

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This is an agreement (Agreement") between the named Plaintiffs (the Plaintiffs) remaining in Moffat County District Court Case No. 2016 CV 2 (the Action) and the Baker's Peak Landowners' Association, Inc. (the Association), which is the sole Defendant in the Action. This Agreement refers to Plaintiffs and Defendants collectively as "the parties."

Background

The parties participated in mediation on July 21, 2017, and reached a settlement. They executed a Settlement Memorandum, a copy of which is attached as **EXHIBIT A**. The parties now execute this Settlement Agreement to formalize their settlement.

Terms

1. The Settlement Memorandum is Binding.

The Settlement Memorandum is binding on the parties. It is incorporated herein by reference.

2. Mutual Releases

Except for the obligations set forth in this Agreement (including the Settlement Memorandum), the parties, on behalf of themselves, their members, partners, directors, officers, shareholders, employees, heirs, agents, representatives, successors, and assigns waive and fully release each other from any and all claims, causes of action, or other methods of imposing liability and/or other form of relief (legal, equitable, or administrative), whether known or unknown, that they have or might have against one another from the beginning of time to the date of this Agreement.

3. Disputed Claims

This Agreement represents a compromise of any claims disputed by the parties and is not to be construed in any way as an admission of liability or fault on the part of any party, and any and all such liability is understood as being expressly denied by all parties hereto.

4. Warranty of Non-assignment

The parties expressly warrant that they have not assigned any claims referenced or released herein to any other person or entity, that no other person or entity has asserted or is able to assert any lien, claim or entitlement to any portion of the consideration recited above, which has not been satisfied or will not be satisfied immediately upon execution of this Agreement.

5. Cooperation

The parties agree to cooperate fully and to execute all supplementary documents and to take all additional actions that may be necessary and appropriate to give full force and effect to the terms and intent of this Agreement, which are not inconsistent with its terms and intent.

6. Attorney's Fees and Costs.

The parties will pay their own attorney's fees and mediation costs incurred in resolving the disputes that resulted in the execution of this Agreement.

7. Miscellaneous

A. All parties participated in drafting the present document. Accordingly, no Court shall construe any ambiguity against any party by virtue of the rule of construction that courts construe ambiguities against the drafter.

B. No party has received any promises, other than those set forth above, that in any way induced that party to enter into this Agreement.

C. This Agreement is the entire agreement between the parties. This Agreement cannot be modified unless all parties agree to such a modification in writing.

D. This Agreement shall be interpreted in accordance with the laws of the State of Colorado. The exclusive venue for any dispute arising out of this Agreement shall be in Moffat County, Colorado, and all parties waive trial by jury. In any such action, the court shall award the prevailing party attorney's fees and costs.

E. This Agreement may be signed in counterparts. Facsimile and email signatures are acceptable and are to be considered the same as originals.

F. All parties have had ample time and opportunity to consult with an attorney regarding the Agreement before signing it.

G. All parties have read the present Agreement, understand its terms, and agree with all of its provisions. All parties sign the Agreement voluntarily, free of duress or coercion of any kind.

Signatures

Baker's Peak Landowners' Association,
Inc., Defendant

By: Walt Barham 10/12/17
DATE
Title: BOARD PRESIDENT

Larry G. Kokernot, Plaintiff DATE

Adrian Figer, Plaintiff DATE

Paul Devon Montgomery, Plaintiff DATE

Richard King, Plaintiff DATE

Robert E. Towery, Plaintiff DATE

Henry Nields, Plaintiff DATE

Elizabeth Nields, Plaintiff DATE

Josephina J. Montigny as Trustee of
the 2007 Montigny Family Trust,
Plaintiff DATE

Dudley Dale Towery, Plaintiff DATE

Tika Ranae Towery a/k/a/
Tika Pyatt, Plaintiff DATE

James E. Wishert, Plaintiff	DATE
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Betty J. Wishert, Plaintiff	DATE
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Dudley H. Towery as Trustee of the Towery 1990 Trust, Plaintiff	DATE
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Rick Veno, Plaintiff	DATE
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Steve Smith, Plaintiff	DATE
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Karen Smith, Plaintiff	DATE
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Settlement Memorandum

This is a Settlement Memorandum (Memo) between the Plaintiffs in Moffat County District Court Case No. 16 CV 2 (the action) and the Defendant, the Baker's Peak Landowners' Association, Inc. (Association), collectively referred to in this Memo as "the parties."

The parties participated in mediation with the Hon. Thomas Ossola on July 21, 2017, and agreed to settle the action on the terms set forth in this Memo. The parties agree as follows:

1. The Association is a voluntary membership association and, as such, speaks only for the members thereof, except as specified herein.
2. The Plaintiffs shall not contest the Association's existing agreement with the BLM.
3. The parties agree that the cattle lease for 2014-2019 was terminated.
4. The Association shall facilitate and/or coordinate grazing within the Baker's Peak subdivision (subdivision) only consistent with this Memo.
5. In 2018, the Association may facilitate and/or coordinate grazing of sheep on a pilot program. Thereafter, in subsequent years, the grazing plan may include cattle as set forth in this Memo.
6. On or before January 1 of each year, the Association shall submit to Plaintiffs a suggested set of desired outcomes with respect to the range management program, requesting Plaintiffs' input with their response due by February 1. On or before March 1, of each year, the Association shall send to the landowners a request for approval of the proposed lease to execute the range management program for that year, by sending a copy of the proposed lease. The range management program and the submissions discussed herein are at the Association's expense.
7. Each year, the following conditions apply:
 - a. Prior to any grazing, the Association must secure the written approval in the form of a written ballot of the proposed lease by 51% of the landowners that responded to the request for approval. After the vote, no substantive change may be made to the lease as approved.
 - b. Before livestock are allowed to graze, the Association shall distribute to all landowners a copy of the signed lease.
 - c. Any grazing lease must require the lessee to obtain liability insurance in the amount of not less than \$2,000,000 per incident. The Association must obtain proof of such insurance and distribute it to all owners before it allows any livestock to graze.
 - d. Any grazing lease must contain stocking parameters consistent with the range management plan. The count of livestock shall be verified in writing at offloading onto the range.

Plaintiffs are invited to attend such court. Lessee shall provide to the Association a list of all ear tag numbers by color of tag for ear tagged cattle at the time of offloading.

e. The Association will use due care to enforce the terms of this Memo and/or any grazing lease.

f. The Association agrees to investigate the availability and cost of liability and/or E&O coverage in the amount of \$2,000.000 per incident pertaining to its role related to this Memo and any grazing lease. In the event adequate or affordable insurance coverage is not available, the Association shall obtain a bond in the amount of \$100,000.00. The Association shall provide proof of such insurance or bond to Plaintiffs by January 1st of each year.

g. Any lease must contain the following provision:

NOTICE TO LESSEE: Section 35-46-102(2), C.R.S., provides: Whenever any person stocks land, not enclosed by a lawful fence, on which such person has a lawful right to pasture or forage livestock, with a greater number of livestock than such land can properly support or water and any of such livestock pasture, forage, or water on the lands of another person, in order to obtain the proper amount of pasture, forage, or water OR whenever any person stocks with livestock land on which such person has no lawful right to pasture or forage livestock and such livestock pasture, forage, or water on such land or on other land on which such person has no right to pasture or forage livestock, he shall be deemed a trespasser and shall be liable in damages and subject to injunction.

8. The Association maintains a website or electronic bulletin board. This serves a useful function for all owners, even those that opt not to join the Association. The Association shall provide access to the website to all owners, whether or not they are members.

9. The parties agree to ask the Court to postpone the trial of this matter for 90 days.

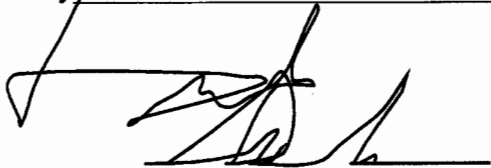
10. The parties shall execute a formal settlement agreement within 60 days. The parties authorize their respective counsel to move to dismiss the pending suit with prejudice, within 7 days after the formal settlement agreement is signed, each party to pay their own costs and attorney's fees.

11. In any dispute arising out of this Memo or the formal settlement agreement and in any such dispute the Court shall award to the prevailing party its attorney's fees and costs.

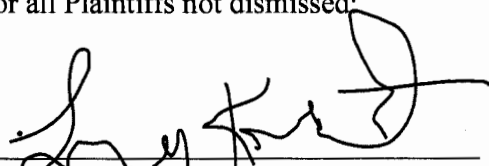
Dated this 21 day of July 2017.

Baker's Peak Landowners' Association, Inc.

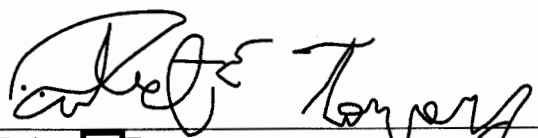
By _____



For all Plaintiffs not dismissed:



Larry G. Kokernot



Robert **E** Towery

Approved as form:



Kathie Troudt Riley



Mark Cohen