. Accordingly, notice was sufficient to presume that declining to object was willful.
24. While the Chandlers are proceeding pro se, they are held to the same standard as represented parties and held to the same procedural rules. Ignorance of AO1’s requirements is not a defense to compliance with it.

Allowing the motions would prejudice the United States.

25. Allowing a late objection would prejudice the United States. The United States was not actively researching or participating in 67-15210 because it was recommended disallowed and unobjected to, and 67-15211 and 67-15212 because they are claims on Idaho state land recommended disallowed without an apparent federal nexus. For the first time, in the proposed late objection, the Chandlers assert that their predecessors appropriated water rights as federal permittees and assert a taking under state law. If the late objection is allowed, the United States will be required to review those claims in-

depth, and potentially litigate the new issues asserted by the Chandlers for the first time four years into the case.

26. Further, the United States has been preparing for trial based on the existing record. It has conducted research in agency files and at the National Archives and engaged the services of an expert witness. If the late objections are allowed and the claims are re-activated, the United States will incur significant additional expense due to the Chandler's untimely filing.

The position presented is not meritorious.

27. Most fatally, even if the proposed objections are assumed to be true for purposes of review, they would be insufficient as a matter of law.

28. In 67-15210, the Chandlers' proposed late objection makes a collateral attack on BLM's own decreed claim (67-07218, decreed March 20, 2003). *See* Proposed Standard Form 1 (Lodged Apr. 27, 2026). BLM's water right is not at issue in this case and is not subject to collateral attack in this proceeding. Regardless, however, the Chandlers do nothing in the proposed objection to respond to the actual problem identified by IDWR: 67-15210 claims a development built after May 20, 1971, for which a permit is statutorily required under Idaho law. BLM owns the development, *see* Exhibit 1, and has a permit, and the Chandlers do not. Accordingly, as a matter of law, the Chandlers cannot be decreed a water right for this development.

29. In 67-15211 and 67-15212, the Chandlers have not met the standard for showing a water

¹ The Cooperative Range Improvement Agreement, signed by Glen Gallant along with other common permittees, recognizes that it "it is further agreed ... title to the said improvements ... shall be in the United States of America." Exhibit 1 at 3, ¶ 5(a); *see also* ¶ 8 (the CRIA "shall not accord to cooperator(s) any preference, privilege, or consideration with respect to any permit, license, or lease not expressly provided herein[.]")

right on public land. As IDWR noted, the claims are on land owned and managed by IDL, not the federal government. Mr. Gallant did not provide any documentation of authorization to graze state lands. The Chandlers have only belatedly provided documentation showing a lease to Mr. Gallant which commenced January 1, 2012. *See* Standard Form 1, 67-15211 (Lodged Apr. 27, 2026). The relevant land in was conveyed from the United States to Idaho in 1990 and 2000. *See* Exhibit 2-3. No evidence is provided of pre-transfer authorized grazing by the Chandlers' predecessor on the land while under federal ownership, or of grazing on the state land between the transfer and 2012. For instance, because IDL auctions state land leases, there is no evidence as to whether a completely different lessee operated on the relevant property before the first provided lease in 2012.

30. Further, the lease terms between the Chandlers and IDL make clear that no water rights exist. While the Chandlers only provided a subset of pages with their filing, the intervening pages discuss water rights and make clear none exist.

- a. In 67-15211, the Chandlers signed a lease which indicates no water rights on the “list of pre-existing water rights to be used on, or diverted from, the premises” and no “unclaimed water rights.” *See* Exhibit 4 at 4-5. They “represent[ed] ... that Lessee owns no other water rights for use on, or diversion from, the Leased Premises.” *Id.* (emphasis added). They further agreed that they could not establish a new water right during the terms of their lease. *Id.*
- b. In 67-15212, the Chandlers signed a lease which indicates that the only water right they are utilizing on the property is water right No. 67-11959, owned by the United States on behalf of the Forest Service. *See* Exhibit 5 at 5. They represented

that the list, which contains only that water right owned by the United States, “include[s] each and every water right that Lessee ... will use on, or divert from, the Leased Premises.” *Id.* They further agreed that they could not establish a new water right during the terms of their lease. *Id.*

31. Because the claims are not meritorious, there is no need to proceed with the “idle exercise” of setting aside the default.

32. The Court should reject the Motion.

DATED this 14th day of May, 2026.

Respectfully submitted,

Adam R.F. Gustafson
Principal Deputy Assistant Attorney General

/s/ Mark J. Widerschein

Mark Widerschein
Michelle Nkeng
Katharine Laubach
Trial Attorneys
U.S. Department of Justice
Environment & Natural Resources Division

Attorneys for the United States of America

CERTIFICATE OF SERVICE

I certify that on this 14th day of May, 2026, I served a true and correct copy of the foregoing **UNITED STATES' OPPOSITION** as indicated below:

VIA FEDEX

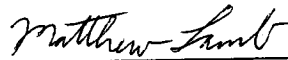
Clerk of the Court
Snake River Basin Adjudication
253 Third Avenue North
Twin Falls, ID 83303-2707

VIA U.S. MAIL:

State of Idaho
Department of Lands
300 N. 6th St. Ste. 103
PO Box 83720
Boise, ID 83720-0050

Director of IDWR
PO Box 83720
Boise, ID 83720-0098

Cody and Britney Chandler
1151 Devil's Elbow Drive
Weiser, ID 83672



Matthew Lamb

EXHIBIT 1

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

COOPERATIVE AGREEMENT
 RANGE IMPROVEMENTS AND CONSERVATION
 PRACTICES

issued

FOR OFFICE USE ONLY

Expires	EXTENDED TO
Job Number(s)	
Job Name(s)	Goodrich Springs

1. I, (We) Bacon Valley Ranches of Council, Idaho
 Glen Gallant of Council, Idaho
 Ivan Moser of Council, Idaho
 Theodore Braun of Cambridge, Idaho
 and Kermit Stippich of Midvale, Idaho

hereinafter called cooperator(s) and the United States of America, by the Bureau of Land Management, hereinafter called the Bureau, for and in consideration of the mutual benefits hereunder, and in accordance with the Taylor Grazing Act (43 U.S.C. 315, 315a-r), as amended, and the National Soil Conservation Act (16 U.S.C. 590a-q(1)), as amended, do enter into this cooperative agreement for the construction and/or maintenance of range improvements, installation of conservation works or establishment of conservation practices, hereinafter referred to collectively as improvements, for the benefit of the Federal Range or other public lands and of the cooperator(s).

2. The improvements known as the Goodrich Springs

will be are located upon: 3 and 4 T 15 N
 R. 1/4, Sec(s). 7, T. 16 N
 Boise Meridian.
 County of Adams, State of Idaho

3. IT IS MUTUALLY AGREED:

(a) The parties hereto will furnish labor, materials, and equipment as required, the total cost or value not to exceed the amount listed below for each of the parties respectively for the initial construction and/or installation of the improvements indicated in paragraph 2.

NAME(S) OF COOPERATOR(S)	ITEMS	TOTAL COST OR VALUE
Bacon Valley Ranches		\$
Glen Gallant		
Ivan Moser		
Theodore Braun		
Kermit Stippich		
BUREAU OF LAND MANAGEMENT	Development of Springs	2,500.00
AGGREGATE COST		\$ 2,500.00

(b) Upon notice, either orally or in writing from the authorized officer of the Bureau, cooperator(s) will promptly supply labor, materials, and equipment as specified in paragraph 3(a) as required. Contributed materials in excess of the amount required shall be returned to the contributor. Equipment contributed shall also be returned promptly following completion of the work. Work will be conducted under the supervision and direction of the authorized officer and shall be pursued with diligence until completed.

4(a) The cooperator(s) shall be liable, jointly and severally, for the repair and maintenance of the said improvements following completion, in good and serviceable condition. The cooperator(s), without further notice from the authorized officer, shall do such repair work as may be necessary from time to time, promptly and in a workmanlike manner. If such work is not performed as necessary, the authorized officer shall allow cooperator(s) not less than thirty (30) days from written notice within which to complete the same, as required.

(b) In the event the cooperator(s) shall default, after due notice, in the repair and maintenance of the said improvements following completion, the authorized officer may do or cause such work to be done for and in behalf of the cooperator(s); and the necessary cost and expense thereof or proportionate share as determined by the authorized officer, shall become a charge and obligation upon and shall be paid by the cooperator(s). It is further understood in case of default hereunder, that any permit, license, or lease, or renewal thereof issued to the cooperator(s) and administered by the authorized officer of the Bureau, and in connection with which these improvements are constructed, shall not be renewed or extended or any assignment thereof shall not be approved; and that such default may result in cancellation of the permit or license as provided in the Federal Range Code for Grazing Districts, 1962 Rev. (43 CFR 4115.2-1(d) and 4115.2-5(a)(6)) as amended, or in the cancellation of the lease, unless and until all charges and costs owed by the cooperator(s) hereunder shall have been paid; provided that the Bureau may pursue such other remedies, legal or administrative, as may be authorized.

(c) Repair and maintenance, as herein required, shall mean normal upkeep and maintenance necessary to preserve, protect, and prolong the useful life of the improvements, but shall not include major repairs where the damage is due to floods, earthquakes, or other acts of God, or fire not the proximate result of fault or negligence of the cooperator(s) as determined by the authorized officer.

5. IT IS FURTHER AGREED:

(a) Title to the said improvements in place, together with all labor and materials furnished by either party

and used for the construction and maintenance thereof, shall be in the United States of America. The improvements may be removed, in whole or in part, during the term of this agreement or any extension thereof, by mutual consent of the parties or by direction of the authorized officer; such removal shall be made by the cooperator(s), or by the Bureau at its option. Upon removal of the improvements, any salvageable materials, after deducting an amount to compensate for the actual cost or removal, shall be available for distribution to the parties then subject to this agreement in proportion to the actual amount of their respective contributions to the initial construction of the improvements, as determined by the job records of the Bureau. The parties shall take possession and remove their portion of the salvaged materials within 90 days after first notification in writing that such material is available; upon their failure to do so within the time allowed, the materials shall be deemed to have been abandoned and title thereto shall thereupon vest in the United States.

(b) During the course of salvaging the material, the United States assumes no responsibility for the protection of preservation of said material.

6(a) If the cooperator(s) shall assign or transfer his interest in any grazing permit, license, or lease embracing the lands upon which the improvements are constructed or in connection with which they are used, the cooperator(s) may include in such assignment or transfer his interest in this Cooperative Agreement, including his right to the use of the improvements (Section 1) and to his proportionate share of the salvageable material (Section 5(a)). Before the assignee or transferee will be recognized as successor to the cooperator(s)'s interest hereunder, such assignee or transferee will be required by the authorized officer to accept an assignment of this agreement and agree to be bound by the provisions respecting the use and maintenance of the improvements.

(b) Should the land upon which the improvements are constructed be included in application for classification and disposal under Sections 7 and 14 of the Taylor Grazing Act, or other public land laws, the authorized officer agrees not to allow such application if allowance of the application or disposal is discretionary upon the authorized officer until the applicant has agreed in writing to compensate the cooperator(s) for his loss of the improvements in an amount mutually agreed upon and payable separately to the Bureau and to the cooperator(s); or, if the parties are unable to agree, the District Manager will determine the present reasonable value of the improvements in accordance with 43 CFR 4115.2-5(a)(6) or 4122.3-5(a), whichever is applicable and determine the amounts payable to the Bureau and to the cooperator(s) which shall be in proportion to the actual amount of their respective

contributions to the initial construction of the improvement; or the Bureau, at its option, may require the removal of such improvements under the provisions of Section 5(a) of this agreement.

7. The cooperator(s) use of the improvements will be in conformity with the General Rules of the Range specified in the Federal Range Code for Grazing Districts (43 CFR 4110) if the improvements are in a grazing district, or to the special stipulations, if any, included in the grazing lease covering such area, if outside a grazing district, and to the Management Plan, if any, for the area in which the lands serviced by these improvements are located, to the extent such rules, stipulations, and plans are applicable for the conservation, protection, and proper utilization of the improvements constructed hereunder.

8. This agreement shall not accord to cooperator(s) any preference, privilege, or consideration with respect to any permit, license, or lease not expressly provided herein or in the rules and regulations governing such permit, license, or lease.

9. Items 2 and 3 of this agreement may be modified or cancelled by written agreement of the parties, which agreement shall become a part hereof. Items 4 to 9 inclusive may also be amended but first must be approved by the State Director.

10. This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, which sets forth the nondiscrimination clauses. A copy of this order may be obtained from the signing officer.

11. This agreement shall remain in full force and effect until _____, 19____ unless (1) sooner terminated by mutual written consent of the parties, or (2) is terminated by the authorized officer after due notice in writing because of cooperator(s)'s default or violation of any of the terms or provision of this agreement, or (3) in accordance with Section 5 or 6 of this agreement.

12. Special conditions

COOPERATOR(S):

THE UNITED STATES OF AMERICA

Genrel Crossley 9/25/73
 (Signature) (Date)

Kenneth H. Hinkle 9/5/73
 (Signature) (Date)

Elmer M. Gallant 9-5-73
 (Signature) (Date)

Erwin Mose 9/25-73
 (Signature) (Date)

Theodore Braun 9/25/73
 (Signature) (Date)

State of Idaho

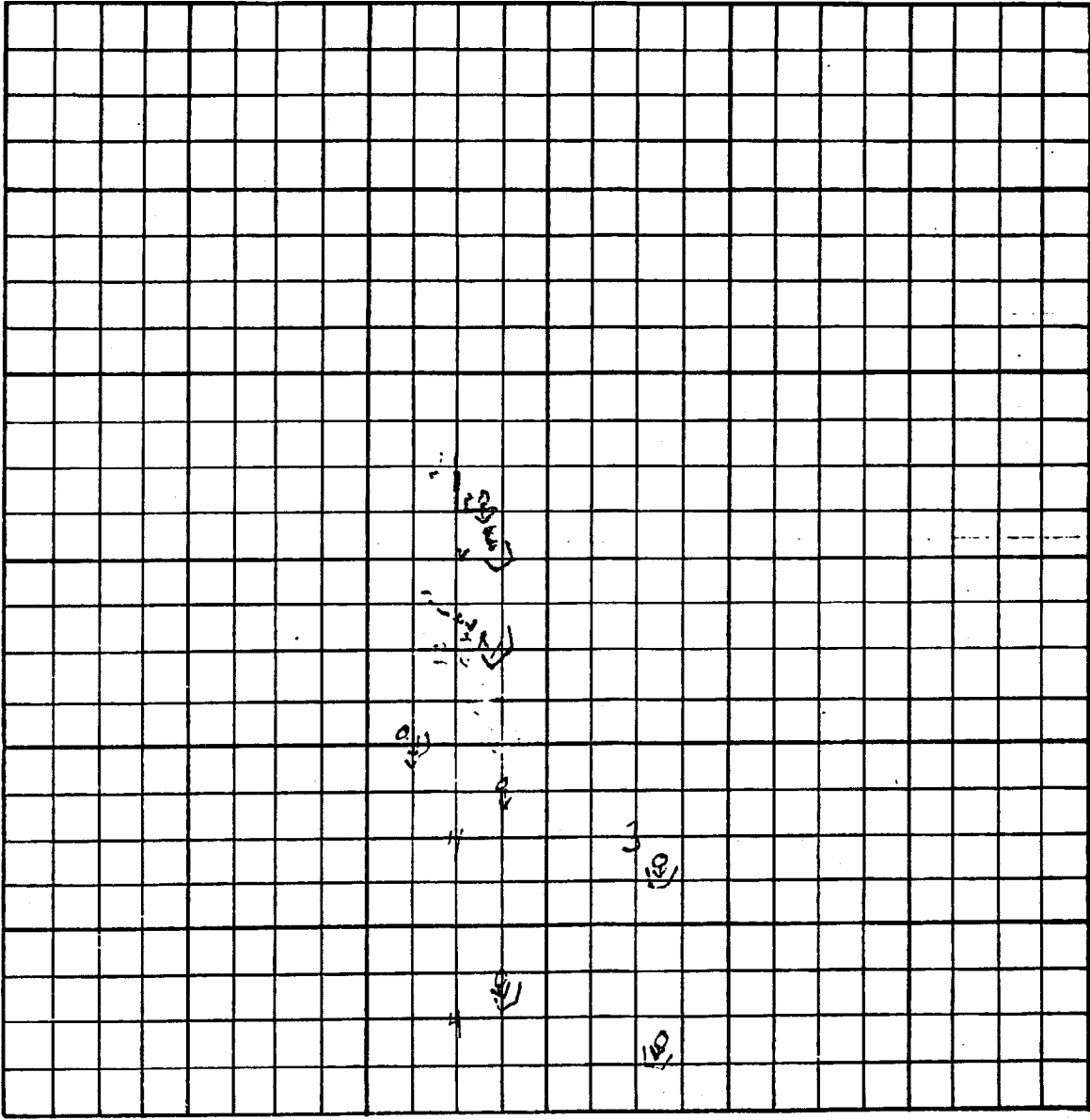
District Base

By Walter H. Hinkle
 (Signature)

Cascade Area Manager
 (Title)

10/2/73
 (Date)

LOCATION PLAT
T16N R2W



Scale: 1" inches equals one mile

*This Spring is part of Goodrich LMP
and is needed for livestock, wildlife and
recreation*

INSTRUCTIONS - Cooperator(s) to receive original, and one copy each to the District case or lease file and District job file.

EXHIBIT 2

Form 1860-9
(November 1964)

The United States of America

To all to whom these presents shall come, Greeting:

I-23349

WHEREAS

Instrument No. 144700
Page 1 of 2 Pages

State of Idaho

is entitled to a Land Patent pursuant to the General Exchange Act of March 20, 1922 (42 Stat. 465), as amended by the Act of February 28, 1925 (43 Stat. 1090); and the Act of October 21, 1976 (90 Stat. 2743; 43 U.S.C. 1716), for the following-described lands:

Boise Meridian, Idaho

- T. 16 N., R. 3 W.
sec. 1, all;
sec. 2, all;
sec. 3, all;
sec. 4, all.
- T. 17 N., R. 4 E.
sec. 28, N½NE¼, SW¼NE¼, NW¼, S¼.
- T. 17 N., R. 2 W.
sec. 19, lot 4, SE¼SW¼;
sec. 30, lots 1, 2, E½NW¼;
sec. 31, lot 1, NE¼NW¼, N½NE¼.
- T. 17 N., R. 3 W.
sec. 1, lots 1, 2, 3, 4, S½NE¼, NW¼SW¼;
sec. 4, lots 1, 2, S½NE¼, S¼;
sec. 9, all;
sec. 10, S½NE¼SW¼SW¼, S¼SW¼SW¼.
- T. 18 N., R. 4 E.
sec. 21, E½, E½W½;
sec. 28, N½NE¼.

Containing 3,641.54 acres.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES, unto the State of Idaho the lands above described; TO HAVE AND TO HOLD the said land with all the rights, privileges, immunities and appurtenances, of whatsoever nature, thereunto belonging, unto the State of Idaho, its successors or assigns forever;

EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches or canals constructed by the authority of the United States pursuant to the Act of August 30, 1890, 26 Stat. 391; 43 U.S.C. 945.

Patent Number 11-88-0008

Reference: Patent Number 11-88-0008 from USDI-BLM to State of Idaho (Payette No. 3 Land Exchange).
5,641.54 acres in Adams, Valley and Washington Counties.
5,066.86 acres in Public School Endowment Fund; 574.68 acres in School of Science Endowment Fund.

2. A right-of-way for access as reserved under right-of-way No. I-23066 pursuant to Title V of the Act of October 21, 1976 (43 U.S.C. 1767), as to the NW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 1; S $\frac{1}{2}$ SE $\frac{1}{4}$ sec. 9, T. 17 N., R. 3 W., and S $\frac{1}{2}$ N $\frac{1}{2}$ sec. 1, T. 17 N., R. 3 W., and the right to enforce all or any of the terms and conditions of the right-of-way, including the right to renew or extend it upon its termination.
3. A right-of-way for access as reserved under right-of-way No. I-23805 pursuant to Title V of the Act of October 21, 1976 (43 U.S.C. 1767), as to sec. 28, T. 17 N., R. 4 E., and the right to enforce all or any of the terms and conditions of the right-of-way, including the right to renew or extend it upon its termination.

SUBJECT TO those rights for road right-of-way granted to Boise Cascade Corporation, its successors or assigns by right-of-way No. I-9737, pursuant to the Act of October 13, 1964, as amended (16 U.S.C. 532-538) as to the SW $\frac{1}{4}$, sec. 28, T. 17 N., R. 4 E.



IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

GIVEN under my hand, in Boise, Idaho
the THIRTEENTH day of NOVEMBER
of our Lord one thousand nine hundred and EIGHTY-SEVEN
and of the Independence of the United States the two hundred
and TWELFTH

Patent Number 11-88-0008

By Charles C. Hansen
Deputy State Director for Operations

RECORDING INFORMATION

U. S. Patent No. 11-88-0008
Payette No. 3 Land Exchange
INSTRUMENT NO. 75549

Adams County:

State of Idaho }
County of Adams } ss.

Filed for record at the request of
Idaho Dept of Lands
00 min. past 11 o'clock A.M.
this 8 day of March, 1988
BK 4DM of Deeds PG. 484

MICHAEL FISK, RECORDER

by Jamie Nees Deputy Indexed
Fee \$ 9.00

Instrument No. 144700
Page 2 of 2 Pages

Valley County:

STATE OF IDAHO, }
County of Valley, } ss. **160462**
I hereby certify that this instrument
was filed for record at the request of
Idaho Dept of Lands
at 56 minutes past 11
o'clock A.M. This 16th
day of March 1988
In my office and duly recorded in
Dr. # 1 of Patents
Jodie Diller
Ex-Officio Recorder
By J. H. Lewis Deputy
Fee \$ 9.00
State House
Boise, ID 83720
END in LAW

Washington County:

INSTRUMENT NO. 144700
STATE OF IDAHO, COUNTY OF WASHINGTON }
Filed for record at the request of

Idaho Dept of Lands
00 min. past 8:00 o'clock A.M.
This 21st day of March 1988
Index to Deed # 932
MARY KALTZ, Recorder, Fee: 90
By Carol Patton Deputy

State House
Boise, ID 83720

INDEXED
COMPAKED

EXHIBIT 3

INSTRUMENT NO. 97944

PAGE 1 OF 15

The United States of America
To all to whom these presents shall come, Greeting:

IDI-31340

WHEREAS

STATE OF IDAHO, DEPARTMENT OF LANDS

is entitled to a land patent pursuant to the General Exchange Act of March 20, 1922, as amended (16 U.S.C. 485,486), and the Federal Land Policy and Management Act of October 21, 1976, as amended (43 U.S.C. 1716), for the following described land:

Boise Meridian, Idaho

T. 18 N., R.1 W.,
Section 1, Lots 1, 2, 3, and 4,
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ (all);
Section 2, Lots 1, 2, 3, and 4,
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ (all).

T. 16 N., R. 2 W.,
Section 5, Lots 1, 2, 3, and 4,
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ (all).

T. 17 N., R. 2 W.,
Section 30, Lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$;
Section 31, Lot 2;
Section 32, all.

T. 20 N., R. 1 E.,
Section 31, Lots 1, 2, 3, and 4, E $\frac{1}{2}$ E $\frac{1}{2}$,
E $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.

T. 19 N., R. 3 E.,
Section 17, all;
Section 20, N $\frac{1}{2}$, SW $\frac{1}{4}$;
Section 29, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$.

247368

TYPE: man
LELAND B. HITCH
VALLEY COUNTY RECORDER
BY: J. N. Smith
FEE: 45.00

'00 MAY 18 PM 12 58

REQUESTED BY Tom Nelson
RECORDED

Instrument # **179862**
WEISER, WASHINGTON COUNTY, IDAHO
2000-05-08 03:05:00 No. of Pages: 15
Recorded for : FOREST SERVICE, USDA
SHARON WIDNER
Ex-Officio Recorder Deputy [Signature]
Index to: DEED

Patent No. 11-2000-0016

Instrument # **97944**
COUNCIL ADAMS, IDAHO
2000-05-19 03:13:07 No. of Pages: 15
Recorded for : USDA FOREST SERVICE
MICHAEL FISK
Ex-Officio Recorder Deputy [Signature]

EXHIBIT 4



INSTRUMENT ASSIGNMENT

Note: Incomplete forms will not be processed. All Assignment fees are Non-refundable.

For and in consideration of the full sale price of \$ N/A dollars paid for the instrument, improvements and/or personal property, with the amount of \$ _____ dollars, paid for the improvements and/or personal property, receipt of which is hereby acknowledged. We hereby sell, assign and transfer, all of my/our rights, title and interest in State of Idaho Instrument No. G500047 unto the following:

Individual or Family Trust Name: Last <u>Chandler</u> First <u>Cody & Britney</u> Middle _____ DBA: _____	Business or Entity Name: _____ Business or Entity Registration No. (or proof of pending application) _____
---	---

ADDRESS OF RECORD (FOR ALL CORRESPONDENCE) AND CONTACT INFORMATION

Street: <u>1151 Devils Elbow Rd</u> PO Box: _____ City: <u>Weiser</u> State: <u>ID</u> Zip +4: <u>83672</u> Country: <u>USA</u> Attention: _____ Title: _____	Business: _____ Contact Name: _____ Fax: _____ Contact Name: _____ Home: <u>208-549-0091</u> Contact Name: <u>Cody Chandler</u> Cell Area Code/Phone#: <u>208-740-9081</u> Contact Name: _____ Email Address(es): <u>Cody C Ivsrk@hotmail.com</u>
--	---

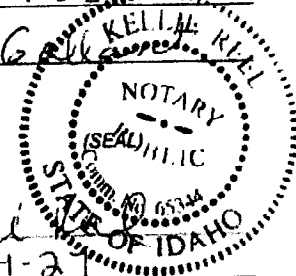
- Assign Encroachment (Attachment A not required).
 - Assign an interest in all lands within Instrument. Attachment A - Property Description is not required.
 - Assign an interest in only part of the lands in the Instrument. Attachment A - Property Description is required.
- Specify lands assigned and lands remaining: _____

ACCEPTANCE AND ASSUMPTION BY ASSIGNOR

I/We hereby swear and affirm that the consideration stated herein is the full and complete amount paid by the assignees to the assignors for the above-described State of Idaho Instrument, and no additional payment has been or will be made.

3-17-20-22 GARY GALLANT
Date Current Instrument Holder/Designated Agent
3-17-20-22 GARY GALLANT
Date Current Instrument Holder/Designated Agent

Larry J. Halbert
Company Name (if applicable)
Carole M. Galt
Company Name (if applicable)



STATE OF Ida
County of Adams ss.

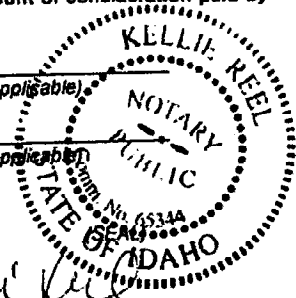
Subscribed and sworn to before me this 17 day of March, 20 22
Notary Public Kellie Reel
My Commission Expires: 10-04-27

ACCEPTANCE AND ASSUMPTION BY ASSIGNEE

The undersigned, as Assignee(s) above-named, assumes and accepts the obligations and conditions of the above-described State of Idaho Instrument and separately covenants with the State of Idaho that they will abide thereby during the term of said Instrument. Assignee(s) does hereby swear and affirm that the sum of \$ _____ is the full and complete amount of consideration paid by Assignee(s) to the Assignor(s) herein, and that no additional payment has been or will be made.

3-17-22 _____
Date New Instrument Holder/Designated Agent
3-17-22 Britney S. Chan
Date New Instrument Holder/Designated Agent

Company Name (if applicable) _____
Company Name (if applicable) _____



STATE OF Idaho
County of _____ ss.

Subscribed and sworn to before me this 17th day of MARCH, 20 22
Notary Public Kellie Reel
My Commission Expires: 10-04-27

Instrument No. G500047 Fee \$ 25⁰⁰ ***Area Office Use Only***
Scott Howerton
Area Manager Signature

pd ck # 3186
3/30/2022 3/17/22
Date



INSTRUMENT ASSIGNMENT

Note: Incomplete forms will not be processed. All Assignment fees are Non-refundable.

For and in consideration of the full sale price of \$ _____ dollars paid for the instrument, improvements and/or personal property, with the amount of \$ _____ dollars, paid for the improvements and/or personal property, receipt of which is hereby acknowledged. We hereby sell, assign and transfer, all of my/our rights, title and interest in State of Idaho Instrument No. G500047 into the following:

Individual or Family Trust Name:
Last Gallant
First Gary & Carole
Middle _____
DBA: _____

Business or Entity Name: _____
Business or Entity Registration No. (or proof of pending application) _____

ADDRESS OF RECORD (FOR ALL CORRESPONDENCE) AND CONTACT INFORMATION

Street: 1677 Goodrich Rd
PO Box: _____
City: Council
State: ID
Zip +4: 83602-5252
Country: _____
Attention: _____
Title: _____

Business: _____
Contact Name: _____
Fax: _____
Contact Name: _____
Home: _____
Contact Name: _____
Cell Area Code/Phone#: _____
Contact Name: _____
Email Address(es): _____

RECEIVED

FEB 14 2014

- Assign Encroachment (Attachment A not required).
- Assign an interest in all lands within instrument (Attachment I not required).
- Assign an interest in only part of the lands in the instrument.
(Attachment of Property Description required for lands remaining and lands being removed)

IDAHO DEPT OF LANDS
PAYETTE LAKES AREA

ACCEPTANCE AND ASSUMPTION BY ASSIGNOR

I / We hereby swear and affirm that the consideration stated herein is the full and complete amount paid by the assignees to the assignors for the above-described State of Idaho instrument, and no additional payment has been or will be made.

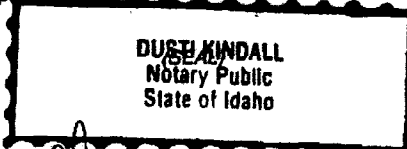
Date 2/13/14
Current Instrument Holder/Designated Agent Gary S. Gallant

Company Name (if applicable) _____

Date _____
Current Instrument Holder/Designated Agent _____

Company Name (if applicable) _____

STATE OF Idaho
County of Washington



Subscribed and sworn to before me this 13th day of February, 2014

Dusti Kindall
Notary Public
My Commission Expires: 2/25/16

ACCEPTANCE AND ASSUMPTION BY ASSIGNEE

The undersigned, as Assignee(s) above-named, assumes and accepts the obligations and conditions of the above-described State of Idaho instrument and separately covenants with the State of Idaho that they will abide thereby during the term of said instrument. Assignee(s) does hereby swear and affirm that the sum of \$ _____ is the full and complete amount of consideration paid by Assignee(s) to the Assignor(s) herein, and that no additional payment has been or will be made.

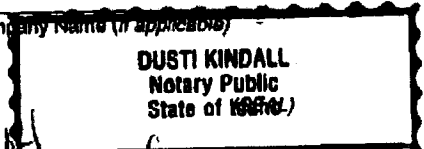
Date 2/13/14
New Instrument Holder/Designated Agent Gary S. Gallant

Company Name (if applicable) _____

Date 2/13/14
New Instrument Holder/Designated Agent Carole M. Gallant

Company Name (if applicable) _____

STATE OF Idaho
County of Washington



Subscribed and sworn to before me this 13 day of February, 2014

Dusti Kindall
Notary Public
My Commission Expires: 2/25/16

Instrument No. G500047
Fee \$ 25.00
CK 4784

Area Manager Signature [Signature]

Date 3/4/14



**GRAZING LEASE
No. G500047
GARY G. GALLANT**

Assigned to Gary and Cecile Gallant
of 1677 Goodrich Road
Council ID 83612
Recorded March 4, 2014

Assigned to: Cody R. Chandler and
Brittney S. Chandler
Of: 1151 Devils Elbow Rd., Weiser, ID 83672
Recorded: March 30, 2022

SUMMARY OF LEASE PROVISIONS:

Lessor: STATE OF IDAHO
By and through the State Board of Land Commissioners
300 North 6th Street, Suite 103
PO Box 83720
Boise ID 83720-0050

Lessee: Gary G. Gallant
1677 Goodrich Road
Council ID 83612

Lease Term: Commencement: January 1, 2012
Expiration: December 31, 2031

Rent: The annual rent payment is due on MAY 1st of each year.

GRAZING:

Number of AUMs by Class for Billing

Cattle	<u>116</u>
Acres	<u>750.04</u>

Rent terms are more particularly described in *Section 2. Rental Rate and Modification of Rent* of the Lease Provisions.

Leased Premises Legal Description:

See Attachment B

The Lessor, in consideration of the rental paid and the covenants, conditions and restrictions hereinafter set forth, in the Lease (including the Lease Provisions, Signature Page and all Attachments, including any Special Terms and Conditions), does hereby lease and demise unto the Lessee the lands (Leased Premises) described in Attachment B for the uses specified herein.

Primary Use of Leased Premises:

Grazing

Bond:

N/A

Liability Insurance:

N/A

Lease Index:

SUMMARY OF LEASE PROVISIONS
LEASE PROVISIONS
SIGNATURE PAGE
ATTACHMENT A – SPECIAL TERMS AND CONDITIONS
ATTACHMENT B – LEASED PREMISES LEGAL DESCRIPTION
ATTACHMENT C – SITE MAP(S)
ATTACHMENT D – REPORTS

LEASE PROVISIONS

1. Use of Premise.

- A. **Grazing Use.** The Lessee is authorized to use the number of acres identified on this lease for grazing domestic livestock at the identified rate. The location and management of grazing livestock shall be designated in this written Lease. Said use shall be in accordance with this Lease, the Lessee's approved Summary of Lease Provisions, Lease Provisions, and all Attachments, including any Special Terms and Conditions attached hereto. No use of the leased land for grazing purposes shall occur prior to the final approval of the written Lease by Lessor.

The grazing period, AUM's and the number of stock shall be determined by Lessor and may be adjusted from time to time after giving Lessee thirty (30) calendar days notice of any such modifications. Lessee shall furnish such information as may be required to assist Lessor in determining the grazing period and number of stock to be grazed.

2. Rental Rate and Modification of Rent.

- A. **Annual Rent Payment.** Lessee agrees to pay to Lessor, in lawful money of the United States, each year's rent for every acre and/or AUM covered by this Lease, in an amount to be calculated pursuant to Lessor's most current formulas for each applicable use at the time the rental is calculated or recalculated. The rent shall be payable on or before the annual rental payment due date of each successive year. Lessee shall pay the annual rental to Lessor without abatement, offset, or deduction of any kind, unless otherwise authorized by the Lessor through a completed Lease Adjustment form provided by the Lessor. Lessor reserves the right to increase or decrease the annual rent. Lessee will be notified one hundred eighty (180) calendar days in advance of the due date of any increase in rental.
- B. **Late Payment Charge.** If annual rental is not paid in full by the date it is due, Lessor may terminate the Lease upon thirty (30) calendar days written notice to Lessee. In addition, in the event any rent due hereunder is not paid in full when due, Lessee shall pay, in addition to such rent, a late charge in the first calendar month of such delinquency equal to the greater of Twenty-five Dollars (\$25.00) or one percent (1%) of the unpaid rent. For each subsequent calendar month of such delinquency, Lessee shall pay an additional late charge equal to one percent (1%) of the then unpaid rent. The parties acknowledge and agree that the late charge described herein is a reasonable attempt to estimate and to compensate Lessor for higher administration costs associated with administering such late payments and is not intended as a penalty. By assessing this late charge, Lessor does not waive any right to declare a breach and to pursue any right or remedy available to Lessor by reason of such breach, after expiration of any applicable notice or cure period.
- C. **Lien.** The amount of the rent, late charge, and interest shall constitute a lien in favor of the State of Idaho against all of Lessee's improvements and other property on the Leased Premises, including, but not limited to, crops and livestock.

3. Lease Provisions and Special Terms and Conditions.

- A. **Lease Provisions and Special Terms and Conditions.** Prior to issuance of this Lease, Lessee and Lessor must agree to written Lease Provisions and any Special Terms and Conditions. The content of the Lease Provisions and any Special Terms and Conditions shall address all activities that may take place under this Lease and include, but not be limited to, farming, the construction of improvements, the vegetation, noxious weed control and other factors identified by Lessor as necessary for inclusion in the Lease Provisions and any Special Terms and Conditions based on the specific characteristics of the Leased Premises and/or of Lessee's use of the Leased Premises.
- B. **Modification of Lease Provisions and Special Terms and Conditions.** Lessor may review and modify any Lease Provisions or any Special Terms and Conditions upon changes in conditions, laws, or regulations, provided that Lessor shall give Lessee thirty (30) calendar days notice of any such modifications prior to the effective date thereof. Prior to Lessee instituting any changes, Lessee must submit, in writing, the proposed

changes to Lessor for approval. No changes shall occur prior to Lessor's written approval of the amended Lease Provisions and any Special Terms and Conditions. Modifications mutually agreeable to both Lessor and Lessee may be made at any time.

- C. **Compliance Required.** Lessee shall abide by all Lease Provisions and any Special Terms and Conditions. If Lessee fails to abide by all Lease Provisions and any Special Terms and Conditions, Lessee will be deemed in breach of this Lease and the Lease will be subject to cancellation in accordance with *Section 17. Lessee's Default*, of these Lease Provisions.
- D. **Reimbursement for Non-Standard Administrative Costs.** The Lessee shall reimburse the Lessor for administrative costs incurred to address issues of compliance. Lessor's request for payment to Lessee will include a detailed description of the work completed and actual expense incurred.
- E. See Attachment A of this Lease for any Special Terms and Conditions in effect as of the date of execution of this Lease.

4. Subleasing or Assignment.

- A. **Written Approval Required.** Lessee shall not sublease or authorize another person to use any part of Lessee's interest under this Lease, or assign this Lease, without the prior written consent of Lessor to be evidenced by Lessor's execution of consent forms provided by Lessor for that purpose. Any request for approval of a sublease or assignment must be in writing, complying with the statutes or rules governing subleasing, and accompanied by a copy of the proposed sublease agreement and the appropriate processing fee. Lessor may withhold consent for any reason. Any attempt by Lessee to sublease Lessee's interest in the Leased Premises or any part of the Leased Premises or to assign this Lease, shall be void unless Lessor has given such prior written consent. No request for Lessor's approval of any assignment or sublease will be considered unless all rent due has been paid in full, and Lessee is in good standing under the terms of the Lease. No sublease will act as a release of Lessee's obligations hereunder unless Lessor executes a separate written release of Lessee. Lessor has no obligation to so release Lessee, and Lessor can withhold such release at Lessor's sole discretion. Any sublease or assignment will be subject to, but not limited to, the existing Lease Provisions and any Special Terms and Conditions. The sublease cannot go beyond the Lease expiration date.
- B. **Additional Rental Due.** In the event the Leased Premises is subleased in accordance with all terms and conditions of *Section 4. Subleasing or Assignment* of these Lease Provisions, for an amount greater than the base rental, Lessee shall in addition to Lessee's annual base rental pay to Lessor an amount equal to one-half (1/2) the difference between Lessee's base rental rate herein established, and the rental rate paid by Sublessee.
- C. **Improvements.** Upon approved sublease or assignment, ownership of any existing Lessee-owned improvements under this Lease must be separately negotiated between Lessee and such Sublessee or Assignee.
- D. **Copies to be Filed.** Copies of all assignments, subleases, pasturage or any other agreement of any kind or nature involving the use of the Leased Premises by another person shall be timely filed with Lessor.

5. Leasehold Mortgage.

Lessee shall not mortgage, pledge or otherwise dispose of Lessee's interest in the Lease, or any portion thereof, without prior written consent of Lessor. Lessee shall use mortgage or deed of trust forms provided by Lessor, and shall submit completed forms and appropriate fee to Lessor for review and approval. The term of a mortgage agreement shall not exceed the Lease term. Lessor may accept or reject a leasehold mortgage at its discretion.

6. Environmental, Safety and Sanitary Requirements.

- A. **No Hazardous Materials.** Lessee shall neither commit nor permit the use, placement, transport or disposal of any hazardous waste, including, but not limited to, petroleum products, such as oil, gasoline, or any other substance that is or is suspected to be a hazardous substance or material on the Leased Premises except the customary use associated with weed and pest control, machinery, equipment and vehicles. Lessee shall

be responsible, and shall pay all costs for the removal or other appropriate remedial action regarding any hazardous waste, substances, or materials which Lessee may have caused to be introduced on the Leased Premises. Any such remediation or removal or storage must be conducted in accordance with applicable federal, state, or local law, regulation, rule or ordinance and Lessee shall immediately, upon the introduction of any hazardous waste, substances or materials onto the Leased Premises, contact the Idaho Department of Environmental Quality (DEQ) and enter into a consent order for remediation with DEQ, provided however, Lessee shall not forestall commencing any necessary remediation while negotiating the terms of any consent order with DEQ, unless Lessee is so authorized in writing by Lessor. In event of introduction of any hazardous waste, substances or materials, Lessor may also require Lessee to enter into consent orders or other agreements with any other relevant agency. Lessee shall indemnify, defend and hold Lessor harmless from all costs, expenses, damages or fines relating to pollution and hazardous materials including, without limiting the generality of the foregoing, attorney fees and costs of defense or of enforcement of Lessor's rights hereunder. The amount of any costs incurred by Lessor due to Lessee's violation of this provision shall constitute a lien in favor of the State of Idaho against all of the Lessee's improvements and other property on the Leased Premises including, but not limited to, crops.

- B. Fire and Safety Regulations. Lessee shall comply with all applicable federal, state and local laws, rules, regulations and ordinances for fire protection and prevention. Lessee agrees to keep the Leased Premises free from fire hazards as determined by Lessor. Lessee is prohibited from burning garbage or household trash and any burning on the land, including the burning of wood, weeds or other debris, but excepting campfires necessary for the use under this Lease, requires the prior written permission of Lessor. Any burning must comply with applicable federal, state or local law, regulation, rule or ordinance.
- C. Sanitary Requirements. Concerning activities authorized under this Lease, Lessee shall at all times keep the Leased Premises in a clean and sanitary condition, free of trash, garbage and litter so the Leased Premises is maintained in the same or better condition as when this Lease was issued. Lessee shall not dispose of sewage except in conformity with applicable federal, state, and local law, rules and regulations pertinent to Lessee's use and shall dispose of sewage on the Leased Premises only if specifically authorized by Lessor. The Lessee shall not store trash on the Leased Premises nor transport trash, garbage, litter or debris onto the Leased Premises. Lessee shall dispose of all trash, garbage and carcasses in conformity with all legal requirements. Lessee is responsible for all costs associated with sewage, garbage and litter disposal.

7. No Warranty of Suitability - Quiet Enjoyment - Public Use.

- A. No Warranty. Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Leased Premises or concerning the suitability of the Leased Premises for the uses intended by Lessee. Lessee acknowledges that it has accepted the Leased Premises in an AS IS CONDITION, accepting any and all known or unknown faults therein.
- B. Quiet Enjoyment. Lessor agrees that Lessee, upon payment of the rent and performing the terms of this Lease, may quietly have, hold and enjoy the Leased Premises, for the purposes and uses allowed hereunder, during the term hereof. Lessee acknowledges that the Lease is non-exclusive, and Lessor retains the right to use of the Leased Premises, or to grant rights to others for use of the Leased Premises, to the extent any such use does not materially interfere with Lessee's purpose and uses allowed hereunder, unless otherwise provided for in this Lease.
- C. Public Use. Lessee must allow the general public the right to use the Leased Premises for any lawful use available to the public for lands owned by the State of Idaho. However, nothing in this Lease authorizes or purports to authorize trespass on private lands to reach state-owned lands, including the Leased Premises. Public use of State lands shall not be restricted without prior written approval of Lessor. This Lease is not an exclusive control lease as described under Idaho Code § 36-1603(b).

8. Water Right and Water Use.

- A. List of Pre-Existing Water Rights to be Used on, or Diverted From, the Leased Premises. As a condition of this Lease, the Lessee represents that the Lessee, or its authorized agents, owns the following water rights for use on, or diversion from, the Leased Premises.

Water Right Nos.: Not Defined

To the extent that the Lessee represents that it owns water rights for use on, or diversion from, the Leased Premises that are not on record with the Idaho Department of Water Resources and any relevant water right adjudication court (for example, unclaimed *de minimis* stockwater rights), the Lessee shall set forth below for each such right(s) the following: (a) source of water, (b) quantity of water, (c) priority date, (d) point of diversion, (e) place of use, and (f) number and type of livestock providing the basis for the right:

Unclaimed Water Rights: Not Defined

The Lessee represents that the above lists include each and every water right that the Lessee, or its authorized agents, owns for use on, or diversion from, the Leased Premises and that the Lessee owns no other water rights for use on, or diversion from, the Leased Premises.

As a condition of this Lease, the Lessee shall file a claim(s) with the Idaho Department of Water Resources and any relevant water right adjudication court for each and every water right set forth above that is not on record with the Idaho Department of Water Resources and any relevant water right adjudication court (for example, unclaimed *de minimis* stockwater rights) within six (6) months of the execution of this Lease or a lease adjustment.

- B. **Future Water Rights and Water Use Generally.** The establishment of any new water rights during the term of this Lease shall be by and for Lessor and no claim thereto shall be made by Lessee. Such water rights shall attach to and become appurtenant to the Leased Premises, and the Lessor shall be the owner thereof. The use of any water rights by the Lessee shall be in conformance with Idaho water law. Lessee must receive the prior written consent of Lessor or its authorized agent, and the prior written consent of any department or agency of the State of Idaho having jurisdiction to regulate water rights or water use in and for the State of Idaho for any of the following:
- i. To drill and use a water well,
 - ii. To develop and use any source of water,
 - iii. To cause any water to be conveyed off the Leased Premises,
 - iv. To bring water onto the Leased Premises.
- C. **Water Systems.** If water is supplied to the Leased Premise by a water system operated by the State of Idaho, the use of such system and the supply of water provided thereby may be curtailed or terminated upon thirty (30) calendar days written notice of Lessee from Lessor or its authorized agent. Neither Lessor nor its agents and employees nor any entity of the State of Idaho shall be liable in any manner for damage or inconvenience to the Lessee by reason of failure or, damage to, or termination or curtailment of the operation of any water system or source supplying water to the Leased Premises.
- D. **Improvements in Aid of Water Use.** Improvements (pre-existing or future) made in aid of any and all water use on, or diversion from, the Leased Premises are subject to the permit requirements of this Lease.
- E. **No Right of Access to Water Rights Upon Expiration or Termination of Lease.** Upon Expiration or Termination of this Lease, the Lessee shall have no right to access any point of diversion or any place of use of any water right on the Leased Premises without the prior written consent of the Lessor.

9. **Noxious Weeds.**

- A. The Lessee shall cooperate with Lessor or any other agency authorized to undertake programs for control or eradication of noxious weeds. Lessee shall take measures to control noxious weeds on the Leased Premises in accordance with Title 22, Chapter 24, Idaho Code, except those resulting from activities beyond the Lessee's control. Costs for control of noxious weeds on the Leased Premises shall be the responsibility of the Lessee, unless otherwise provided for in the Special Terms and Conditions included in Attachment A.
- B. The Lessee shall ensure that prior to moving onto the Leased Premises that all equipment is free of noxious weeds and their seeds as defined by the Idaho Department of Agriculture and local Coordinated Weed

Management Area. Cleaning of contaminated equipment and vehicles shall not take place on any state endowment land, including the Leased Premises.

- C. All straw and forage used for livestock feed, with the exception of that grown on the Leased Premises or on Lessee's immediately adjacent land, must be certified in accordance with the Idaho Department of Agriculture Forage and Straw Certification Rules (IDAPA 02.06.31) and must be certified as Idaho State Noxious Weed Free.

10. Construction of Improvements.

- A. **Permit Required.** Lessee shall not construct or reconstruct, initiate or place improvements or structures of any character (herein referred to as "improvements") on or to the Leased Premises without the prior expressed, and written permission of Lessor. Said permission shall be in the form of a permit issued by Lessor, and shall be required for any improvement or structure on the Leased Premises including, but not limited to, range improvements, buildings or other structures, water developments, fences, vegetation treatment, or the clearing of land. Lessee shall submit project plans to the Lessor. If the project plans are approved and permitted in writing by Lessor, then Lessee shall construct and implement the improvements in full compliance with the approved plans, the permit and all applicable building codes, rules and laws. Permitted improvements shall be the property of Lessee, unless otherwise provided in the permit or this Lease. Failure to obtain a written permit prior to construction and implementation of any improvement will be considered a trespass violation and may result in cancellation of the Lease or cause the Lessor to initiate proceedings to recover damages as provided for in IDAPA 20.03.14. Any improvement associated with the uses authorized in this Lease and placed on endowment land prior to January 1, 1970 is considered grandfathered and properly authorized even though there may be no documentation of authorization.
- B. **Condition of Improvements.** At all times during the term of this Lease, Lessee shall keep all improvements in good repair and functional condition to the satisfaction of Lessor. Any and all fences shall be neat, stock-proof, lawful fences and gates.
- C. **Maintenance of Improvements.** Lessee may be required to remove or reconstruct improvements in poor or non-servicable condition. Existing maintenance agreements on lands acquired from the federal government shall remain in effect until amended by the parties involved. If maintenance is not being accomplished, Lessor shall provide a letter to Lessee informing Lessee of the violation of the Lease. If work is not begun within thirty (30) calendar days and completed in a timeframe specified by the Lessor, Lessor may contract repairs and bill Lessee for actual costs incurred.
- D. **Removing Improvements.** Lessee shall not remove, relocate or otherwise alter any improvements without prior written permission from Lessor.
- E. **Cost of Improvements.** Any permitted improvement constructed by or at the request of Lessee, shall be constructed at Lessee's own expense, unless Lessor and Lessee shall have entered into a prior written cost sharing agreement for construction of such improvement.
- F. **Permitted Improvements At Lease Expiration/Termination.** Upon expiration or termination of this Lease for any reason, other than a default by Lessee, and in the event Lessor leases the Leased Premises to a new lessee, Lessor shall require the new lessee to pay Lessee the then existing value of the permitted improvements in accordance with the then existing statutes and rules. Said value shall be determined through a valuation conducted by Lessor or by Lessee's documented cost of construction if the improvement was authorized after July 1, 2009. Improvement payments shall be first applied towards any rent or other monies due to Lessor before being disbursed to Lessee. Lessor does not hereby agree or become obligated to pay any such value to Lessee, such obligation shall be solely on the subsequent lessee, if any. Any improvement which Lessee is entitled or required to remove upon expiration of the Lease must be removed within six (6) months of the expiration of the Lease, otherwise it is deemed abandoned and title to such abandoned improvement shall vest in the State of Idaho. Provided, however, Lessor may authorize, in writing, prior to the expiration of the six (6) month time period, additional time for removal of improvement(s) by Lessee. Failure of Lessee to remove any such improvement within the extended time period established by Lessor shall constitute an abandonment of Lessee's rights to such improvement.

- G. **Improvements Not Approved.** At any time during the term of the Lease, or upon expiration or termination of this Lease for any reason, Lessor may require, at Lessor's sole discretion, that Lessee remove any improvement placed on the Leased Premises without a prior permit from Lessor. The full cost of such removal, including the restoration of the Leased Premises, shall be solely Lessee's. In the event Lessor does not elect to require such removal, Lessee's failure to secure such permit shall constitute forfeiture. Title to any improvement placed on the Leased Premises without a permit from Lessor shall, at Lessor's option, immediately vest in Lessor without waiver of Lessor's right to require removal of the same by Lessee.
- H. **Lessor's Removal of Improvement.** Lessor may, at its discretion, remove or have removed the abandoned or non-permitted improvement and Lessee shall be responsible for the full cost of removal and restoration of the Leased Premises. Nothing in this section of the Lease shall relieve Lessee from the obligation to remove any improvement as required by Lessor under other terms within this Lease or the permit authorizing the improvement.

11. No Liens.

Lessee will not permit or suffer any liens of any kind or nature to be effected on or enforced against the Leased Premises, including, but not limited to, any mechanics' liens or material suppliers' liens for any work done or materials furnished on the Leased Premises at Lessee's instance or request. Lessee shall ensure that full payment is made for any and all materials joined or affixed to the Leased Premises pursuant to this Lease and for any and all persons who perform labor on the land.

12. Sale, Exchange or Change in Use of Leased Premises.

- A. **Sale.** Lessor may sell all or any portion of the Leased Premises during the term of this Lease. Lessor will notify Lessee that the Leased Premises are being considered for sale at the time the proposed sale is scheduled for submission to the Land Board for approval. Lessee will be notified of a scheduled sale at least thirty (30) calendar days prior to sale date. Lessee shall deliver immediate possession of the land sold unto Lessor, or to the person or party as may be specified in writing by Lessor or Lessor's designee, unless the land remains subject to the Lease, or unless Lessee is to be permitted to harvest a growing crop before surrendering possession. When creditable improvements are present, and Lessee delivers possession of the land, Lessor shall value them in accordance with Idaho Code § 58-313, or the then existing applicable statute or rule, and Lessee shall be paid for the improvements by the purchaser on the day of sale. Lessee shall have the rights provided by *Section 10. Construction of Improvements, F. Permitted Improvements At Lease Expiration/Termination* of these Lease Provisions, and the then existing statutes or rules with respect to compensation for permitted improvements placed upon the Leased Premises by Lessee.
- B. **Consent To Land Exchange.** Lessee acknowledges that the Leased Premises, or any portion thereof, may be the subject of a future land exchange by Lessor, and Lessee hereby consents to the inclusion of any such land, or portion thereof, in any land exchange deemed necessary or appropriate by Lessor. This consent is given in compliance with Idaho Code § 58-138. In the event Lessor chooses to include the Leased Premises, or any portion thereof, in any proposed land exchange in the future, Lessor shall provide Lessee with at least thirty (30) days written notice from the Director of the Department of Lands. Upon the consummation of the proposed land exchange, that portion of lands included within the exchange shall be deleted from this Lease, and Lessee's lease payment obligation for the ensuing year shall be reduced proportionately. Lessee shall be entitled to continue to use the lands included within any such exchange for the balance of the year in which the exchange occurs unless otherwise notified in writing by Lessor, in which event the lease payment for such year shall be prorated.
- C. **Change in Use.** The Lease may be cancelled in whole or in part upon one hundred eighty (180) calendar days written notice by Lessor if the use of the Leased Premises is to be changed to any other use that is incompatible with the use authorized by this Lease, as designated by Lessor. In the event of early cancellation due to change in land use, Lessee will be entitled to a prorata refund of the premium bid for a conflicted lease.

13. Relationship of the Parties.

Lessee is not an officer, employee or agent of Lessor. In no event shall any official, officer, employee or agent of Lessor or of the State of Idaho be in any way personally liable or responsible for any covenant or obligation contained in this Lease, express or implied, nor for any statement, representation or warranty made in connection herewith.

14. Reservations by Lessor.

Lessor expressly reserves and excepts the following rights:

- A. To enter upon the Leased Premises, or any portion thereof, during the term of this Lease for any purpose, including, but not limited to, the purpose of inspecting the Leased Premises.
- B. All rights not expressly granted to Lessee under this Lease, including, but not limited to, all rights to timber, oil and gas, geothermal rights, mineral rights, easements and rights-of-way, water, and fee title to the Leased Premises, and title to all appurtenances and improvements placed thereon by Lessor.
- C. To grant easements and rights-of-way over and across the Leased Premises. Lessor shall coordinate with Lessee before processing any easement applications on the Leased Premises. The grantee of such easement shall, before exercising the same, pay Lessee the reasonable value of any permitted improvements and any growing and immature crops, if crops or improvements are impacted by the easement. Said value shall be determined by Lessor's valuation.
- D. To issue other leases on the Leased Premises. Such other leases may be for any purpose deemed appropriate by Lessor, including, but not limited to, the exploration and development of oil, gas, geothermal and mineral resources as provided by Title 47, Idaho Code. In the event any such other lease is granted by Lessor, the other lessee shall, before exercising the same, pay Lessee the reasonable value of any permitted improvements and any growing and immature crops, if crops or improvements are impacted by the other lease. Said value shall be determined by Lessor's valuation. If the other lease conflicts with the grazing use or makes consumptive use of forages, the grazing rental will be adjusted to reflect such loss of use.
- E. To require that changes be made in the use under this Lease, and/or to the improvements on the Leased Premises, including, but not limited to, the sanitation or other facilities for the protection of public health, safety, preservation of property or water quality.
- F. To reserve as Lessor's sole property any and all water appurtenant to Lessor's land or from any source arising thereon and to hold water rights for any beneficial use that may be developed as a result of this Lease, and as further provided in *Section 8. Water Right and Water Use* of these Lease Provisions.
- G. Rights of ingress, egress, and access, over and across the Leased Premises for Lessor and its lessees, permittees, contractors, and assigns on existing roads, or on suitable alternative roads provided by Lessee.
- H. To change the use of the Leased Premises, in whole or in part, for other uses that will better achieve the objective of Lessor. Upon a change in use this Lease may, at Lessor's discretion, be terminated in whole or as to the affected part. In the event of any such termination due to a change in use, the provisions of *Section 10. Construction of Improvements* of these Lease Provisions, relating to compensation for permitted improvements shall apply.
- I. To sell timber on the Leased Premises or otherwise conduct forest management activities, Lessor reserves the right to restrict or prohibit grazing use on all or portions of the Leased Premises for timber management purposes. Lessee will be given not less than one hundred eighty (180) calendar days written notice of any such restrictions or termination of grazing use, together with a map of the restricted area.
- J. To restrict or prohibit grazing on all or any portion thereof of the Leased Premises in response to emergency conditions such as, but not limited to, fires, flooding and drought.

- K. To sell all or any portion of the Leased Premises at any time during the term of this Lease, and as further provided in *Section 12. Sale, Exchange or Change-in-Use of Leased Premises* of these Lease Provisions.
- L. To harvest seed from plants on land not under a farming lease. Lessor will coordinate the harvesting activities with Lessee to minimize impacts on farming operations.
- M. To close roads for road protection, wildlife protection or administrative purposes. Planned road closures will be reviewed with Lessee prior to action by Lessor.
- N. To claim all permanent improvements placed upon the Leased Premises remaining after six (6) months in cases of abandonment by Lessee or to take possession immediately in cases of cancellation upon breach of any of the conditions of the Lease. No improvements will be disposed of by Lessor until all appeals have been exhausted.

15. Indemnification.

Lessee shall indemnify, defend and hold harmless Lessor, the State of Idaho, its officers, agents and employees from and against any liability, claims, actions, damages, costs, expenses or losses, including reasonable attorney's fees and costs caused by or arising out of the performance, acts or omissions of Lessee, Lessee's agents, officers or employees, or persons using the Leased Premises with Lessee's permission, or otherwise arising out of Lessee's use or occupation of the Leased Premises; or arising from the failure of the same to comply with any applicable state, federal, local, law, statute, rule, regulation, act, or provision of this Lease. This duty to indemnify, defend and hold harmless shall encompass any claims which include or allege negligence of Lessor, its agents, officers or employees other than claims which arise solely out of negligence on the part of Lessor, and this duty shall survive the termination or expiration of this Lease.

16. Payment of Taxes, Assessments or Fees – Lien.

Unless otherwise provided, Lessee shall pay all water charges, fees, assessments or taxes of whatsoever nature that may be legally levied or assessed against the Leased Premises herein described, or any portion thereof or on any improvements thereto. If the same is not paid, it shall constitute a lien in favor of the State of Idaho against all improvements, or crops growing on the Leased Premises.

17. Lessee's Default.

- A. **Lessee's Failure to Comply.** Lessee's failure to comply with the Lease Provisions and any Special Terms and Conditions shall be a breach giving rise to a basis for termination of the Lease. Lessor shall provide Lessee thirty (30) calendar days written notice of the cancellation and, if applicable, the corrective action required of Lessee. The notice shall specify a reasonable time to make a correction or cure the violation or breach, if such breach is subject to correction or cure. If the corrective action or cure is not taken within the specified time or does not occur, then the Lease shall be automatically terminated on the date specified in the written cancellation notice without any further notice or demand, unless otherwise agreed by Lessor in writing. Lessee shall not, while in default, remove any of the improvements, or crops thereon, whether crops are harvested or not unless directed by Lessor. In addition to the rights and remedies specifically granted to Lessor under this Lease, Lessor shall have such other rights and remedies against Lessee as are available at law or in equity, and Lessor's pursuit of any particular remedy for breach shall not, in and of itself, constitute a waiver or relinquishment of any other compatible claim of Lessor against Lessee.
- B. **Lessor's Performance Upon Lessee Default.** In the event Lessee fails to perform any act or do anything which Lessee is required to do under the terms of this Lease, Lessor shall have the right, but not the obligation, to perform on behalf of Lessee, any such action. Lessee shall immediately reimburse Lessor for all costs and expenses, including attorney fees, (including fees from the Office of the Attorney General of the State of Idaho), incurred by Lessor in performing any such act or thing. Lessee's obligation to pay costs hereunder shall be deemed to be additional rent fully due and payable on demand from Lessor.

18. Surrender of Land.

Lessee shall, at the termination or expiration of this Lease, deliver immediate possession and vacate the Leased Premises, leaving it in the same or better condition than it was in at the time of Lessee's entry on such premises

under this agreement, except for reasonable use and wear, acts of God, or damage by causes beyond the control of Lessee, and upon vacating shall leave the demised land free and clear of all rubbish and debris, and with all improvements in good order and condition.

19. Cancellation By Mutual Agreement.

Leases may be cancelled by mutual agreement between the Lessor and the Lessee. The Lessor will not unreasonably withhold approval of a request for cancellation by a Lessee.

20. Notices.

- A. Notices. Any notice or any demand given under the terms of this Lease shall be deemed given and delivered on the date when personally delivered or if mailed, the date same is deposited in the United States Mail, and mailed by regular or certified mail, postage prepaid and properly addressed to the appropriate party.
- B. Addresses. Until changed by notice in writing, notice, demands, and communications under this Lease shall be addressed to Lessor at:

Idaho State Board of Land Commissioners
300 North 6th Street, Suite 103
PO Box 83720
Boise, Idaho 83720 0050

and to Lessee at the address set forth at the beginning of this Lease. Any notice or correspondence mailed to Lessee at the last identified address shall be deemed effective delivery. It is Lessee's duty to notify Lessor, in writing, of any change in mailing address.

21. Waiver.

The waiver by Lessor of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any past, present or future breach of the same or any other term, covenant or condition of this Lease. The acceptance of rent by Lessor hereunder shall not be construed to be a waiver of any violation of the term(s) of this Lease. No payment by the Lessee of a lesser amount than shall be due according to the terms of this Lease shall be deemed or construed to be other than a part payment on account of the most recent rent due, nor shall any endorsement or statement of any check or letter accompanying any payment be deemed to create an accord and satisfaction.

22. Attorneys' Fees and Costs.

In the event Lessor initiates a legal proceeding of any kind instituted under this Lease or to obtain performance of any kind under this Lease, and Lessor prevails, Lessor shall be awarded such additional sums as the court may adjudge for reasonable attorney's fees (including fees from the Office of the Attorney General of the State of Idaho) and to pay all costs and disbursements incurred in such proceeding, including, but not limited to, accountants' fees and fees of appraisers or other experts.

23. Lessee's Compliance with Applicable Laws and Rules.

- A. Full compliance. Lessee shall fully comply with all applicable federal, state, or local statutes, ordinances, rules, regulations and laws now existing or hereafter enacted. This shall include, but not be limited to, all applicable rules and regulations and standards promulgated by the State Board of Land Commissioners or the Idaho Department of Lands, including but not limited to, the rules governing leasing of endowment lands, IDAPA 20.03.14.
- B. No Waste or Nuisance. Lessee shall not use the Leased Premises in any manner that would constitute loss or waste, nor shall Lessee allow the same to be committed thereon. Lessee shall not do anything which will create a nuisance or a danger to persons or property.

24. Miscellaneous.

- A. **No Trespass.** Lessee shall not allow Lessee's livestock to graze or run at large over any lands of Lessor in a manner not approved within the Lease Terms and Special Provisions, nor shall Lessee authorize any other person to graze or run livestock over Lessor's lands without the express written consent of Lessor.
- B. **Appraisals and Valuations.** Any appraisal or valuation by Lessor called for in this Lease shall be done by Lessor in accordance with applicable state law and regulations, and the then existing policy of Lessor.
- C. **Subject to Existing Leases/Easements.** This Lease is expressly subject to any right-of-way, easement, lease or contract, including, but not limited to, any present or future timber sale contract, that are now in force and effect or that may hereafter be granted relating to the Leased Premises.
- D. **Timber.** This Lease does not authorize Lessee to cut any timber growing on the Leased Premises. Any unauthorized use of such timber by the Lessee or with his knowledge or consent, shall work a forfeiture of this Lease without notice, and said Lessee shall be responsible for damages in the amount of treble the value of the timber used or taken and all other damages. Said timber value to be determined by Lessor.
- E. **Modification.** This Lease may be modified only by a fully executed Lease Adjustment on a form provided by Lessor.
- F. **Binding on Heirs and Successors.** This Lease, including the Lease Provisions and any Special Terms and Conditions, shall inure to the benefit and be binding upon the heirs, executors, successors, sublessees, and assigns of the parties.
- G. **Lessee's Non-Discrimination.** Lessee shall not discriminate against any person because of race, creed, religion, color, sex, national origin or disability.
- H. **Entire Agreement.** This Lease, including the Summary of Lease Provisions, the Lease Provisions, the Signature Page and all Attachments attached hereto, contains the entire agreement between the parties concerning the subject matter hereof and supersedes any and all prior agreements. The execution of this Lease has not been induced by either party, or any agent of either party, by representations, promises or undertakings not expressed herein and, further, there are no collateral agreements, stipulations, covenants, promises, inducements or undertakings whatsoever between the respective parties concerning this Lease except those which are expressly contained herein.
- I. **Governing Law and Forum.** This Lease shall be construed in accordance with and governed by the laws of the State of Idaho and the parties consent to the jurisdiction of Idaho State courts located in Ada County in the event of any dispute with respect to this Lease.
- J. **Severability.** In the event any provision of this Lease shall be held invalid or unenforceable according to law, for any reason whatsoever, then the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- K. **Counterparts.** This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

This Lease, including the Summary of Lease Provisions, Lease Provisions, Signature Page, and all Attachments, is made and entered into by and between the State of Idaho, acting by and through the State Board of Land Commissioners and Gary G. Gallant.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

LESSEE SIGNATURES

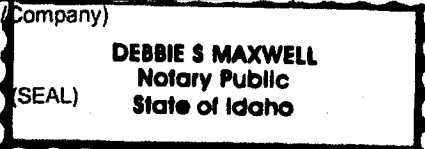
x Gary G. Gallant
(Lessee/Company)

x _____
(Lessee/Company)

x _____
(Lessee/Company)

x _____
(Lessee/Company)

STATE OF Idaho)
COUNTY OF Washington)^S



On this 5 day of December, in the year 2011, before me, a Notary Public in and for said State, personally appeared Gary G. Gallant

_____ known to me to be the lessee or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

Notary Public: Debbie S Maxwell
Commission expires: 8-24-2013

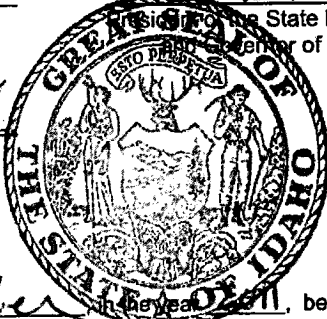
LESSOR SIGNATURES

COUNTERSIGNED: STATE BOARD OF LAND COMMISSIONERS OF THE STATE OF IDAHO

Ben Yursa
Secretary of the State of Idaho

C. L. "Butch" Otter
President of the State Board of Land Commissioners
Governor of the State of Idaho

Thomas M. Schultz, Jr.
Director Department of Lands



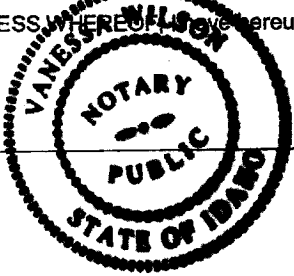
STATE OF IDAHO)
COUNTY OF ADA)^S

(SEAL)

On this 14th day of December, in the year 2011, before me, a Notary Public in and for said State, personally appeared C. L. "Butch" Otter, known to me to be the president of the State Board of Land Commissioners of the State of Idaho and the Governor of the State of Idaho; and Ben Yursa, known to me to be the Secretary of the State of Idaho and Thomas M. Schultz, Jr., known to me to be the Director, that executed the within instrument, and acknowledged to me that the State Board of Land Commissioners of the State of Idaho and the State of Idaho executed the same.

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

Notary Public: Vanessa Wilson
Commission expires: 8-11-2014



Attachment A SPECIAL TERMS AND CONDITIONS

750.04 acres with 116 AUMs shall be grazed in accordance with the approved grazing management proposal. The following is a brief summary of that proposal:

This state lease is used in conjunction with the USFS Johnson Creek Allotment. 58 cow/calf pairs are turned into Ferguson Basin on June 16. The cattle are worked toward Orchard Canyon and Calamity Creek, then on to Johnson Creek Park and upper Goodrich Basin. Livestock are then moved toward the southern allotment boundary until they are gathered there and removed by October 15. The cattle are on this state leased land while they work from Johnson Creek Park to Upper Goodrich Basin.

Both this summary and the approved management proposal become provisions of this lease and as such will be enforceable as a term of this lease.

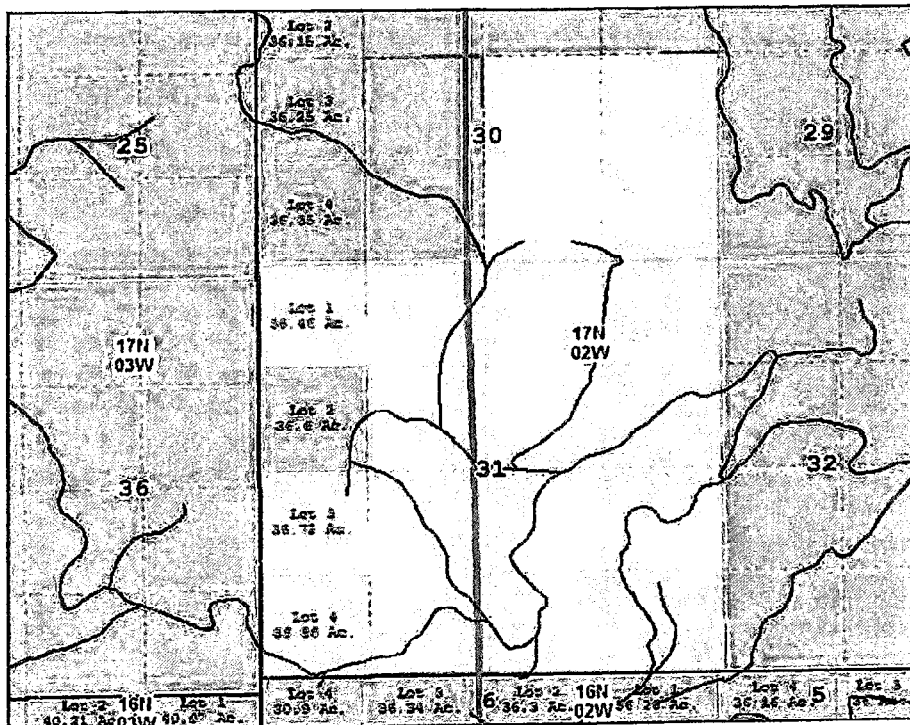
Attachment B
LEASED PREMISES LEGAL DESCRIPTION

Township, Range, Section	Legal Description	Grazing Acres	AUMS	County	Endowment
17N-02W 30	SE	160.00	10.00	Adams	PS
17N-02W 31	E2	320.00	57.00	Adams	PS
17N-02W 31	E2NW, Lot 1(NWNW), E2SW, Lot 3(NWSW), and Lot 4(SWSW)	<u>270.04</u> 750.04	<u>49.00</u> 116.00	Washington	PS

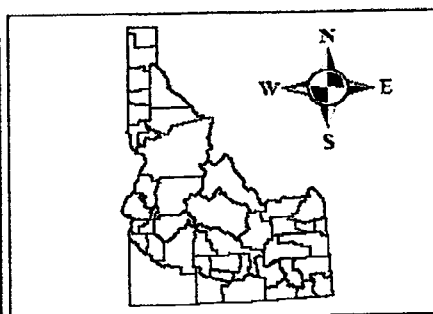
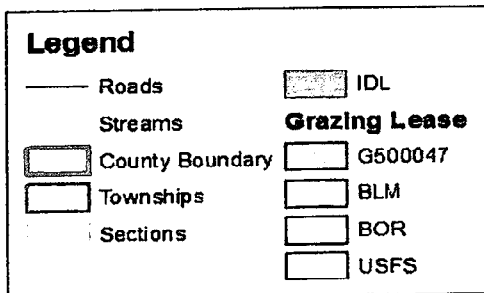
Attachment C SITE MAP(S)

MAP #1

G500047 - Gary Gallant



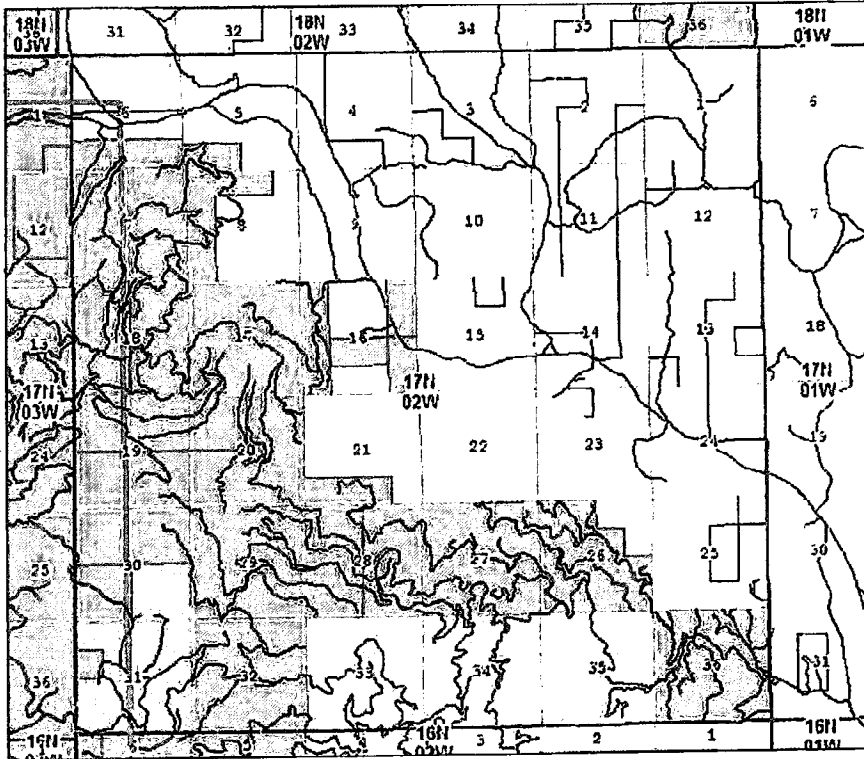
2011 Expiring Grazing Lease
Detail Map G500047
T17N, R2W Section 30 - SE
Section 31 - E2, E2NW, Lot 1(NWNW),
E2SW, Lot 3 (NWSW), Lot 4 (SWSW)



Attachment C SITE MAP(S)

MAP #2

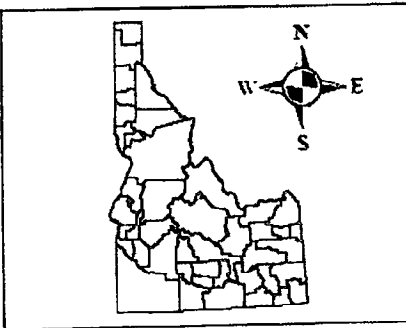
G500047 - Gary Gallant



2011 Expiring Grazing Lease
Vicinity Map G500047
T17N, R2W - Pts. Sections 30 and 31



Legend	
— Roads	IDL
Streams	Grazing Lease
County Boundary	G500047
Townships	BLM
Sections	BOR
	USFS



ANNUAL CROP PRODUCTION REPORT

Attachment D

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EXHIBIT 5



INSTRUMENT ASSIGNMENT

Note: Incomplete forms will not be processed. All Assignment fees are Non-refundable.

For and in consideration of the full sale price of \$ NIA dollars paid for the instrument, improvements and/or personal property, with the amount of \$ _____ dollars, paid for the improvements and/or personal property, receipt of which is hereby acknowledged. We hereby sell, assign and transfer, all of my/our rights, title and interest in State of Idaho Instrument No. G500148 unto the following:

Individual or Family Trust Name:
Last Chandler
First Cody & Britney
Middle _____
DBA: _____

Business or Entity Name: _____
Business or Entity Registration No. (or proof of pending application) _____

ADDRESS OF RECORD (FOR ALL CORRESPONDENCE) AND CONTACT INFORMATION

Street: 1151 Devils Elbow Rd
PO Box: _____
City: Weiser
State: Idaho
Zip +4: 83676
Country: US
Attention: _____
Title: _____

Business: _____
Contact Name: _____
Fax: _____
Contact Name: _____
Home: 208-549-0091
Contact Name: Cody Chandler
Cell Area Code/Phone#: 208-740-9081
Contact Name: _____
Email Address(es): C.Chandler@hntmail.com

- Assign Encroachment (Attachment A not required).
 - Assign an interest in **all lands** within Instrument. Attachment A - Property Description is **not** required.
 - Assign an interest in **only part of the lands** in the Instrument. Attachment A - Property Description is required.
- Specify lands assigned and lands remaining: _____

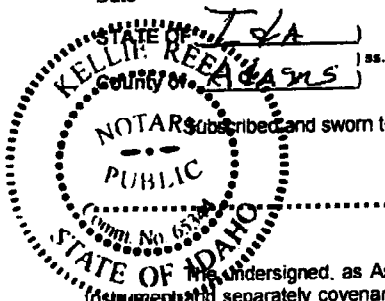
ACCEPTANCE AND ASSUMPTION BY ASSIGNOR

I/We hereby swear and affirm that the consideration stated herein is the full and complete amount paid by the assignees to the assignors for the above-described State of Idaho Instrument, and no additional payment has been or will be made.

Date 3-17-20-22
Date _____

PAVE GALLANT
Current Instrument Holder/Designated Agent
CAROLE GALLANT
Current Instrument Holder/Designated Agent

Ray J. Galt
Company Name (if applicable)
Carole M. Galt
Company Name (if applicable)



Subscribed and sworn to before me this 17th day of MARCH, 2022
Notary Public Kelli Reel
My Commission Expires: 10/04/27

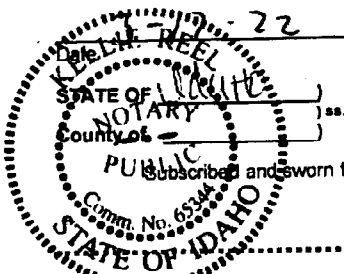
ACCEPTANCE AND ASSUMPTION BY ASSIGNEE

The undersigned, as Assignee(s) above-named, assumes and accepts the obligations and conditions of the above-described State of Idaho Instrument and separately covenants with the State of Idaho that they will abide thereby during the term of said Instrument. Assignee(s) does hereby swear and affirm that the sum of \$ _____ is the full and complete amount of consideration paid by Assignee(s) to the Assignor(s) herein, and that no additional payment has been or will be made.

Date 3-17-22

Cody Chandler
New Instrument Holder/Designated Agent
Britney Chandler
New Instrument Holder/Designated Agent

Company Name (if applicable) _____
Company Name (if applicable) _____



Subscribed and sworn to before me this 17th day of MARCH, 2022
Notary Public Kelli Reel
My Commission Expires: 10/04/27

Instrument No. G500148

Fee \$ 29.00

Area Office Use Only
Sara Howerton For
Area Manager Signature

Date 3-30-2022

per ck # 3986
3/17/22

Assigned to: Cody R. Chandler and
Brittney S. Chandler
Of: 1151 Devils Elbow Rd., Weiser, ID 83672
Recorded: March 30, 2022



GRAZING LEASE
No. G500148
GARY & CAROLE GALLANT

SUMMARY OF LEASE PROVISIONS:

Lessor: STATE OF IDAHO, Idaho State Board of Land Commissioners
c/o Idaho Department of Lands
300 North 6th Street, Suite 103
PO Box 83720
Boise ID 83720-0050

Lessee: Gary & Carole Gallant, husband and wife
1677 Goodrich Road
Council, ID 83612
Phone: 208-253-4586

Lease Term: Commencement: January 1, 2020
Termination: December 31, 2029

Rent: The annual rent payment is due on May 1st of each year.

GRAZING:

Number of AUMs by Class for Billing

Cattle	36
Acres	312.16

Rent terms are more particularly described in *Section 3. Rental Rate and Modification of Rent* of the Lease Provisions.

Leased Premises Legal Description: See Attachment B

Primary Use of Leased Premises: Grazing

Bond: N/A

Liability Insurance: N/A

Lease Documents: The Lease ("Lease") consists of the following components:
SUMMARY OF LEASE PROVISIONS
LEASE PROVISIONS
SIGNATURE PAGES
ATTACHMENT A – SPECIAL TERMS AND CONDITIONS
ATTACHMENT B – LEASED PREMISES LEGAL DESCRIPTION
ATTACHMENT C – SITE MAP- # 1

***This Summary of Lease Provisions ("Summary") is for convenience and ease of review only. The information stated in the Summary is intended to be accurate and consistent with the contract terms set forth in the following Lease. In the event any information stated in the Summary is inconsistent with the Lease Provisions or Attachments, the Lease Provisions and Attachments will control.**

LEASE PROVISIONS

1. Lessor, in consideration of the rental paid and the covenants, conditions and restrictions contained in the Lease (including the Summary of Lease Provisions, Signature Page and all Attachments, including any Special Terms and Conditions, as may be amended), does hereby lease and demise unto Lessee, the lands ("Leased Premises") described in Attachment B for the uses specified herein. Lessor and Lessee are collectively referred to herein as the "parties" and individually as a "party". "Including" and "includes" mean including, but not limited to.
2. **Use of Leased Premises.**
 - A. **Grazing Use.** Lessee is authorized to use the number of acres identified in the Lease for grazing domestic livestock at the identified AUM rate. The location and management of grazing livestock shall be designated in the Lease. Said use shall be in accordance with the Lease. No use of the Leased Premises for grazing purposes shall occur prior to the final approval of the Lease by Lessor.
 - B. The grazing period, AUMs, number of stock to be grazed, and any special provisions deemed necessary by Lessor shall be determined by Lessor, and may be adjusted from time to time after giving Lessee thirty (30) calendar days written notice of any such modification. Lessee shall furnish such information as may be required to assist Lessor in determining the grazing period, AUMs, and number of stock to be grazed.
3. **Rental Rate; Modification of Rent; Late Payment.**
 - A. **Annual Rent Payment.** Lessee shall pay to Lessor, in lawful money of the United States, each year's rent for every acre and/or AUM covered by the Lease. Each year's rent shall be in an amount to be calculated pursuant to Lessor's most current formulas for each applicable use at the time the rental is calculated or recalculated. The rent shall be paid on or before the annual rental payment due date, as stated in the Summary of Lease Provision, of each year for the balance of the term of the Lease. Lessee shall pay the annual rental to Lessor without abatement, offset, or deduction of any kind, unless otherwise authorized by Lessor through a completed Lease Adjustment form provided by Lessor. Lessor reserves the right to increase or decrease the annual rent. Lessee will be notified one hundred eighty (180) calendar days in advance of the due date of any increase in rent.
 - B. **Accrual of Interest and Late Payment Charges.** In the event any rent or other financial obligation due by Lessee to Lessor under the terms of the Lease is not paid in full when due, Lessee shall also pay: 1) interest accruing thereon at the statutory rate of interest as provided by law (12% per annum) until payment is made in full; and, 2) a late charge which shall accrue in full as of the first day of each and every calendar month of such delinquency until payment is made in full in the amount of twenty-five dollars (\$25.00) or one percent (1%) of the unpaid principal obligation(s), whichever is greater. All payments shall be applied first to the payment of accrued interest and to accrued late charges, and then to unpaid principal. The parties acknowledge and agree that the late charge described herein is a reasonable attempt to estimate and to compensate Lessor for higher administration costs associated with administering such late payments, and is not intended as a penalty. By assessing interest and late charges, Lessor does not waive any right to declare a breach, or to pursue any right or remedy available to Lessor by reason of such breach available at law or in equity, after the expiration of any applicable notice or cure period.
 - C. **Lien.** The amount of the rent, and accruing late charges and interest, shall constitute a lien in favor of Lessor against all of Lessee's improvements and other property on the Leased Premises, including crops and livestock.
4. **Lease Terms Generally.**
 - A. **Lease Terms and Conditions.** The terms and conditions of the Lease address all activities that may take place under the Lease, and may include farming, the construction of improvements, vegetation, noxious weed control, and other factors identified by Lessor as necessary for inclusion in the Lease, as well as any special terms and conditions based on the specific characteristics of the Leased Premises or of Lessee's use of the Leased Premises.
 - B. **Modification of Lease Terms and Conditions.** Lessor may review and modify any terms and conditions of the Lease upon any change in conditions, laws, or regulations; provided that Lessor shall give Lessee no less

than thirty (30) calendar days' notice of any such modifications prior to the effective date thereof. Modifications mutually agreeable to both Lessor and Lessee may be made at any time by written agreement of the parties.

- C. **Compliance Required.** Lessee shall abide by this Lease. If Lessee fails to abide by the Lease, Lessee will be deemed in breach, and the Lease will be subject to termination.
- D. **Reimbursement for Non-Standard Administrative Costs.** Lessee shall reimburse Lessor for non-standard administrative costs incurred to address issues of compliance, and the same shall be considered additional rent, due upon demand by Lessor. Lessor's request for payment to Lessee will include a detailed description of the work completed and actual expense incurred.
- E. **Attachment A may contain special terms and conditions of the Lease, as may be modified. Failure to comply with any special terms and conditions shall constitute a default of the Lease, and the failure of Lessee to cure such default may result in the termination of the Lease.**

5. Subleasing or Assignment.

- A. **Written Approval Required.** Lessee shall not assign the Lease, or sublease or authorize another person to use any part of the Leased Premises without the prior written consent of Lessor to be evidenced by Lessor's execution of consent forms provided by Lessor for that purpose. Any request for approval of a sublease or assignment must be in filed writing and with the appropriate processing fee, and must comply with the statutes and rules governing subleasing or assignment. Any request for approval of a sublease must be accompanied by a copy of the proposed sublease agreement. Lessor may withhold consent for any reason. Any attempt by Lessee to sublease Lessee's interest in the Leased Premises or any part of the Leased Premises, or to assign the Lease, shall be void unless Lessor has given prior written consent. No request for Lessor's approval of any assignment or sublease will be considered unless all rent or late charges and interest due has been paid in full, and Lessee is in good standing under the terms of this Lease and all other contracts with Lessor. No sublease will act as a release of Lessee's obligations hereunder unless Lessor executes a separate written release of Lessee. Lessor has no obligation to release Lessee hereunder, and Lessor can withhold such release at Lessor's sole discretion. Any sublease or assignment shall be subject to the provisions of this Lease, as well as such additional terms and conditions Lessor may require. The sublease shall not extend beyond the term of the Lease.
- B. **Additional Rent Due.** In the event the Leased Premises is subleased by Lessee for an amount greater than the base rental, Lessee shall, in addition to Lessee's annual base rental, pay to Lessor as additional rent an amount equal to one-half (1/2) the difference between Lessee's base rental rate, and the rental rate paid to Lessee by sublessee.
- C. **Improvements.** Upon an approved assignment, the ownership of any existing Lessee-owned improvements under the Lease must be separately negotiated between Lessee and such assignee, and title to the improvements transferred to the assignee.
- D. **Copies to be Filed.** Copies of all assignments, subleases, pasturage or any other agreement of any kind or nature involving the use of the Leased Premises by an individual or entity other than Lessee shall be timely delivered by Lessee to Lessor.

6. Leasehold Mortgage.

Lessee shall not mortgage, pledge or otherwise dispose of Lessee's interest in this Lease, or any portion thereof, including any Lessee-owned improvements or fixtures on the Leased Premises, without the prior written consent of Lessor. Lessee shall use mortgage or deed of trust forms provided by Lessor, and shall submit completed forms and any required fee to Lessor for review and approval. The term of a mortgage agreement shall not exceed the term of the Lease, and shall terminate if this Lease is terminated for any reason. Lessor may accept or reject a leasehold mortgage in its sole discretion.

7. Environmental, Safety and Sanitary Requirements.

- A. **No Hazardous Materials.** Lessee shall neither commit nor permit the use, placement, transport or disposal of any hazardous waste, substance or material, including petroleum products, such as oil, gasoline, or any other

substance that is known, or is suspected to be a hazardous waste, substance or material on the Leased Premises except in the acceptable and customary use associated with weed and pest control, machinery, equipment and vehicles. Lessee shall be responsible, and shall pay all costs, for the removal or other appropriate remedial action regarding any hazardous waste, substance or material that Lessee may have caused or allowed to be introduced on the Leased Premises. Any such remediation or removal or storage must be conducted in accordance with all applicable federal, state, and local laws, regulations, rules and ordinances. Lessee shall immediately, upon the introduction of any hazardous waste, substance or material on the Leased Premises, contact Lessor and the Idaho Department of Environmental Quality ("DEQ"), and enter into a consent order for remediation with DEQ. Provided, however, that Lessee shall not forestall commencing any necessary remediation while negotiating the terms of any consent order with DEQ unless Lessee is so authorized in writing by Lessor. In the event of the introduction of any hazardous waste, substance or material, Lessor may require Lessee to enter into any consent order or other agreement with any other relevant agency. Lessee shall indemnify, defend and hold Lessor harmless from any and all costs, expenses, damages and fines, including without limitation all reasonable attorney fees and costs, including attorney fees and costs on appeal, relating to and including any hazardous waste, substances, materials, or pollution. The amount of any costs incurred by Lessor due to Lessee's violation of this provision shall constitute a non-standard administrative cost and a lien in favor of Lessor against all of Lessee's interest in the Lease and all improvements and other property on the Leased Premises including crops and livestock.

- B. **Fire and Safety Regulations.** Lessee shall comply with all applicable federal, state and local laws, rules, regulations and ordinances for fire protection, prevention and burning. Lessee agrees to keep the Leased Premises free from fire hazards as determined by Lessor. Lessee is prohibited from burning garbage or household trash and any burning on the land, including the burning of wood, weeds or other debris, but excepting campfires if necessary for the use under the Lease, without the prior written permission of Lessor.
- C. **Sanitary Requirements.** Concerning activities authorized under the Lease, Lessee shall at all times keep the Leased Premises in a clean and sanitary condition, free of trash, garbage and litter, and in the same or better condition as when the Lease was issued. Lessee shall not dispose of sewage except in conformity with applicable federal, state, and local laws, rules and regulations. Lessee shall dispose of sewage on the Leased Premises only if specifically authorized by Lessor. Lessee shall not store trash on the Leased Premises nor transport trash, garbage, litter or debris onto the Leased Premises. Lessee shall dispose of all trash, garbage and carcasses in conformity with all applicable federal, state, and local laws, rules and regulations. Lessee is responsible for all costs associated with sewage, garbage and litter disposal.

8. No Warranties; Public Use.

- A. **No Warranty of Title.** Lessor does not warrant title to the Leased Premises or the resources that may exist on the Leased Premises. The Lease is issued only under such title as the State of Idaho may have as of the date of commencement, or as may be subsequently acquired. Lessee is solely responsible for satisfying itself with respect to the ownership of the Leased Premises. If Lessor is subsequently divested of said title, no liability will be incurred by Lessor by virtue of the Lease for any loss or damage to Lessee. Nor will any claim for refund, rents, or other amounts paid to Lessor be made by Lessee, its successors or assignees.
- B. **No Warranty of Merchantability or Fitness.** Lessee expressly acknowledges that neither Lessor, nor any agent or representative of Lessor, has made any representation of warranty, either express or implied, with respect to the title, merchantability, or fitness of the Leased Premises for any particular purpose or use, including the uses for which the Lease is granted. Lessee accepts the Leased Premises in an "as is" condition, and relies solely on Lessee's own inspection of the Leased Premises.
- C. **Quiet Enjoyment.** Lessor agrees that Lessee, upon payment of the rent and performing the terms of the Lease, may quietly have, hold and enjoy the Leased Premises, for the purposes and uses allowed hereunder during the term hereof. Lessee acknowledges that the Lease is non-exclusive, and Lessor retains the right to use of the Leased Premises, or to grant rights to others for use of the Leased Premises to the extent any such use does not materially interfere with Lessee's purpose and use allowed hereunder, unless otherwise provided for in the Lease.
- D. **Public Use.** Lessee must allow the general public the right to use the Leased Premises for any lawful use available to the public for lands owned by Lessor. However, nothing in the Lease authorizes or purports to authorize trespass on private lands to reach state-owned lands, including the Leased Premises. Public use

of state lands shall not be restricted without prior written approval of Lessor. The Lease is not an exclusive control lease as described under Idaho Code § 36-1603(b).

9. Water Right and Water Use.

- A. **Water Use on the Leased Premises.** Lessee shall be entitled to use the water on the Leased Premises, if any, during the term of the Lease, but only for the use allowed in the Lease and only in conformance with Idaho water law.
- i. **Water Rights Held by Lessee or Third Parties.** Lessee represents that the following water rights are held by Lessee, or are held by a third party from which permission to exercise the right has been obtained by Lessee, for use on, or diversion from, the Leased Premises.
- Water Right No.:67-11959 – United States of America acting through USDA Forest Service
- ii. The water right identified in subsections 9(A)(i) include each and every water right that Lessee, or its authorized agent, will use on, or divert from, the Leased Premises.
- B. **Future Water Rights and Water Use Generally.** The establishment of any new water right, including instream livestock use or stock watering rights, by Lessee or Lessor on the Leased Premises during the term of the Lease shall be by and for Lessor, and no claim thereto shall be made by Lessee. If a new water right is established on the Leased Premises during the term of the Lease, Lessee agrees that its application of water to beneficial use is on behalf of and as an agent for Lessor. Lessee may act as an agent for Lessor only for the purpose of applying water to beneficial use. Such water rights shall attach to and become appurtenant to the Leased Premises, and Lessor shall be the owner thereof. The use of any water rights by Lessee shall be in conformance with Idaho water law. Lessee must receive the prior written consent of Lessor, and the prior written consent of any department or agency of the State of Idaho having jurisdiction to regulate water rights or water use in and for the State of Idaho for any of the following:
- i. To drill and use a water well;
- ii. To develop and use any source of water;
- iii. To cause any water to be conveyed or diverted off the Leased Premises; or
- iv. To bring water onto the Leased Premises.
- C. **Water Systems.** If water is supplied to the Leased Premises by a water system operated by the State of Idaho, including Lessor, the use of such system and the supply of water provided thereby may be curtailed or terminated upon thirty (30) calendar days written notice to Lessee from Lessor. Neither Lessor nor its agents and employees, nor any entity of the State of Idaho shall be liable in any manner for damage or inconvenience to Lessee by reason of the failure of, damage to, termination or curtailment of the operation of any water system or source supplying water to the Leased Premises.
- D. **Improvements in Aid of Water Use.** Improvements, whether pre-existing or future, made in aid of any and all water use on, or diversion from, the Leased Premises are subject to the improvement permit requirements of the Lease.
- E. **No Right of Access to Water Rights Upon Termination.** Upon the termination of the Lease, for any reason, Lessee shall have no right to access any point of diversion or any place of use of any water right on the Leased Premises without the prior written consent of Lessor.

10. Noxious Weeds.

- A. Lessee shall cooperate with Lessor or any other agency authorized to undertake programs for control or eradication of noxious weeds. Lessee shall take measures to control noxious weeds on the Leased Premises in accordance with Title 22, Chapter 24, Idaho Code, except those resulting from activities beyond Lessee's control. Costs for control of noxious weeds on the Leased Premises shall be the responsibility of Lessee, unless otherwise provided for in the Lease.
- B. Lessee shall ensure that prior to moving onto the Leased Premises, all equipment is free of noxious weeds and their seeds, as defined by the Idaho Department of Agriculture and any local Cooperative Weed

Management Area. The cleaning of contaminated equipment and vehicles shall not take place on any state endowment land, including the Leased Premises.

- C. All straw and forage used for livestock feed, with the exception of that grown on the Leased Premises or on Lessee's immediately adjacent land, must be certified in accordance with the Idaho State Department of Agriculture's Noxious Weed Free Forage and Straw Certification Rules (IDAPA 02.06.31.000 *et seq.*), and must be certified as Idaho State Noxious Weed Free.

11. Construction of Improvements.

- A. **Permit Required.** Lessee shall not construct or reconstruct, initiate or place improvements or structures of any character (collectively "improvements") on or to the Leased Premises without the prior express, and written permission of Lessor. Said permission shall be in the form of a permit issued by Lessor, and shall be required for any improvement placed on the Leased Premises, including range improvements, buildings or other structures, water developments, fences, vegetation treatment, and the clearing of land. Lessee shall submit project plans to Lessor. If the project plans are approved and permitted in writing by Lessor, then Lessee shall construct and implement the improvements in full compliance with the approved plans, the permit and all applicable statutes, rules and building codes. Permitted improvements shall be the property of Lessee, unless otherwise provided in the permit or the Lease. Failure to obtain a written permit prior to construction and implementation of any improvement will be considered a trespass violation and may result in the termination of the Lease or cause Lessor to initiate proceedings, including those provided for in IDAPA 20.03.14.90. The improvements shall be removed by Lessee if directed by Lessor, or Lessor may remove the improvements at Lessee's cost. Any improvements associated with the uses authorized in the Lease and placed on endowment land prior to January 1, 1970, are considered grandfathered and properly authorized even though there may be no documentation of authorization.
- B. **Fences.** If Lessor deems it necessary to protect any lands owned by the State of Idaho in the Leased Premises, the following procedure will be utilized to establish requirements for locating and cost sharing for the construction of partition (boundary) fences between the Leased Premises and an adjacent landowner(s). Lessor, Lessee and the adjoining landowner(s) may meet on-site and off-site to identify property boundary lines for the location of fences, negotiate alternative location(s), and negotiate other terms of such construction. If Lessor deems that new partition fence is necessary, Lessee will be required to construct the fence by a date approved by Lessor. Lessor will provide the adjacent landowner(s) with written notice stating that one half (½) of the partition fence will be built by Lessee within six months after the date of the notice, and that the adjoining landowner must build the remaining one half (½) of the partition fence within that same timeframe. If an adjacent landowner does not complete the fence within the six month timeframe Lessee will complete the entire fence by a date approved by Lessor. After complete construction, Lessee may choose to place a lien on the adjacent land for recovery of Lessee's costs of construction. Lessee acknowledges and agrees that Lessor maintains the final decision making authority for the location and cost allocation of any partition fences on, over or along any lands of the Leased Premises; the AUMs and the total acreage of the Leased Premises may be modified by Lessor, alone, through a lease adjustment in order to effectuate such final decision by Lessor. Any actual cost incurred or extra IDL resources expended by Lessor to ensure Lessee's compliance shall be considered a non-standard administrative cost. Improvement credit for Lessee's partition fences will be determined in accordance with IDAPA 20.03.14.000 *et seq.*, the Rules Governing Grazing, Farming, Conservation, Noncommercial Recreation, and Communication Site Leases. If Lessee recovers the cost of constructing the adjacent landowner's portion(s) of partition fence, no improvement credit will be allowed for Lessee's construction of the adjacent landowner's portion(s).
- C. **Condition of Improvements.** At all times during the term of the Lease, Lessee shall keep all improvements in good repair and functional condition to the satisfaction of Lessor. Any and all fences and gates shall be neat, stock-proof and lawful fences.
- D. **Maintenance of Improvements.** Lessee may be required to remove or reconstruct improvements in poor or non-serviceable condition. Existing maintenance agreements on lands acquired from the federal government shall remain in effect until amended by the parties involved. If maintenance is not being accomplished, Lessor shall provide a letter to Lessee informing Lessee of the violation of the Lease. If work is not begun within thirty (30) calendar days and completed in a timeframe specified by Lessor, Lessor may contract repairs and bill Lessee for actual costs incurred, which shall be considered a non-standard administrative cost, or Lessor may terminate the Lease, in Lessor's discretion.

- E. **Removing Improvements.** Lessee shall not remove, relocate or otherwise alter any improvements without the prior written approval of Lessor.
- F. **Cost of Improvements.** Any permitted improvements constructed by Lessee, shall be constructed at Lessee's own expense, unless Lessor and Lessee shall have entered into a prior written cost sharing agreement for construction of such improvements.
- G. **Permitted Improvements At Lease Termination.** Upon the termination of the Lease for any reason, and in the event Lessor leases the Leased Premises to a new lessee, Lessor shall require the new lessee to pay Lessee the then existing value of the permitted improvements in accordance with the then existing statutes and rules, less any and all amounts owed to Lessor to cure any default by Lessee. Said value shall be determined through a valuation conducted by Lessor, which may factor in Lessee's documented cost of construction if the improvements were authorized after July 1, 2009, in Lessor's discretion. Improvement payments shall be first applied towards any rent or other monies due to Lessor before being disbursed to Lessee. Under no circumstance shall Lessor be obligated to pay any such value for improvements to Lessee, such obligation shall be solely on the subsequent lessee, if any. Any improvements which Lessee is entitled or required to remove upon termination of the Lease must be removed within six (6) months of the termination of the Lease, or such additional time as Lessor may authorize, otherwise it shall be deemed abandoned, and title to such abandoned improvements shall vest in Lessor upon notice to Lessee, in Lessor's discretion.
- H. **Unapproved Improvements.** At any time during the term of this Lease, or upon the termination of the Lease for any reason, Lessor may require, at Lessor's sole discretion, that Lessee remove any improvements placed on the Leased Premises without a prior permit from Lessor. The full cost of such removal, including the restoration of the Leased Premises, shall be solely Lessee's. In the event Lessor does not elect to require such removal, Lessee's failure to secure such permit shall constitute forfeiture of the improvements, at Lessor's discretion. Title to any improvements placed on the Leased Premises without a permit from Lessor shall, at Lessor's discretion, immediately vest in Lessor without payment to Lessee and without waiver of Lessor's right to require removal of the same by Lessee.
- I. **Lessor's Removal of Improvements.** Lessor may, at its discretion, remove or have removed the abandoned or non-permitted improvements, and Lessee shall be responsible for the full cost of removal and restoration of the Leased Premises. Nothing herein shall relieve Lessee from the obligation to remove any improvements as required by Lessor under the terms of the Lease, or pursuant to the terms of the permit authorizing the improvements.

12. No Liens.

Lessee shall not permit or suffer any lien of any kind or nature to be placed on or enforced against the Leased Premises, the leasehold interest, or any improvements thereon, including tax liens, any mechanics' liens or material suppliers' liens. Lessee shall ensure that full payment is made for all labor performed at Lessee's instance and for any and all materials joined or affixed to the Leased Premises or any improvements thereon.

13. Sale, Exchange or Change in Use of Leased Premises.

- A. **Sale.** Lessor may sell all or any portion of the Leased Premises during the term of the Lease. Lessor will notify Lessee that the Leased Premises are being considered for sale at the time the proposed sale is scheduled for submission to the Land Board for approval. Lessee will be notified of a scheduled sale at least thirty (30) calendar days prior to the sale date. Lessee shall deliver immediate possession of the land sold to Lessor, or to the person or party as may be specified in writing by Lessor or Lessor's designee, unless the land remains subject to the Lease, or unless Lessee is to be permitted to harvest a growing crop before surrendering possession. When creditable improvements are present, and Lessee delivers possession of the land, Lessor shall value them in accordance with Idaho Code § 58-313, or the then-existing applicable statute or rule, and Lessee shall be paid for the improvements by the purchaser on the day of the sale.
- B. **Consent To Land Exchange.** Lessee acknowledges that the Leased Premises, or any portion thereof, may be the subject of a future land exchange by Lessor, and Lessee hereby consents to the inclusion of any such land, or portion thereof, in any land exchange deemed necessary or appropriate by Lessor. This consent is given in compliance with Idaho Code § 58-138. In the event Lessor chooses to include the Leased Premises,

or any portion thereof, in any proposed land exchange in the future, Lessor shall provide Lessee with at least thirty (30) days written notice from the Director of the Department of Lands prior to such land exchange. Upon the consummation of the proposed land exchange, that portion of land included within the exchange shall be deleted from the Lease, and Lessee's lease payment obligation for the ensuing year(s) shall be reduced proportionately. Lessee shall be entitled to continue to use the lands included within any such exchange for the balance of the year in which the exchange occurs unless otherwise notified in writing by Lessor, in which event the Lease payment for such year shall be prorated.

- C. Change in Use. The Lease may be terminated in whole or in part upon one hundred eighty (180) calendar days written notice by Lessor if the use of the Leased Premises is to be changed to any other use that is incompatible with the use authorized by the Lease, as designated by Lessor. In the event of early termination due to change in land use, Lessee will be entitled to a pro rata refund of the premium bid for a conflicted Lease.

14. Relationship of the Parties.

Lessee is not an officer, employee, or other authorized agent of the State of Idaho for any purpose other than the development of waters rights as set forth in *Section 9. Water Right and Water Use*, above. In no event shall any official, officer, employee or agent of Lessor or of the State of Idaho be in any way personally liable or responsible for any covenant or obligation contained in the Lease, express or implied, nor for any statement, representation or warranty made by Lessee in connection herewith.

15. Reservations by Lessor.

Lessor expressly reserves and excepts the following rights:

- A. To enter upon the Leased Premises, or any portion thereof, during the term of the Lease for any purpose, including inspecting the Leased Premises or any improvements.
- B. All rights not expressly granted to Lessee under the Lease, including all rights to timber, water, oil and gas, geothermal rights, mineral rights, easements and rights-of-way, fee title to the Leased Premises, and title to all appurtenances and improvements placed thereon by Lessor or abandoned by any lessee.
- C. To grant easements and rights-of-way over and across the Leased Premises provided such easements or rights-of-way do not materially affect Lessee's use and enjoyment of the Leased Premises under the terms of the Lease. Lessor shall coordinate with Lessee before approving any easement or right-of-way application on the Leased Premises. If the easement or right-of-way materially and adversely impacts the value of Lessee's improvements or any growing and immature crops, then Lessor, as the grantee of such easement or right-of-way, shall, before exercising the same, pay Lessee the reasonable diminution in value of any permitted improvements and any growing and immature crops. Said value shall be determined by Lessor's valuation.
- D. To issue other leases on the Leased Premises. Such other leases may be for any purpose deemed appropriate by Lessor provided such other leases do not materially affect Lessee's use and enjoyment of the Leased Premises under the terms of the Lease. Other lease purposes may include the exploration and development of oil or gas, geothermal, mineral deposits, and placer deposits as provided by Title 47, Idaho Code. In the event any such other lease is granted by Lessor which materially and adversely impacts the value of Lessee's improvements or any growing and immature crops, the other lessee shall, before exercising the same, pay Lessee the reasonable diminution in value of any permitted improvements and any growing and immature crops. Said value shall be determined by Lessor's valuation. If any such other lease conflicts with the grazing use or makes consumptive use of forages, the grazing rental will be adjusted to reflect such loss of use.
- E. To require that changes be made in the use under the Lease, and/or to the improvements on the Leased Premises, including, but not limited to, the sanitation or other facilities for the protection of public health, safety, preservation of property or water quality.

- F. To reserve as Lessor's sole property any and all water appurtenant to Lessor's land or from any source arising thereon, and to hold water rights for any beneficial use that may be developed as a result of the Lease, and as further provided in *Section 9. Water Right and Water Use*, herein.
- G. Rights of ingress, egress, and access, over and across the Leased Premises for Lessor and its lessees, permittees, contractors, and assigns on existing roads, or on suitable alternative roads provided by Lessee.
- H. To change the use of the Leased Premises, in whole or in part, for other uses that will better achieve the fiduciary obligations of Lessor to endowment beneficiaries. Upon a change in use, the Lease may, at Lessor's discretion, be terminated in whole or as to the affected part. In the event of any such termination due to a change in use, the provisions of *Section 11. Construction of Improvements*, herein, relating to compensation for permitted improvements shall apply.
- I. To sell timber on the Leased Premises or otherwise conduct forest management activities. Lessor reserves the right to restrict or prohibit grazing use on all or portions of the Leased Premises for timber management purposes. Lessee will be given not less than one hundred eighty (180) calendar days written notice of any such restrictions or termination of grazing use, together with a map of the restricted area.
- J. To restrict or prohibit grazing on all or any portion thereof of the Leased Premises in response to emergency conditions including fires, flooding and drought.
- K. To sell all or any portion of the Leased Premises at any time during the term of the Lease, and as further provided in *Section 13. Sale, Exchange or Change-in-Use of Leased Premises*, herein.
- L. To harvest seed from plants on any portion of the Leased Premises not being farmed. Lessor will coordinate the harvesting activities with Lessee to minimize impacts on farming operations.
- M. To close roads for road protection, wildlife protection or administrative purposes. Planned road closures will be reviewed with Lessee prior to action by Lessor.
- N. To claim all improvements placed upon the Leased Premises remaining after six (6) months in cases of abandonment by Lessee; or to take possession immediately in cases of termination upon breach, and Lessee's failure to cure, of any of the conditions of this Lease; or to remove the same in Lessor's sole discretion, at Lessee's cost. No improvements will be disposed of by Lessor until all administrative procedures have been exhausted, waived, or not timely acted on by Lessee.

16. Indemnification.

- A. Lessee shall indemnify, defend, and save harmless Lessor, the State of Idaho, its officers, agents, employees, and volunteers from and against any and all liability, claims, damages, losses, expenses, actions, settlements, attorneys' fees, and suits whatsoever caused by, arising out of, or in connection with Lessee's acts or omissions under this Lease or Lessee's failure to comply with any applicable state, local or federal statute, law, regulation, rule or ordinance.
- B. Upon the receipt by Lessee of Lessor's or the State of Idaho's tender of indemnity and defense, Lessee shall immediately take all reasonable actions necessary, including, but not limited to providing a legal defense for Lessor and the State of Idaho, and to begin fulfilling its obligation to indemnify, defend, and save harmless Lessor and the State of Idaho. Lessee's indemnification and defense liabilities described herein shall apply regardless of any allegations that a claim or suit is attributable in whole or in part to any act or omission of Lessor, the State of Idaho under this Lease. However, if it is determined by a final judgment that Lessor, the State of Idaho's negligent act or omission is the sole proximate cause of a suit or claim, neither Lessor nor the State of Idaho shall be entitled to indemnification from Lessee with respect to such suit or claim, and Lessor and the State of Idaho in its discretion, may reimburse Lessee for reasonable defense costs attributable to the defense provided by any Special Deputy Attorney General appointed pursuant to *Section 16.C, Indemnification*.
- C. Any legal defense provided by Lessee to Lessor and the State of Idaho under this section must be free of any conflicts of interest, even if retention of separate legal counsel for Lessee and, Lessor and the State of Idaho, is necessary. Any attorney appointed to represent Lessee, the State of Idaho must first qualify as and be appointed by the Attorney General of the State of Idaho as a Special Deputy Attorney General pursuant to Idaho Code Sections 67-1401(13) and 67-1409(1).

17. Payment of Taxes, Assessments or Fees – Lien.

Unless otherwise provided, Lessee shall pay all water charges, fees, assessments or taxes of any nature that may be legally levied or assessed against the Leased Premises, or any portion of the Lease Premises, or on any improvements. If any of the same are not paid by Lessee, such amounts due shall constitute a lien in favor of the State of Idaho against all of Lessee's improvements, livestock, and crops growing on the Leased Premises.

18. Lessee's Default.

A. **Lessee's Failure to Comply.** Lessee's failure to comply with the Lease shall be a breach giving rise to a basis for termination of this Lease. Upon default by Lessee, Lessor shall provide Lessee a notice of default providing at least thirty (30) calendar days' written notice of default and opportunity to cure. Notice of any intention to terminate the Lease upon failure to cure shall be provided to Lessee. If the default is non-financial in nature and cannot reasonably be cured within thirty (30) days, then the corrective action required of Lessee and a longer period to cure may be provided by Lessor. If the corrective action or cure is not taken within the specified time or does not occur, then the Lease shall automatically terminate on the date specified in the written notice without any further notice or demand by Lessor, unless otherwise agreed by Lessor in writing. Lessee shall not, while in default or breach, remove any of the improvements, or crops thereon, whether crops are harvested or not, unless directed by Lessor. In addition to the rights and remedies granted or reserved to Lessor in the Lease, Lessor shall have all other rights and remedies against Lessee as are available at law or in equity. Lessor's pursuit of any particular right or remedy for breach shall not, in and of itself, constitute a waiver or relinquishment of any other compatible claim or remedy against Lessee.

B. **Obligations Incurred by Reason of Lessee Default.** In the event Lessee fails to perform any act or do anything which Lessee is required to do under the terms of the Lease, Lessor shall have the right, but not the obligation, to perform on behalf of Lessee, any such action. Lessee shall immediately reimburse Lessor for all costs and expenses, including attorneys' fees (including fees from the Office of the Attorney General of the State of Idaho), incurred by Lessor in performing any such act or thing. Lessee's obligation to pay costs hereunder shall be deemed to be a non-standard administrative cost.

19. Surrender of Land.

Lessee shall, at the termination of the Lease, deliver immediate possession and vacate the Leased Premises, leaving it in the same or better condition than it was in at the time of Lessee's entry thereon, except for reasonable use and wear, acts of God, or damage by causes beyond the reasonable control of Lessee. Upon vacating, Lessee shall leave the Leased Premises free and clear of all rubbish and debris, and with all improvements in good order and condition.

20. Termination By Mutual Agreement.

The Lease may be terminated by mutual agreement between Lessor and Lessee.

21. Notices.

A. **Notices.** Any notice or any demand given under the terms of the Lease shall be deemed given and delivered on the date when personally delivered, or if mailed, the date written notice is deposited in the United States Mail, and mailed by regular or certified mail, postage prepaid and properly addressed to the appropriate party.

B. **Addresses.** Unless changed by notice in writing, any notice, demand, and communication under the Lease shall be addressed to Lessor at:

Idaho State Board of Land Commissioners
c/o Idaho Department of Lands
300 North 6th Street, Suite 103
PO Box 83720
Boise ID 83720-0050

and to Lessee at the address set forth at the beginning of the Lease. Any notice or correspondence mailed to Lessee at the last identified address shall be deemed effective delivery. It is Lessee's duty to notify Lessor, in writing, of any change in mailing address.

22. Waiver.

A waiver by Lessor of any breach of any term, covenant or condition of the Lease shall not be deemed to be a waiver of any past, present or future breach of the same or any other term, covenant or condition of the Lease. The acceptance of rent by Lessor hereunder shall not be construed to be a waiver of any violation of any term or condition of the Lease. No payment by Lessee of a lesser amount than is due according to the terms of the Lease shall be deemed or construed to be anything other than a partial payment on account of the most recent rent due, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed to create an accord and satisfaction.

23. Attorney's Fees and Costs.

In the event either party initiates a legal proceeding under the Lease, the prevailing party in that legal proceeding shall be entitled to such additional sums as the court may award for reasonable attorney's fees (including fees from the Office of the Attorney General of the State of Idaho) and costs (including appraisal fees and expert fees) incurred in such proceeding.

24. Lessee's Compliance with Applicable Laws and Rules.

- A. Full compliance. Lessee shall fully comply with all applicable federal, state, or local statutes, ordinances, rules, regulations and laws now existing or hereafter enacted or ratified. This shall include all applicable rules and regulations and standards promulgated by the State Board of Land Commissioners or the Idaho Department of Lands, including, but not limited to, the rules governing leasing of endowment lands, IDAPA 20.03.14.
- B. No Waste or Nuisance. Lessee shall not use the Leased Premises in any manner that would constitute loss or waste, nor shall Lessee allow the same to be committed thereon. Lessee shall not do anything which will create a nuisance or a danger to persons or property.

25. Miscellaneous.

- A. No Trespass. Lessee shall not allow Lessee's livestock to graze or run at large over any lands of Lessor in a manner not approved by the Lease. Lessee shall not authorize any other person to graze or run livestock over Lessor's lands without the express written consent of Lessor.
- B. Appraisals and Valuations. Any appraisal or valuation by Lessor called for in the Lease shall be done by Lessor in accordance with applicable state laws and regulations, and the then-existing policy of Lessor, if any.
- C. Subject to Existing Leases/Easements. The Lease is expressly subject to any right-of-way permit, easement, lease or contract, including any present or future timber sale contract, that is now in force and effect, or that may hereafter be granted relating to the Leased Premises.
- D. Timber. The Lease does not authorize Lessee to cut any timber growing on the Leased Premises. Any unauthorized use of such timber by Lessee or with Lessee's knowledge or consent, shall result in termination of the Lease without notice and an opportunity to cure. Lessee shall be responsible for all damages incurred by reason of such breach, including damages in the amount of treble (three times) the value of the timber used or taken and all other damages. Said timber value will be determined by Lessor.
- E. Modification. Unless otherwise provided herein, the Lease may be modified only upon written agreement of all parties.
- F. Binding on Heirs and Successors. The Lease shall inure to the benefit of and be binding upon the heirs, executors, successors, sublessees, and assigns of the parties.

- G. **Lessee's Non-Discrimination.** Lessee shall not discriminate against any person because of race, creed, religion, color, sex, national origin or disability.
- H. **Entire Agreement.** The Lease contains the entire agreement between the parties concerning the subject matter hereof and supersedes any and all prior agreements. The execution of the Lease has not been induced by either party, or any agent of either party, by representations, promises or undertakings not expressed herein and, further, there are no collateral agreements, stipulations, covenants, promises, inducements or undertakings whatsoever between the respective parties concerning the Lease except those which are expressly contained herein.
- I. **Governing Law and Forum.** The Lease shall be construed in accordance with and governed by the laws of the State of Idaho, and the parties consent to the jurisdiction and venue of the Idaho State District Court located in Ada County in the event of any dispute with respect to the Lease or the Leased Premises.
- J. **Severability.** In the event any provision of the Lease shall be held invalid or unenforceable according to law, for any reason whatsoever, then the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- K. **Counterparts.** This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

[The remainder of this page is intentionally left blank.]

THE UNDERSIGNED HAVE READ THIS CONTRACT AND UNDERSTAND AND AGREE TO ITS TERMS.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be duly executed on the day and year written below.

LESSEE SIGNATURES

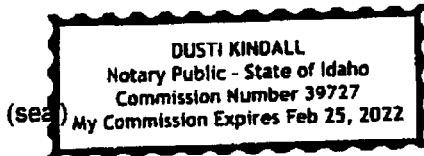
Date: 12-27-19 Gary G. Gallant
GARY GALLANT

Date: 12-27-2019 Carole Gallant
CAROLE GALLANT

STATE OF IDAHO)
County of Washington)ss.

On this 27 day of December, 2019, before me a notary public in and for said state, personally appeared GARY GALLANT, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal the day and year first above written.

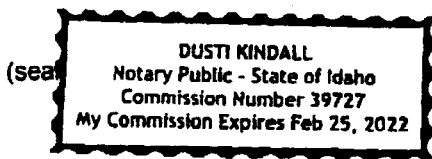


Dusti Kindall
Notary Public
Residing at: Cambridge, ID
My Commission Expires: 2/25/22

STATE OF IDAHO)
County of Washington)ss.

On this 27 day of December, 2019, before me a notary public in and for said state, personally appeared CAROLE GALLANT, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal the day and year first above written.



Dusti Kindall
Notary Public
Residing at: Cambridge, ID
My Commission Expires: 2/25/22

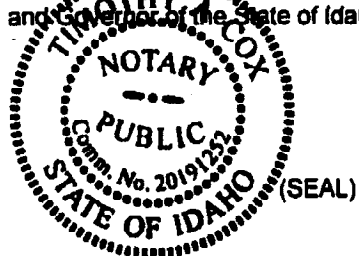
LESSOR SIGNATURES

COUNTERSIGNED: STATE BOARD OF LAND COMMISSIONERS OF THE STATE OF IDAHO

Lawrence E. Denney
Secretary of the State of Idaho

Brad Little
President of the State Board of Land Commissioners
and Governor of the State of Idaho

Dustin T. Miller
Director Department of Lands



STATE OF IDAHO)

COUNTY OF ADA) : ss

On this 23 day of JANUARY, in the year 2020, before me Timothy A. Cox, a Notary Public in and for said State, personally appeared Brad Little, known to me to be the president of the State Board of Land Commissioners of the State of Idaho and the Governor of the State of Idaho; and Lawrence E. Denney, known to me to be the Secretary of the State of Idaho and Dustin T. Miller, known to me to be the Director, that executed the within instrument, and acknowledged to me that the State Board of Land Commissioners of the State of Idaho and the State of Idaho executed the same.

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

Notary Public: Timothy A. Cox
Commission Expires: 6-25-25

Attachment A
**SPECIAL TERMS AND CONDITIONS
GRAZING/CROPLAND MANAGEMENT PROVISION**

Lease Number: G500148

Lease Applicant: Gary and Carole Gallant

Allotment Name: Johnson Creek

Grazing
(Number of Livestock by Class)

Cow/calf pairs: 64

Season of Use (specific dates): Fenced Pasture -- June 15 through October 16

MANAGEMENT PROVISION

The following Management Provision is a summary of the grazing management strategy agreed to by Lessee and Lessor to address identified resource concerns and management objectives.

Lessee may remove 36 AUMs of forage annually from 312.16 acres in accordance with the approved grazing management proposal.

The Leased Premises are used in conjunction with the USFS Johnson Creek Allotment and state lease G500047. Turn out dates are determined by range readiness and forage production - approximately six inches (6" inches) of growth on perennial grasses, and soils dry enough to prevent excessive soil compaction and tracking. Generally, use occurs between June 15 and October 16. Sixty four (64) cow/calf pairs are turned into Ferguson Basin around June 15. The cattle are worked toward Orchard Canyon and Calamity Creek, then onto Johnson Creek Park and Upper Goodrich Basin. Diligent monitoring and rotation of cattle is required when the cattle are grazing in Johnson Creek Park. They are then moved toward the southern allotment boundary until they are gathered there and removed by October 16. The cattle are on the Leased Premises while they are being worked from Orchard Canyon to Johnson Creek Park and part of Goodrich Creek.

Salting and riding are used to manage and improve livestock distribution. Livestock movements are managed for forage utilization of 50% and 35% in riparian areas whenever possible. Salt must be placed ¼ mile from surface water and timber plantations.

Lessee will coordinate with Adams County Weed Control and Lessor to manage noxious weeds.

Total number of livestock on the Leased Premises may vary because this is a common use allotment. Lessee is responsible for ensuring that no more than 36 AUMs of forage will be removed from the Leased Premises each year.

This Lease is subject to forest management practices.

Attachment B
LEASED PREMISES LEGAL DESCRIPTION

TWN	RNG	SEC	Legal Description	County	Endowment	Acres	Grazing Acres	AUMS
T16N	R02W	5	Gov Lots 3-4, S2NW, SE	Adams	PS	312.16	312.16	36
Totals:						312.16	312.16	36

