Designated Area:

Grazing Lease No.



THIS LEASE entered into this ____day of ____, 20___, between the Montana Department of Fish, Wildlife and Parks, an agency of the State of Montana, whose main address is P.O. Box 200701, 1420 East 6th Avenue, Helena, Montana 59620-0701, hereafter referred to as the "Department" and ____, whose address is _____, hereafter referred to as the "Lessee".

STATEMENT OF BENEFIT TO VEGETATION & WILDLIFE:

The Department is the owner of or has under its control, certain real property located in <u>County</u>, more particularly described in "Appendix A" attached hereto & incorporated herein.

The Department, in consideration of the payment of rentals specified in this lease and the mutual agreements contained in this lease, leases the property described above to the Lessee named above for livestock grazing purposes established for the period beginning ____, 20___ and ending ____, 20___.

The Lessee, in consideration of the payment of rentals specified in this lease and the mutual agreements contained in this lease, hereby agrees to pay the rentals specified in this lease.

The parties to this lease mutually agree to the following terms and conditions:

1. GRAZING SEASON AND CAPACITY. The grazing season hereunder is the period beginning ____ and ending on ____ of the same year. A maximum of ____ Animal Unit Months (AUM's) of grazing is permitted during each yearly grazing season. Rentals will be paid on the basis of

actual AUM's grazed on the leased property.

1 Cow/Calf pair = 1.0 AUM 1 Bull = 1.5 AUM Yearling = 0.8 AUM 1 Horse = 1.25 AUM

2. RENTAL. The renewal is \$ ____ per AUM each year.

Payment is to be in cash.

____ Payment is to be in services to be rendered in the manner agreed upon and more fully set out in Paragraph 14.

ALL GRAZING RENTALS, WHETHER CASH OR SERVICES, ARE DUE BY _____EACH YEAR FOR GRAZING CONDUCTED DURING THAT CALENDAR YEAR. FAILURE TO PAY THE AGREED UPON RENTAL OR TO PROVIDE THE SERVICES SET OUT IN PARAGRAPH 14 BY _____ MAY RESULT IN TERMINATION OF THIS LEASE. A NOTICE OF RENTAL DUE WILL BE SENT TO LESSEE AT THE ABOVE ADDRESS ONLY, UNLESS A CHANGE OF ADDRESS HAS BEEN PROVIDED IN WRITING TO THE DEPARTMENT'S LIAISON AS IDENTIFIED IN THIS LEASE. The Department shall have a lien upon all improvements, whether movable or not, and livestock grazed upon the land for any rentals due the Department.

3. RENTAL ADJUSTMENTS. The Department reserves the right to determine the grazing capacity of the leased lands annually or from time to time as the Department in its discretion shall determine necessary and to increase or decrease the grazing capacity. If the Department determines that the grazing capacity of the leased lands should be increased or decreased, the Lessee agrees to pay an increased or decreased rental based upon the Department's determination, provided the Lessee actually grazes livestock to the level of any increased grazing capacity.

4. LESSEE AGREES TO:

- a. Use the lands in a manner that will not cause over-grazing, streambank damage or other soil erosion, according to the usual and customary course of good grazing practices.
- b. Use the premises only for grazing purposes. Any other use of the premises by Lessee without prior written approval of the Department shall subject this lease to immediate cancellation.
- c. Provide the Department with the number of AUM's used by Lessee on the premises for that year.
- d. Take all reasonable precautions to prevent fires and take such actions as are within the means of the Lessee to suppress fires.
- e. Use the land in such a manner as to control growth and spread of noxious weeds and to promote conservation of the leased lands.
- f. Not commit waste or damage to leased lands or allow any to be done.
- g. Comply with all applicable laws, rules and regulations in effect at the date of this lease, or which may, from time to time, be adopted.

- h. Indemnify and hold harmless the Department, its officers, agents and employees against any claim of damage to person or property arising out of use of the leased lands, except for any such damage caused by the negligence for willful misconduct of the Department, its officers, agents or employees.
- i. Immediately, upon termination or expiration of the term of this lease, peaceably surrender and deliver up the leased lands to the Department.
- j. Not use the leased lands or this lease agreement as collateral for credit financing, or in any way, which would encumber the title to the property herein described. Failure to comply with this provision shall automatically terminate this lease and in no way shall it be construed as to cause the Department any financial obligation or responsibility.
- k. Not disturb or remove any archaeological, historical, or other cultural features or any improvements, which may currently exist, or may be found to exist, on the premises.
- I. Remedies for Unauthorized Uses and Practices In the event the lessee violates, by the Department's determination, the grazing plan prescribed in Exhibit "____" of this lease, the lessee agrees to pay a fee equal to 3 times the number of animals found in violation of the grazing plan. This fee will be three times the AUM rental fee assigned by this lease, or \$ ____ per AUM. The Department at its sole discretion, and in addition to other remedies provided for in this lease, may require this fee of the lessee. The lessee agrees to pay this fee no later than the termination date of this lease. If this lease is renewed with the lessee in subsequent years, the Department at its sole discretion, may reduce the number of animals allowed to graze the land under this lease a multiple of three times the number of animals found in violation, for up to two years after the year of violation.
- 5. PUBLIC ACCESS. All lands leased in this agreement shall remain open to the public for hunting, fishing and other recreational activities, subject to applicable Federal and State laws and regulations.
- 6. HERBICIDES AND PESTICIDES. Lessee agrees that any use of herbicides or pesticides on the leased lands will be in compliance with all provisions of Federal and State laws regulating such substances. Any application of such substances must be approved in advance, by the Department's liaison as identified in this lease.
- 7. IMPROVEMENTS. No improvements may be placed upon the premises without prior written approval of the Department.
- 8. TERMINATION. The Department reserves the power and authority, at its discretion, to terminate this lease prior to expiration upon _____days written notice for violation for any of the terms of this lease by Lessee. The Department also reserves the power to cancel this lease for fraud or misrepresentations, or for concealment of facts relating to its issue, which if known would have prevented its issue in the form or to the party issued; for using the land for other purposes than those specifically authorized by the lease, for any unlawful or other misuse of the lands, and for any other cause which in the judgment of the Department makes the cancellation of the lease necessary in order to do justice to all parties concerned, and to protect the interest of the Department. Notice of termination shall be deemed given upon deposit in the United States mails, addressed to the Lessee at the address shown above, unless a change of address has been provided in writing to the Department's liaison. The Lessee shall, upon termination of this lease, promptly and peaceably surrender possession and occupancy of the leased lands, leaving them in as good a condition as existed at the beginning of the term of this lease. Upon such termination, all rights of the Lessee in and to the leased lands shall cease and the Lessee shall not be entitled to any refunds of the rentals paid. Termination of the lease does not terminate the Lessee's liability for rentals accruing prior to termination.
- 9. SUBLEASING AND ASSIGNMENT. Lessee shall not sublease or assign all or any part of the leased lands or assign this lease in whole or in part to any other person or entity without written permission of the Department. Such a sublease or assignment may result in terminating this lease.
- 10. **MODIFICATIONS.** This document constitutes the sole and entire agreement between the parties. No statements, promises or inducements made by either party which are not contained in this agreement are valid or binding unless evidenced in writing and signed by both parties; except that the provisions of Paragraph 3 may be implemented by written notice from the Department.
- 11. SUCCESSORS IN INTEREST. All terms, conditions and provisions of this lease shall be binding upon, inure to the benefit of, and be enforceable by and upon the successors in interest of the Department and the Lessee. However, purchase of land, equipment or other interest associated with the lessee's operation is not cause for automatic transfer of lease to other parties.
- 12. VENUES AND APPLICABLE LAW. Venue for any court action arising under this lease shall be in the First Judicial District in and for the County of Lewis and Clark, Montana and this lease shall be interpreted according to the laws of the State of Montana.

- 13. **DEPARTMENT LIAISON.** The Department designates ____, as liaison under this lease. Lessee will make all official contacts with the Department through the liaison.
- 14. SPECIAL CONDITIONS:

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS LEASE ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

Montana Fish, Wildlife & Parks

Lessee

Department Attorney Approval (As Needed)

(GRAZLS Revised 2/2006) BE SURE TO INCLUDE APPENDIX "A" (LEGAL DESCRIPTION OF LAND ACTUALLY LEASED-OUT) AND EXHIBIT "____" GRAZING PLAN AS NEEDED.