EXHIBIT 9.10

ATTACHED

### EXHIBIT 9.10

Certain Agreements Among the United States, the Hopi Tribe, the Navajo Nation, Bar T Bar, and the Arizona State Land Department Concerning Underground Water and Related Rights and Obligations in the Navajo Hopi C-Aquifer Pumping Restriction Area and Bar T Bar Ranch

#### EXHIBIT 9.10

CERTAIN AGREEMENTS AMONG THE UNITED STATES, THE HOPI TRIBE, THE NAVAJO NATION, BAR T BAR, AND THE ARIZONA STATE LAND DEPARTMENT CONCERNING UNDERGROUND WATER AND RELATED RIGHTS AND OBLIGATIONS IN THE NAVAJO HOPI C-AQUIFER PUMPING RESTRICTION AREA AND BAR T BAR RANCH

- 1. <u>Reference to the Agreement</u>. This Exhibit 9.10 is attached to and a part of that certain Northeastern Arizona Indian Water Rights Settlement Agreement (the "Agreement").
- 2. Parties. The parties to this Exhibit 9.10 are the United States acting as trustee for the Hopi Tribe, the United States acting as trustee for the Navajo Nation, the Hopi Tribe, the Navajo Nation, Bar T Bar Ranch, Inc., Bar T Bar Ranch Company, LP, Meteor Crater Enterprises, Inc. (Bar T Bar Ranch, Inc., Bar T Bar Ranch Company, LP, Meteor Crater Enterprises, Inc., collectively hereinafter referred to as "Bar T Bar") and the Arizona State Land Department. The terms of this Exhibit 9.10 are binding on the parties to this Exhibit 9.10 and their successors and assigns in perpetuity. For purposes of this Exhibit 9.10, reference to any named party refers to the named party and third parties acting on its behalf.
- 3. <u>Definitions</u>. Initially capitalized terms not otherwise defined in this Exhibit 9.10 shall have the meanings ascribed to such terms in the Agreement. Shorthand references in this Exhibit 9.10 to "T[##]N R[##]E" refer to Townships and Ranges, Gila and Salt River Base and Meridian, Coconino County, Arizona.
- Conflict or Inconsistency. In the event of any conflict or inconsistency between the terms of the Agreement and the terms of this Exhibit 9.10, the terms of this Exhibit 9.10 shall govern and control.
- 5. Navajo Hopi C-Aquifer Pumping Restriction Area. In addition to the "Bar T Bar Ranch Pumping Restriction Area" (defined below), this Exhibit 9.10 pertains to certain land and related rights owned as of the Effective Date by (i) the United States in trust for the benefit of the Hopi Tribe, (ii) the United States in trust for the benefit of the Navajo Nation, (iii) the Hopi Tribe, (iv) the Navajo Nation, and (v) the Arizona State Land Department, within the geographic area described as follows:
  - a. T20N R11E.
  - b. T20N R12E, except those portions of Sections 24 and 36 outside Arizona State Land Department Grazing Lease 05-474 (attached to this Exhibit 9.10 as Attachment A).
  - c. Sections 10, 11, 13, 14, 15, 23 and 24, T20N R12.5E, except those portions of Sections 10 and 14 lying northeast of the centerline of the BNSF railroad right of way.
  - d. Sections 19, 29 and 30, T20N R13E, except those portions of Section 30 lying northeast of the centerline of the BNSF railroad right of way.
  - e. Sections 20, 29, 30, 31 and 32, T21N R11E.
  - f. Portions of Section 19, T21N R11E.

The geographic area described in this paragraph 5 is hereinafter referred to as the "Navajo Hopi C-Aquifer Pumping Restriction Area" and is depicted in Figure 1 attached to this Exhibit 9.10 and incorporated herein by this reference.

- 6. <u>Buffer Zone 1 and Buffer Zone 2 Not Applicable</u>. Without limiting the generality of paragraph 4 of this Exhibit 9.10, Buffer Zone 1 and Buffer Zone 2 do not include, and Subparagraphs 9.4, 9.5, 9.6, 9.7, 9.8 and 9.9 of the Agreement shall have no application to, land within the Navajo Hopi C-Aquifer Pumping Restriction Area that is leased, owned, or otherwise controlled by the Hopi Tribe, or has been condemned for the benefit of the Hopi Tribe, or is held in trust by the United States for the benefit of the Hopi Tribe, regardless of when such lease, ownership, control, or trust status commences.
- 7. <u>Hopi Tribe Buffer North</u>. Following the Effective Date, no new Non-Exempt Wells shall be drilled in:
  - a. The north one mile of Sections 1 and 3, or anywhere in Sections 2 and 4, T20N R11E.
  - b. The north one mile of Sections 1, 3, and 5, or anywhere in Sections 2 (to the extent included with the Navajo Hopi C-Aquifer Pumping Restriction Area), 4 and 6, T20N R12E.

The geographic area described in this paragraph 7 is depicted in Figure 1 and identified in Figure 1 as the "Hopi Tribe Buffer North."

- 8. <u>Hopi Tribe Buffer West</u>. Following the Effective Date, the Hopi Tribe shall not drill any new Non-Exempt Wells as follows in T21N R11E:
  - a. Within a 0.75 mile radius of the Wells registered with ADWR as Well No. 55-220247 and Well No. 55-220248 (the "Protected Wells") as depicted in Figure 2 attached to this Exhibit 9.10 and incorporated herein by this reference.
  - b. Within one mile of the western boundary of the 1934 Navajo Reservation and north of the Protected Wells in Sections 19 and 20.
  - c. Within Section 32 outside the western boundary of the 1934 Navajo Reservation and south of the Protected Wells.

The geographic area described in this paragraph 8 is depicted in Figure 2 and identified in Figure 2 as the "Hopi Tribe Buffer West."

- 9. <u>Limitation on Hopi Pumping</u>. The Hopi Tribe may pump an amount of Underground Water not to exceed 6,570 AFY, collectively, from the following areas:
  - a. "Hopi Tribe Buffer South," which means the geographic area between Hopi Tribe Buffer North and 6 miles south and west of the southern boundary of the Navajo Reservation encompassed within T20N R11E, T20N R12E, T20N R12.5E, and T20N R13E as depicted in Figure 1.
  - b. Hopi Tribe Buffer West insofar as there are existing Non-Exempt Wells within this buffer as of the Effective Date, such as the Hopi Bluebird Well.

New Exempt Wells are not limited or restricted in the Navajo Hopi C-Aquifer Pumping Restriction Area or elsewhere on Hopi fee land or land held in trust by the United States for the benefit of the Hopi Tribe.

- 10. Location, Use, and Capacity of Hopi Wells. The Hopi Tribe's Wells in Hopi Tribe Buffer South and in Section 31, T21N R11E, shall not be subject to any limits on use (individually or collectively for any one or more uses), location, or individual Well capacity; provided, however, that the Hopi Bluebird Well shall not exceed a pumping capacity of 450 GPM, and the Hopi Bluebird Well may only be replaced with a Well limited to a pumping capacity of 450 GPM or less, located at a site no farther than 660 feet from the location of the Hopi Bluebird Well as of the Effective Date. The Hopi Bluebird Well may be operated in conjunction with the replacement Well as long as the combined Underground Water withdrawal from both Wells does not exceed 450 GPM.
- 11. <u>Bluebird Buffer</u>. Following the Effective Date, neither the Navajo Nation nor the Arizona State Land Department shall drill any new Non-Exempt Wells within 0.50 miles of the Hopi Bluebird Well (as located as of the Effective Date). The boundary of the geographic area described in this paragraph 10 is depicted in Figure 2 by the partial blue circle identified as the "Hopi Bluebird well ½ mile buffer."
- 12. <u>Bar T Bar Ranch Pumping Restriction Area</u>. Without limiting the generality of paragraph 4 of this Exhibit 9.10, Buffer Zone 2 does not include, and Subparagraphs 9.4, 9.5, 9.6, 9.7, 9.8 and 9.9 of the Agreement shall have no application to land within the "Bar T Bar Northern Restrictive Area" (as depicted in Figure 3 attached to this Exhibit 9.10 and incorporated herein by this reference) or the "Bar T Bar Southern Restrictive Area" (as depicted in Figure 3 attached to this Exhibit 9.10 and incorporated herein by this reference) (collectively, "Bar T Bar Ranch Pumping Restriction Area"). Instead, Bar T Bar shall limit pumping in the Bar T Bar Ranch Pumping Restriction Area as follows:
  - a. Bar T Bar has five Existing Wells within the Bar T Bar Ranch Pumping Restriction Area, as depicted in Figure 3. These Existing Wells include four wells each having a 6-inch casing diameter (Covid, Trailer Park, Rimmy Jim and Dennison wells, collectively called "the 6-Inch Wells") and one with an 8-inch diameter ("the Museum Well").
  - b. The 6-Inch Wells shall each be limited to pumping a maximum of 100 AFY.
  - c. The Museum Well shall be limited to pumping a maximum of 175 AFY.
  - d. Water pumped from Bar T Bar's five Existing Wells within the Bar T Bar Ranch Pumping Restriction Area shall only be used on the lands within the Bar T Bar Ranch Pumping Restriction Area.
  - e. The five Existing Wells within the Bar T Bar Ranch Pumping Restriction Area may be replaced with a Well limited to the same capacity as the original Existing Well, provided that the replacement Well is located at a site no more than 660 feet from the location of the Existing Well to be replaced. The original Existing Well may be operated in conjunction with the replacement Well so long as the combined withdrawal for both Wells does not exceed 100 AFY or 175 AFY, as applicable.
  - f. Bar T Bar shall not drill any New Wells in the Bar T Bar Ranch Pumping Restriction Area prior to the Effective Date.

- g. After the Effective Date, Bar T Bar shall limit combined pumping from new Non-Exempt Wells in the Bar T Bar Ranch Pumping Restriction Area to no more than 4000 AFY.
- h. New Non-Exempt Wells in the Bar T Bar Northern Restricted Area shall be limited to a pumping capacity of 500 GPM or less, with a cumulative cap of 3000 GPM, which 3000 GPM cap is included in and not in addition to the 4000 AFY cap described in paragraph 12(g). Water pumped from the Bar T Bar Northern Restricted Area shall only be used on the lands within the Bar T Bar Ranch Pumping Restriction Area.
- i. New Non-Exempt Wells in the Bar T Bar Southern Restrictive Area may be of any size, and Water pumped from new Non-Exempt Wells in the Bar T Bar Southern Restrictive Area may be used anywhere in the LCR watershed.
- New Exempt Wells are not limited or restricted in the Bar T Bar Ranch Pumping Restriction Area.
- k. Nothing in this agreement shall limit pumping on lands owned by Bar T Bar outside of the Bar T Bar Ranch Pumping Restriction Area.
- 13. <u>Amendments and Waivers</u>. Any amendments to this Exhibit 9.10 must be in writing and signed by all of the parties to this Exhibit 9.10. No provision of this Exhibit 9.10 shall be waived except by a written instrument unambiguously setting forth the matter waived and signed by the party against which enforcement of such waiver is sought. Waiver of any matter shall not be deemed a waiver of the same or any other matter on any future occasion.
- 14. <u>Paragraph Headings</u>. The Paragraph titles used in this Exhibit 9.10 are for convenience only and shall not be considered in the construction of this Exhibit 9.10.

Signature Pages Follow

### THE UNITED STATES OF AMERICA

Ву:	
	Dated:
	Secretary of the Interior

HOPI TRIBE
Ву:
Dated:
Chairman
Attest:
Approved as to form
Approved as to form:

Attorney

### SIGNATURE AUTHORITY

The undersigned representatives of the Navajo Nation to this Agreement certify that he and she are fully authorized to enter into the terms and conditions of this Agreement, to execute it, and to bind the Navajo Nation to this Agreement.

### Navajo Nation

This Agreement is executed by the Navajo Nation, acting through its President and its Attorney General.

IN WITNESS WHEREOF, the Navajo Nation has executed this Agreement on the dates provided below.

THE NAVAJO NATION
By:
Buu Nygren, President
Date:
By:
Ethel Branch, Attorney General
D. C.

Ву:			 ***************************************	
	Dated:	www.www.helescharketerschinsterderiebristerderie	 ***************************************	
	Pres	sident		
Attest	and Counters	igned:		*****
	Secretary			
Annrov	ed as to form	า:		

Attorney

### BAR T BAR RANCH COMPANY, LP

Ву:	
Dated:	
President	
Attest and Countersigned:	
Secretary	
Approved as to form:	
***************************************	······································
Attorney	

METEOR CRATER ENTERPRISES, INC.	
Ву:	
Dated:	
President	
Attest and Countersigned:	
Secretary	
Approved as to form:	
Attorney	

By:
Title:
Dated:

ARIZONA STATE LAND DEPARTMENT

#### Attachment A

#### State Grazing Lease 04-574

### STATE LAND DEPARTMENT STATE OF ARIZONA

#### **GRAZING LEASE**

Lease No. 05-474

THIS GRAZING LEASE ("Lease") is entered into by and between the State of Arizona ("Lessor") by and through the Arizona State Land Department ("Department") and

#### THE HOPI TRIBE

as ("Lessee"). In consideration of the payment of rent and of performance by the parties of each of the provisions set forth herein, the parties agree as follows:

## ARTICLE 1 SUBJECT LAND

- 1.1 Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, for the term, at the rent, and in accordance with the provisions of this Lease that State Land described in Appendix A attached hereto ("the Subject Land") for the uses and purposes specified in Article 4.
- 1.2 Lessee makes use of the Subject Land "as is" and Lesser makes no express or implied warranties as to the physical condition of the Subject Land.

#### ARTICLE 2 TERM

2.1 The term of this Lease commences on <u>February 5, 2017</u>, and ends on <u>February 4, 2027</u>, unless terminated earlier as provided in this Lease.

### ARTICLE 3 RENT

- 3.1 Lessee shall pay rent to Lessor for the use and occupancy of the Subject Land during the term of this Lease without offset or deduction and without notice or demand, as established, on an annual basis.
- 3.2 The annual base rent shall be set by Lessor in the manner established by law and paid in advance each year. 05-GRAZ 593 (REV. 52013)

- 3.3 Each billing year in advance, Lessee shall inform Lessor, on forms to be provided by Lessor, whether Lessee intends to make full use, partial use or total non-use of the maximum allowable animal-unit-months for the Subject Land, so that the correct amount of rent may be billed by the Lessor. Lessee shall inform Lessor in writing of any subsequent change in the number of animal-unit-months which Lessee intends to use. If Lessee fails to provide Lessor with this information within the time stated in the form provided by Lessor, Lessee shall pay full-use rent.
- 3.4 There shall be added to the delinquent rental or other monies due, a penalty and delinquent interest. The delinquent interest rate shall be set by the State Treasurer according to law. The penalty shall be the greater of a minimum processing cost as determined by the Commissioner or five (5%) percent. The delinquent rent, penalty and interest shall be a lien on the improvements and property on the land.
- 3.5 Prior to the time a rent payment, annual or otherwise, is due, upon Lessec's written request, Lessor at its discretion may extend the time for payment for an additional period not to exceed 90 days. There shall be added to the delinquent rental or other monies due, a penalty and delinquent interest. The delinquent interest rate shall be set by the State Treasurer according to law. The penalty shall be the greater of a minimum processing cost as determined by the Commissioner or five (5%) percent. The delinquent rent, penalty and interest shall be a lien on the improvements and property on the land.
- 3.6 If the annual rent is at any time one calendar year in arrears, this Lease shall automatically terminate, without right of appeal by Lessee or any leasehold mortgagee, and Lesser shall proceed to cancel it on the records of the Department.

#### ARTICLE 4 USE OF SUBJECT LAND

- 4.1 The Subject Land is leased to the Lessee for the purposes of ranging livestock and for uses related thereto and no other use, except as approved in writing by Lessor after written application by Lessee.
- 4.2 Feedlot operations on the Subject Land are prohibited, but this shall not be construed to prevent the temporary or supplemental feeding of livestock.

## ARTICLE 5 LIVESTOCK CARRYING CAPACITY

5.1 The livestock carrying capacity for the Subject Land shall be determined by the Lessor and may be adjusted from time to time, subject to the appeal rights of Lessee as provided by law. The appraised carrying capacity of the Subject Land shall not be exceeded during any billing year unless Lessee obtains the prior written permission of Lessor and agrees to pay the additional fees determined by Lessor.

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## ARTICLE 6 DUTY TO INFORM LESSOR OF TOTAL RANCH HOLDINGS

- 6.1 At the time of making application for the Lease, Lessee shall disclose to Lessor, on a form provided by Lessor, the total acreage used for grazing within the ranch unit or units of which the Subject Land is a part. This shall include, in addition to the Subject Land, any federal land which Lessee grazes pursuant to a written lease or permit any private land owned by or used by Lessee, with a designation as to which private lands are used pursuant to written agreement. In addition, Lessee shall show, on a map form supplied by or acceptable to Lessor: (1) the approximate location of all fence lines and man-made water sources and (2) the land ownership status (state, federal, or private) of the ranch unit or units of which the land covered by this Lease is a part.
- 6.2 In any determination as to whether the carrying capacity of the Subject Land has been exceeded, no claimed grazing use of private or federal lands within the ranch unit or units which have not been disclosed as part of the ranch unit or units shall be considered.
- 6.3 For purposes of determining whether the Lessee has remained within the authorized carrying capacity under this Lease, it shall be presumed that all land within a fenced pasture (whether state, federal or private) has been grazed to the same extent by livestock placed in that pasture unless Lessee or Lessor can, based upon range suitability and management practices, demonstrate to the contrary.

# ARTICLE 7 RECORDS

- 7.1 Lessee shall keep records showing the numbers of Lessee's livestock of different classes on the ranch unit or units, the dates put on and removed and estimated death loss.
  - 7.2 Such records shall be retained for a minimum period of three years.
- 7.3 The Lessor may, upon reasonable notice to the Lessee, require the production of the records described in Paragraph 7.1 above. In the event a dispute arises concerning the numbers of cattle grazed, the Lessee shall keep all documents and records until the dispute is finally resolved.

### ARTICLE 8 TAXES; ADDITIONAL AMOUNTS

8.1 Lessee shall pay all assessments and charges for utilities and communication services, and assessments imposed pursuant to any construction on the Subject Land, all permit and authorization fees, all taxes, duties, charges and assessments of every kind of nature imposed by any public, governmental or political subdivision authority pursuant to

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any currently or subsequently enacted law, ordinance, regulation or order, which during the term of this Lease, become due or are imposed upon, charged against, measured by or become a lien on (a) the Subject Land, (b) any improvements or personal property of the Lessee located on the Subject Land, (c) the interest of the Lessee to this Lease or in the proceeds received by Lessee from any assignment or sublease of the Subject Land.

8.2 Lessee shall pay or cause to be paid all amounts required to be paid under Paragraph 8.1 before any interest, penalty, fine or cost accrues for nonpayment.

## ARTICLE 9 WAIVER

- 9.1 Acceptance of rent payments by Lessor shall not constitute a waiver by Lessor of any violation by Lessec of the provisions of this Lease.
- 9.2 No waiver of a breach of any provision of this Lease shall be construed as a waiver of any succeeding breach of the same or any other provision.

### ARTICLE 10 IMPROVEMENTS

- 10.1 All buildings, fences, wells, pumps, pipelines, corrals, pens, range improvement practices (i.e., root plowing, land imprinting, clearing, etc.) and other structures of every kind and nature which exist, at anytime, on, above, or below the Subject Land or on a portion thereof and which are not portable in nature are considered "improvements" under this Lease.
- 10.2 Lessee may construct improvements on the Subject Land if: (a) Lessee has filed an Application to Place Improvements with Lessor, attaching any necessary written approvals from regulatory authorities; and (b) Lessor has granted written approval for the construction of such improvements.
- 10.3 Any improvements placed on the Subject Land which have not been approved as required by Paragraph 10.2 shall be forfeited to and become property of the Lessor, and Lessee shall be liable to Lessor for all damage to the Subject Land caused by such unauthorized improvements and for any expenses incurred by the Lessor in restoring the Subject Land.
- 10.4 Lessee shall have the right to remove all of its personal property which can be removed without damaging the Subject Land within 60 days prior to, or 90 days following the Expiration Date or the earlier termination of the Lease.
- 10.5 Improvements placed on the Subject Land shall conform to all applicable federal, state, county and municipal laws and ordinances.

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- 10.6 All improvements placed upon the Subject Land by Lessee in conformance with Paragraph 10.2 shall be the property of Lessee or any successor in interest ("Owner") and shall, unless they become the property of Lessor, be subject to assessment for taxes in the name of the Owner, as other property.
- 10.7 The Lessee or Owner shall be entitled to reimbursement for improvements authorized in accordance with Paragraph 10.2 by any subsequent lessee or purchaser of the Subject Land upon expiration of this Lease as provided by A.R.S. § 37-322.02 or any successor statute, subject to any rights acquired by the Lessor under Paragraph 3.4.

#### ARTICLE 11 LESSEE'S COOPERATION; INGRESS AND EGRESS

- 11.1 Lessee shall cooperate with Lessor in Lessor's inspection, appraisal and management of the Subject Land and permit reasonable access by Lessor's employees to isolated State Land across Lessee's private land during the term of this Lease.
- 11.2 Lessee shall not interfere with the authorized activities of Lessor's employees, agents, licenses or other lessees or permittees on the Subject Land.

#### ARTICLE 12 LESSEE SHALL NOT PERMIT LOSS OR WASTE

12.1 Lessee shall not cause nor grant permission to another to cause any waste or loss in or upon the Subject Land. Lessee, its employees and agents shall not cut, consume or remove any timber, or standing trees that may be upon the Subject Land, without the prior written consent of Lessor, except that Lessee may cut wood for fuel for domestic uses and authorized improvements on the Subject Land. Nothing herein shall permit the cutting of saw timber for any purpose.

#### ARTICLE 13 NATIVE PLANTS AND CULTURAL RESOURCES

13.1 Lessee shall comply with the provisions of the Arizona Native Plant Law (A.R.S. § 3-901 et seq., or any successor statutes) and with Arizona laws relating to archaeological discoveries (A.R.S. § 41-841 et seq., or any successor statutes). Lessee shall not disturb any eacti or other protected native plants nor disturb any ruins, burial grounds or other archaeological sites except as may be permitted by these laws.

## ARTICLE 14 LESSEE SHALL PROTECT THE LAND, PRODUCTS AND IMPROVEMENTS

14.1 Lessee is hereby authorized to use means which are reasonable and which do not result in a breach of the peace or in creating a concealed hazard, to protect the Subject Land and improvements against waste, damage and trespass.

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14.2 In the event of known trespass on the Subject Land resulting in damage thereto, Lessee shall make reasonable efforts to notify Lessor and appropriate law enforcement authorities.

# ARTICLE 15 ASSIGNMENT, SUBLEASE, PASTURAGE AGREEMENT AND ENCUMBRANCE

- 15.1 Lessee, if not in default in the payment of rent and having kept and performed all the conditions of this Lease may, with the written consent of Lessor, assign this Lease. An assignment of this Lease shall not be made without the consent of all lienholders of record. In the event of assignment of this Lease, Lessee shall file with Lessor a copy of applications for transfer of all certificates for stockponds on the Subject Land to assignee, as agent for the State of Arizona, showing that the applications have been filed with the appropriate governmental agency.
- 15.2 Lessee shall not sublease or sell or lease pasturage to lands included in the Lease without first obtaining the written consent of Lessor. Subleasing by the sublessee, or pasturing of animals not branded with the sublessee's brands, is not allowed. The term "sublease" includes the transfer of control of all or part of the ranch unit or units containing the Subject Land. Not with-standing any sublease, Lessee shall remain responsible to the Lessor for the performance of the provisions of this Lease. In no event may this Lease be sublet unless all rent due has been paid and all provisions of this Lease are complied with.
- 15.3 This Lease authorizes only the grazing of livestock bearing the registered brand(s) of Lessee or Lessee's immediate family. If Lessee wishes to permit the grazing of livestock bearing any other brands pursuant to pasturage agreements of any kind, Lessee must so inform Lessor prior to the release of such livestock on the Subject Land.
- 15.4 Copies of all assignments, subleases, or pasturage agreements pertaining to the Subject Land shall be filed with the Lessor.
- 15.5 In the event, this Lease is canceled or terminated prior to the expiration date any sublease or pasture agreement shall automatically terminate on the date the Lease is terminated.

# ARTICLE 16 RESERVATIONS, RELINQUISHMENTS TO UNITED STATES

16.1 Lessor excepts and reserves out of the grant hereby made, all oils, gases, geothermal resources, coal, ores, minerals, fossils, fertilizers, common mineral products and materials, and all natural products of very kind that may be in or upon the Subject Land any legal claim existing or which may be established under the mineral land laws of the United States or the State of Arizona.

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- 16.2 Lessor reserves the right to execute lesses, permits, or sales agreements covering the Subject Land for the purpose of entering upon and prospecting for, and the extraction of such reserved materials.
- 16.3 Lessor reserves the right to grant rights of way, easements and sites over, across, under or upon the Subject Land for public highways, railroads, utility lines, pipelines, irrigation works, flood control, drainage works, logging and other purposes.
- 16.4 Lessor reserves the right to relinquish to the United States land needed for irrigation works in connection with a government reclamation project and to grant or dispose of rights of way and sites for canals, reservoirs, dams, power or irrigation plants or works, railroads, tramways, transmission lines or any other purpose or use on or over the Subject Land.
- 16.5 In the event of such relinquishment, grants or disposal, the Lessee waives all right to any compensation whatsoever as against the Lessor except as may be allowed under the provisions of Article 17, and as limited therein.

### ARTICLE 17 CONDEMNATION AND EMINENT DOMAIN

17.1 If at any time during the duration of this Lease the whole or any part of the Subject Land shall be taken for any quasi-public or public purpose by any person, private or public corporation, or any governmental agency having authority to exercise the power of condemnation or eminent domain pursuant to any law, this Lease shall expire on the date when the leased property is taken or acquired as to the leased property so taken or acquired. Except as set forth below, the rights of Lessee and Lessor to compensation for such taking shall be as provided by law. The Lessee shall have no compensable right or interest in the real property being condemned or interest in the unexpired term of this Lease or any renewal except as provided by law and in any event no interest greater than 10 percent of the total award for the land. The Lessor shall be entitled to and shall receive any and all awards for severance damages to remaining proceedings concerning the Subject Land. Lessee shall have the right to (1) prorated reimbursement for prepaid rent, (2) any and all awards for payments made for any authorized improvements which are taken, and (3) severance damages for any damage to Lessee's remaining ranch operation resulting from the taking.

### ARTICLE 18 WATER RIGHTS

18.1 The Lessee shall be entitled to the use on the Subject Land of groundwater as defined in A.R.S. § 45-101, or any successor statute, for purposes consistent with this Lease. If the Lessee shall develop any groundwater on the Subject Land, he shall not acquire any rights with respect to the groundwater, except the right to use such water in accordance with applicable law, on the Subject Land during the term of this Lease.

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- 18.2 If the Lessee uses, on the Subject Land, groundwater from a source not on the Subject Land, that use alone shall not (1) cause such water or any rights with respect to that water to be appurtenant to the Subject Land, or (2) affect in any way the Lessee's rights with respect to the water.
- 18.3 The rights of the Lessor and the Lessee concerning the application for an establishment of any rights with respect to surface water as defined in A.R.S. § 45-101, or any successor statute, shall be governed by the laws of the State of Arizona.
- 18.4 Nothing in the provisions of this Lease shall affect the validity of any rights established by or for the Lessor or Lessee with respect to surface water, as defined in A.R.S. § 45-101, prior to the Commencement Date of this Lease.
- 18.5 The application for and establishment by the Lessor or Lessec (as agent of the State of Arizona) of any water rights shall be for the State of Arizona; such rights shall attach to and become appurtenant to the Subject Land.
- 18.6 Notwithstanding Paragraph 18.5 above, the Lessee, as agent of the State of Arizona, shall be entitled to any certificate of water right, issued pursuant to the Stockpond Registration Act, A.R.S. § 45-271 through 45-276 (as it may be amended) relating to a stockpond constructed as an authorized improvement on the Subject Land. Any such certificate and the rights it evidences and represents shall be appurtenant to the Subject Land and shall pass to any successor lessee; or, if the land is not leased but is retained by the State of Arizona, then to the State of Arizona; or if the land is sold, then to the purchaser.
- 18.7 The Lessee shall promptly notify the Lessor in writing of any initial filings made by the Lessee with any governmental agency or court concerning the establishment or adjudication of any claim to a water right relating to the Subject Land. Upon request of the Lessor, the Lessee shall furnish copies of any document filed with the agency or court.

# ARTICLE 19 DEFAULT AND CANCELLATION

- 19.1 Violation by Lessee of any provision of this Lease shall be a default hereunder entitling Lessor to any and all remedies it may have under Arizona law.
- 19.2 Upon any such default, the Lease may be canceled pursuant to A.R.S. § 37-289 or any successor statute.
  - 19.3 This contract is subject to cancellation pursuant to A.R.S. § 38-511.

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#### ARTICLE 20 HOLDOVER LESSEE

20.1 Upon expiration or termination of this Lease, Lessee agrees to surrender to Lessor peaceful and uninterrupted possession of the Subject Land. Holdover tenancy by the Lessee is prohibited and shall be deemed a trespass for which Lessor may seek all appropriate civil and criminal remedies; except that a Lessee in good standing who has filed a timely application for renewal may continue to occupy and use the Subject Land, pursuant to the terms of this Lease, pending action on the renewal application by Lessor.

## ARTICLE 21 INDEMNIFICATION

- 21.1 Except as provided by A.R.S. § 33-1551 (or its successor statutes), Lessee hereby expressly agrees to indemnify and hold Lessor harmless, or cause Lessor to be indemnified and held harmless from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and expenses, including attorneys' fees and costs, which may be imposed upon or incurred by or asserted against Lessor by reason of the following: (a) any accident, injury or damage to any persons or property occurring on or about the Subject Land or any portion thereof resulting from Lessee's use of the Subject Land, (h) any use, non-use or condition of the Subject Land or any portion thereof resulting from Lessee's intentional actions or negligence, and (c) any failure on the part of Lessee to perform or comply with any of the provisions of this Lease; except such as may be the result solely of Lessor's intentional conduct or active negligence.
- 21.2 In case an action or proceeding is brought against Lessor by reason of any such occurrence, Lessee, upon Lessor's request and at Lessee's expense, will resist and defend such action or proceedings, or cause the same to be resisted and defended either by counsel designated by Lessee or, where such occurrence is covered by liability insurance, by counsel designated by the insurer.
- 21.3 Lessee shall protect, defend, indemnify and hold harmless the Lesser from and against all liabilities, obligations, losses, environmental responses, and clean up costs, charges and expenses, including attorneys' fees and court costs arising out of or related to the presence or existence of any substance regulated under any applicable Federal, State or local environmental laws, regulations or ordinances or amendments thereto because of: (a) any substance that came to be located on the Subject Land resulting from any use or occupancy of the Subject Land by the Lessee before or after the issuance of the Lease; or (b) any release, threatened release, escape, seepage, leakage, spillage, discharge or emission of any such substance in, on, under or from said Subject Land that is caused, in whole or in part, by any conduct, actions or negligence of the Lessee, regardless of when such substance came to be located on the Subject Land.

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#### ARTICLE 22 RENEWAL

22.1 Upon application to the Department not less than thirty days nor more than one year before the Expiration Date, Lessee, if a bona fide resident of the State or legally authorized to transact business in the State, shall have a preferred right to renewal for a term not to exceed ten years, as provided by law, bearing even date with the Expiration Date. The preferred right of renewal shall not extend to a Lessee if there has not been substantial compliance with the terms of this Lease or if the Subject Land has not been placed to the use prescribed in this Lease, unless for good cause, the failure to perform was given written authorization by the Department. If the Department determines the continued leasing of the land to the Lessee is not in the best interest of the State, the Lease shall not be renewed.

### ARTICLE 23 INSURANCE REQUIREMENTS

23.1 Lessee shall maintain in full force a commercial general liability insurance policy during the lease term affording protection to the limit of not less than one million dollars. This policy shall contain a provision that Lessor, named as an additional insured, shall be entitled to recovery for any loss occasioned to it, its agents and employees. Further, the policy shall provide that their coverage is primary over any other insurance coverage available to the Lessor, its agents and employees. Insurance policies must contain a provision that the Lessor shall receive an advance 30 day written notice of any cancellation or reduction in coverage.

# ARTICLE 24 ENVIRONMENTAL MATTERS

24.1 Lessee shall strictly comply with Environmental Laws, relating but not limited to hazardous and toxic materials, wastes and pollutants. Compliance means the Lessee shall act in accordance with the necessary reporting obligations obtain and maintain all permits required, provide copies of all documents as required by Environmental Laws. For purposes of this Lease the term "Environmental Law" shall include but not be limited to any relevant federal, state, or local laws, and applicable regulations, rules and ordinances, and publications promulgated pursuant thereto, including any future modifications or amendments relating to environmental matters.

## ARTICLE 25 MISCELLANEOUS

- 25.1 This Lease grants Lessee only those rights expressly granted herein and Lessor retains and reserves all other rights in the Subject Land.
- 25.2 This Lease is subject to all current and subsequently enacted rules, regulations and laws applicable to State Lands and to the rights and obligations of Lessors

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and Lessees. No provisions of this Lease shall create any vested right in Lessee except as otherwise specifically provided in this Lease.

- 25.3 The Lessor shall be forever wholly absolved from any liability for damages which might result to the Lessee in the event this Lease is found to be void, canceled, forfeited or terminated prior to the Expiration Date or in the event this Lease is not renewed.
- 25.4 If it is determined that Lessor has failed to receive title to any of the Subject Land, the Lesse is null and void insofar as it relates to the land to which Lessor has failed to receive title. Lessor shall not be liable to Lessee or any assignee or sublessee for any damages that result from Lessor's failure to receive title.
- 25.5 In any action arising out of this Lease, the prevailing party is entitled to recover reasonable attorneys' fees incurred therein in addition to the amount of any judgment, costs and other expenses as determined by the court. In the case of Lessor, reasonable attorneys' fees shall be calculated at the reasonable market value for such services when rendered by private counsel notwithstanding that it is represented by the Arizona Attorney General's Office or by other salaried counsel.
- 25.6 No provisions of this Lease shall create any right or interest in Lessec to a fee interest in the Subject Land.
- 25.7 Any notice to be given or other documents to be delivered to Lessee or Lessor hereunder shall be in writing and delivered to Lessee or Lessor by depositing same in the United States Mail, with prepaid postage addressed as follows:

To Lessor: Arizona State Land Department 1616 West Adams Street - First Floor

Phoenix, AZ 85007

To Lessee: Address of Record

Lessee must notify Lessor within thirty (30) days by written notice of any change in address. Lessor's notice shall be deemed adequate if sent to the Lessee's best known address of record and no change of address form is on file.

- 25.8 This Lease shall be governed by, construed and enforced in accordance with Arizona laws.
- 25.9 Any attempt to assign, sublease, convey, transfer or otherwise dispose of any estate or interest in this Lease, other than pursuant to its term, shall not be effective.
- 25.10 This Lease, together with all attached Appendices, embodies the whole agreement of the parties. There are no other agreements or terms, oral or written. This document supersedes all previous communications, representations and agreements, oral or written, between the parties.

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- 25.11 THIS DOCUMENT is submitted for examination and shall have no binding effect on the parties unless and until executed by the Lessor (after execution by the Lessee), and a fully executed copy is delivered to the Lessee.
- 25.12 IN THE EVENT OF A DISPUTE between the parties to this Lease, it is agreed to use arbitration to resolve the dispute but only to the extent required by A.R.S. § 12-1518; and, in no event shall arbitration be employed to resolve a dispute which is otherwise subject to administrative review by the Department.
- 25.13 Every obligation of the State under this Lease is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Lease, this Lease may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or any damages as a result of termination under this paragraph.
- 25.14 The parties agree to be bound by applicable State and Federal rules governing Equal Employment Opportunity, Non-discrimination and Disabilities, including Executive Order No. 2009-09.
- 25.15 Upon the sale, exchange, redemption, relinquishment or taking, whether by eminent domain or institutional use of all or any portion of the Subject Land, this Lease shall terminate on the date of such disposition as to the property so affected.

### APPENDIX A

STATE OF ARIZONA LAND DEPARTMENT 1616 W. ADAMS PHOENIX, AZ 65007

RUN DATE: 6 March 2017 RUN TIME: 13 30 PM PAGE 1

KE-LEASE# 005-000474-00-018 APPTYPE RENEWAL AMENDMENT# 0

455122515724611251466481461431688268826827772815252525252537774752537777475					
( AND#	LEGAL DESCRIPTION	AUS	ACREAGE		
19 0-N-11 0-E-02-03-030-1002	ALL	9 00	640 000		
19 0-N-11 0-E-04-03-031-1002	ALL.	9.00	640 000		
19 0-N-11 0-E-06-03-031-1002	LOT 1 THRU 4 E2W2 E2	9 80	703 430		
19 0-N-11 0-E-08-03-031-1002	ALL	9 00	640 000		
19 0-N-11 0-E-12-03-031-1002	W2W2	2.20	160 000		
19 0-N-11 0-E-14-03-031-1002	ALL	9 00	640 000		
19 0-N-11 0-E-16-03-030-1002	ALL	9 00	640 000		
19 0-N-11 0-E-18-03-031-1003	LOT 1	0.70	52 170		
19 0-N-11 0-E-18-03-031-1004	E2E2	2 20	160 000		
19 0-N-11.0-E-20-03-031-1002	SESW S2SE	1 60	120 000		
19 0-N-11 0-E-28-03-031-1002	N2 SW NW2SE	7 80	560 000		
19 0-N-11 0-E-32-03-030-1002	LOTS 1 THRU 4 N2S2 N2	8 90	637 240		
19 0-N-12 0-E-02-03-030-1002	LOTS1 THRU 4 S2N2 S2	8 90	639 040		
19 0-N-12 0-E-04-03-031-1002	LOTS 1 THRU 4 S2N2 S2	8 90	637 920		
19 0-N-12 0-E-05-03-031-1002	LOTS 1 THRU 7 S2NE SENW E2SW SE	6 80	630 040		
19 0-N-12 0-E-08-03-031-1002	At t	9.00	640 000		
19 0-N-12 0-E-10-03-031-1002	ALL	9 00	640 000		
20 0-N-11 0-E-02-03-030-1002	LOTS 1 THRU 12 S2 EX CONDEMNATION 95- 98643 LY IN SWSWSWSW	11 40	815 230		
20 0-N-11 0-E-04-03-031-1003	LOTS 1 THRU 4 7 8 AND LOTS 5 6 9 10 11 N2NENESE LY N OF CONDEMNATION 95-98643	5 20	373 239		
20 0-N-11 0-E-04-03-031-1004	LOT 12 N2SW NWSE \$282 AND LOTS 5 6 9 10 11 NESE LY S OF CONDEMNATION 95-98643	6 00	428 239		
20.0-N-11 0-E-08-83-031-1002	ALL	9 00	640 000		
20 0-N-11 0-E-10-03-031-1002	ALL EX CONDEMNATION 95-98643 LY IN NENENENE	8 90	639 920		
20 0-N-11 0-E-12-03-031-1003	NE N2NW AND S2NW NESW SE LY N OF	5 80	414 660		

#### APPENDIX A

STATE OF ARIZONA LAND DEPARTMENT 1616 W. ADAMS PHOENIX, AZ 85007 RUN DATE: 6 March 2017 RUN TIME 13:30 PM PAGE: 2

KE-LEASE# AMENDMENT#	005 000474 0	-00-018	APPTYPE	RENEWAL		
		CONDEM	NATION 95-9864	3		
20 0-N 11.0-E-12-0	3-031-1094		NO SWSWNW N2 NATION 95-9864		2 10	149 330
20 0-N-11 0-E-14-0	3-031-1002	ALL			9 00	640 000
20 0-N-11 0-E-16-0	3-030-1002	ALL			9 00	640 000
20 0-N-11 0-E-18-0	3-031-1002	LOTS 1 T	HRU 4 E2W2 E2		10 00	715 550
20 0-N-11.0-E-22-0	3-031-1006	E2 N2NW	SWNW SW		8 40	600 000
20 0-N-11 0-E-24-0	3-031-1002	ALL			9.00	640 000
20 0-N-11 0-E-26-0	3-031-1002	ALL			9 00	640 000
20 0-N-11 0-E-28 0	3-031-1002	ALL			9 00	640.0 <b>0</b> 0
20 0-N-11 0-E-30-0	3-031-1002	LOTS 1 T	HRU 4 E2W2 E2		9 90	710 450
20.0-N-11 0-E-32-0	3-030-1002	ALL			9 00	640 000
20 0-N-11 0-E-34-0	3-031-1002	ALL			9 00	640.000
20 0-N-11 0-E-36-0	3-030-1002	ALL			9 00	640.000
20 0-N-12 0-E-02-0	3-030-1002			ND LOTS 3 4 S2NE D/L OF RAILROAD	7 10	505.910
20 C-N-12 C-E-C4-0	3-031-1002	LOTS 1 TI	4RU 4 S2N2 S2		10 00	715 560
20 0-N-12 0-E-06-0	3-031-1004	LOTS 11	HRU 7 S2NE, SEM	IW E25W SE	9 90	704 900
20 0-N-12 0-E-08-0	3 031-1002	ALL			9 00	640 000
20.6 N-12.0-E-10-0	3-031-1002	ALL			9 00	540 000
20 0-N-12 0-E-12-0	3-031-1002	Al, L			9 00	640 000
20 0-N-12 0-E-14-00	3-031-1002	N2 EX CO SESESES		5-98643 LY IN S2SWNE	4 40	313 640
20 G-N-12 O-E-16-03	3-030-1003			S2NW AND \$2\$2\$2NW (IN OF CONDEMNATION	4.70	335 330
20 0-N-12 0-E-16-03	3-030-1004		2S2 AND S2S2S NATION 95-9864	WNW N2N2S2 LY S OF 3	4 20	297 820
20.0-N-12 0-C-18-03	3-031-1003		VW N2NE N2S2N VATION 95-9864		1 90	136.200
20 0-N-12 0-E-18-03	3-031-1004	LOTS 23	4 E2SW SE AND	LOT 1 E2NW	6 80	<b>485</b> 060

#### APPENDIX A

STATE OF ARIZONA LAND DEPARTMENT 1616 W. ADAMS PHOENIX, AZ 85007 RUN DATE 6 March 2017 RUN TIME 13:30 PM PAGE: 3

PHOENIX, AZ 80007		PAGE: 3	
KE-LEASE# 005-000474 AMENDMENT# 0	-00-018 APPTYPE: RENEWAL		
	S2S2SWSWNWNE S2NE LY S OF CONDEMNATION 95-98643		
20 0-N-12 0-E-20-03-031-1002	ALL	9 00	640 000
20 0-N-12 0-E-22-03-031-1002	ALL	9.00	640 000
20.0-N-12 0-E-24-03-631-1002	SWSWSWNW W2SW W2SFSW LY SWLY OF FENCE	0 60	61 810
20 0-N-12 0-E-26-03-031-1002	ALE	9 00	640 000
20:0-N-12 0-E-28-03-049-1002	ALL	9 00	640 000
20 0-N-12 0-E-30-03-031-1002	LOTS 1 THRU 4 E2W2 E2	8 80	632.160
20 0-N-12 0-E-32-03-030-1002	ALL	9 00	640 000
20 0-N-12 0-E-34-03-031-1002	ALE	9 00	640 000
20.0-N-12 0-E-36-03-030-1002	W2W2NWNWNENE NWNE NW NWNWNWNWSW LY NWLY OF FENCE	3 70	267 820
20 0-N-12 5-E-10-03-031-1002	LOTS 2 3 4 E2SW W25E SESE AND LOT 1 E2NW SZNE NESE LY SWLY FROM C/L OF RA/LROAD	5 90	420 840
20 0-N-12 5-E-14-03-031-1005	S2S2SW LY S OF CONDEMNATION 95 98643	0 30	37 910
20 0-N-12 5-E-14-03-031-1010	S2N2 N2S2 EX PAT 5009 LY IN E2SWMESE AND S2S2 LY N OF CONDEMNATION 95-98643	3 30	428 880
20 0-N-13 0-E-30-03-031-1005	LOT 1 N2NE NENW SENE AND LOT 2 SENW SWNE N2N2SE LY N OF CONDEMNATION 95- 98643	4 30	309 900
20 0-N-13 0-E-30-03-031-1006	LOT 2 SZSENW N2N2NESW N2SE LY S OF CONDEMNATION 95-98643 AND N OF EAST BOUND C/L OF I-40	0 20	13 060
	TOTALS	428 60	30,813 240

IN WITNESS HEREOF, the parties hereto have signed this Lease effective the day and year set forth previously herein.

STATE OF ARIZONA, LESSOR Arizona State Land Commissioner

MINISLOVY		86047 Zip
PO Box 113 Address	3 & 	
Printed Name	ł	Title
Authorized Signatu	) Memoria	3/17/17 Date
Lessee		
プシンプフ Date		
	Authorized Signand PATRICK M 3 Printed Name PO Box 113 Address	THE HOPI TRIBE Lessre Authorized Signature PATPICK M BROWNING Printed Name PO. BOX 1138 Address WINGLOW AZ

05-GRAZ 5/93 (REV. 5/2013)





