

Rocky Mountain Elk Foundation Conservation Easement Monitoring Report

Name of the Easement: Wilson Mesa – Parcels BR & CR

State: Colorado County: San Miguel

Easement Transaction Summary (i.e. acres, phases, amendments, sales):

Billorado Properties donated a Conservation Easement (CE) on 1,950.07 acres to the Rocky Mountain Elk Foundation (RMEF) in 1996. The deed was amended in 2000 to add an additional 435 acres under CE. In 2007, the property was purchased by Louis Bacon. In 2016, a ministerial amendment was completed to redefine an interior division line between the northern and southern portions of the ranch. This amendment, with accompanying survey, defined three Parcels on the Ranch (AR – 435 acres; BR – 709.24 acres; CR – 1,240.83). In early 2017, Parcel AR was subdivided and sold to new owners as permitted by the Deed. This monitoring report documents Parcels BR & CR, owned by Mr. Bacon. Parcel AR is documented under a separate report, as it is under separate ownership.

Mr. Bacon also owns the RMEF-held South Valley CE, which he purchased in 2012.

Name of Original Easement(s) Grantor(s):

Wilson Mesa – Billorado Properties, Deed signed by William W. Carstens as Trustee Wilson Mesa Addition – Deborado, LLC and Gunslinger Investment Corporation, Deed signed by attorneys of William W. Carstens

Date of Easement(s): December 23, 1996

August 8, 2000 (Amendment/Addition) November 9, 2016 (Amendment)

Current Easement Owner(s) Contact Information:

Louis Bacon c/o Peter Talty 1251 Avenue of the Americas, 17th Fl. New York City, NY 10020 (212) 782-7078 Peter.Talty@bllc.com

Ranch Manager (if applicable) Contact Information:

Aaron Swallow Trinchera Ranch 24492 Trinchera Ranch Road Fort Garland, CO 81133 (719) 379-3263 (Ranch Office) (719) 868-2245 (Ranch Office) (719) 640-0481 (Cell) Aaron.Swallow@tercioranch.com

Additional contact:

Don Lundburg (on-site manager) (979) 729-1215 (Cell) (970) 728-3461 (Home)

Date Monitored: June 22, 2018 Date Last Monitored: August 7, 2017

Monitored by: Jarren Kuipers – Land Steward Services LLC

Accompanied by: Solo. I spoke with Craig Taggart, Ranch Manager, and Don Lundburg, Onsite Manager, prior to the visit. Craig Taggart has since retired, and Aaron Swallow in now in his position.

List the Conservation Values protected by this Easement:

The property provides relatively natural wildlife habitat within the Wilson Mesa and San Miguel River Valley watershed and ecosystem and the ecosystem's natural, scenic, open-space, wildlife habitat and forested conditions including flora, fauna and soils. The property provides significant habitat for elk and provides habitat for deer, bears, mountain lions, and other regional Colorado wildlife. The maintenance of such natural habitat helps support wildlife populations in the Wilson Mesa and San Miguel River Valley ecosystem. In particular, the property contains aspen stands, high meadows and grass.

ATTENTION EASEMENT OWNER(S):

RMEF strongly encourages you to review your Deed(s) of Conservation Easement (CE) periodically, especially the Permitted and Prohibited Uses and Practices. Some activities may require Prior Notice and Approval from RMEF, such as new building or road construction, forest management activities, farming/cultivation, riparian activities, sale of property, etc. If you need a copy of your Deed(s), please contact the RMEF staff/contractor who monitors your easement or call RMEF at 800-CALL-ELK and ask for the Lands Department.

Since the last monitoring visit, please identify any activities on the property, any activities planned for the future, and whether any reserved rights were exercised.

New buildings or other construction:

None observed or mentioned.

Aspen restoration fencing is permitted under the RMEF-approved 2013 Forest (Aspen) Management Plan. No new fencing has been installed this last year.

New road construction:

None observed or mentioned.

Mineral extraction or excavation:

None observed or mentioned.

Forest management activities:

None observed or mentioned. There are no immediate plans to continue the aspen regeneration cuttings.

Noxious weed infestation:

Canada thistle, musk thistle and houndstongue are the primary species, and they are treated annually. Noxious weeds were not much of a problem this year due to the extreme drought that reduced plant growth in general.

Cropland management:

Landowners actively irrigate, but do not cut hay.

Livestock use and management:

Landowners do not graze any livestock.

Water developments and water rights:

None observed or changes mentioned.

Describe significant wildlife management practices, habitat improvements, wildlife population trends, wildlife observations or other activities and details relating to the stewardship of the land:

There were no new habitat projects this last year. Big game populations continue to do very well. This is one of the few properties where I expect to see elk, mule deer and black bears. I didn't see black bears, but there were large numbers of elk and deer on the property in the irrigated meadows.

General property conditions and observations:

Forage production appeared way down this year due to the drought. The irrigated areas looked very good and were the only real green vegetation around. Landowners do not graze cattle, so there was still a lot of forage for elk and deer. Aspen regeneration was probably stunted this year.

Owner or representative comments on any unusual or adverse influences impacting the property (i.e. trespass by neighbor's livestock, poaching, plant or animal disease, increased human activity or habitat conversion in area):

Nothing to report.

Does landowner permit public hunting on CE? Is the landowner enrolled in a state agency hunter access program (i.e. block management)? If yes, is it an annual agreement or a long-term agreement?

Hunting is typically very minimal and reserved for friends and family of the owner. They usually take a couple animals.

Method of monitoring (foot, horseback, vehicle, aerial):

Vehicle and foot.

Time spent monitoring:

Two hours.

Weather conditions at the time of monitoring:

Warm and partly cloudy.

Provide description of the area that was observed during the inspection (such as the entire property, eastern boundaries of the south road, etc.) and provide routes of travel:

The entire property was viewed. For more detail see Appendix A.

Photos taken?

Yes. See Appendix B.

Concerns/Violations:

None observed or mentioned.

By signing this report below, I attest that I monitored the property on the Date Monitored above, and that all photos included in the Appendix were taken by me during the site visit, on the Date Monitored, and that the photographs are an accurate depiction of the subject photographed.

Monitor's Signature:

Date: January 24, 2018

Monitor's Printed Name and Title: Jarren Kuipers – Land Steward Services LLC

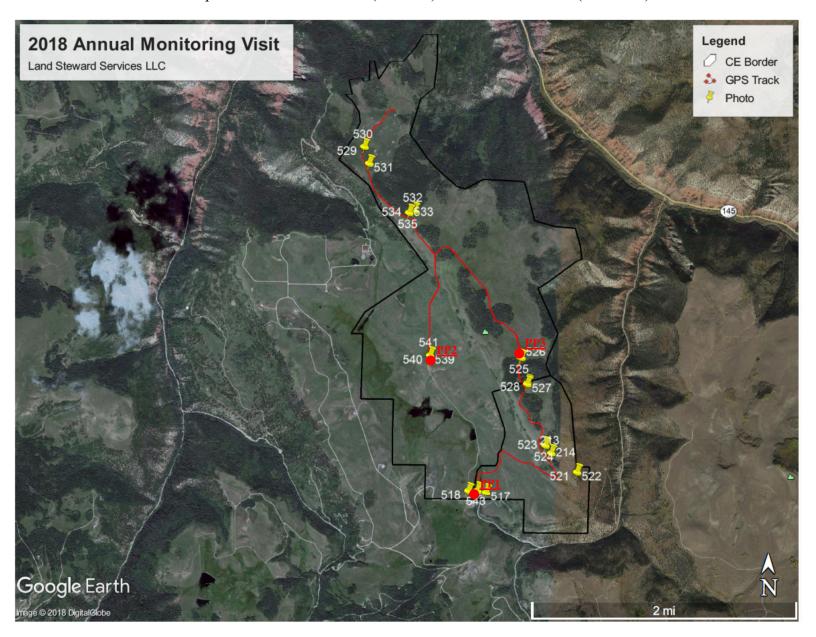
Monitor's Mailing Address: 1505 21st St., Cody, WY 82414

(Note: Mailing Address only required for non-RMEF staff members.)

RMEF Headquarters | 5705 Grant Creek Rd | Missoula, MT 59808-8249 | (800) CALL ELK | WWW.RMEF.ORG

Appendix A - Monitoring Map

Aerial photo with the GPS track (red lines) and easement border (black line).



Appendix B – Photographs

PP1: Looking north from the main gate on the south border.



PP2: Looking south from the south-central.





PP3: Near the southeast border, looking through aspen to the large meadow.





Extra 1: Looking east across the large meadow.



Extra 2: Looking northeast in the fenced aspen regeneration area.



