GRAZING LEASE AGREEMENT

STATE OF TEXAS §

COUNTY OF WICHITA §

THIS GRAZING LEASE AGREEMENT (this "Agreement" or this "Lease") is made and entered into effective the _____ day of January, _____ by and between the City of Iowa Park, Texas, a municipal corporation organized and existing pursuant to the laws of the State of Texas (the City), the LESSOR, and _____, the LESSEE, and is as follows:

1. **Leased Premises.** The LESSOR does, by these presents, lease and demise the following described real property (the LEASED PREMISES) to the LESSEE upon the terms and conditions set forth herein. The LEASED PREMISES consists of 136.24 acres OF THE East Half of the South Half of Block 8 Tarrant County School Lands in Wichita County, Texas which is more particularly described as 2100 and 2600 NW Access Rd, Iowa Park, Texas, owned by the LESSOR..

2. **Lease Term**. The term of this LEASE shall be for a period of five (5) years, beginning _____, _____ and ending _____, _____, unless sooner terminated as provided herein. LESSEE shall have the option to extend the term of this lease for an additional period of five (5) years (an "Extended Term") by giving written notice to LESSOR of desire to do so not less than sixty (60) days before the end of the primary term hereof. The rent payable during any "Extended Term" shall be calculated in the manner set forth in paragraph 3 below. The LESSOR may terminate or cancel this LEASE upon thirty (30) days written notice to LESSEE of its intent to do so; provided, that in the event the LESSOR does so terminate this LEASE, LESSEE'S obligation to pay rent not due as of the effective date of such termination shall cease and the LESSOR shall prorate any advanced rentals paid by LESSEE to the effective date of termination and refund same to LESSEE. In the event that the LEASE is terminated by the LESSOR during the initial term of this LEASE, LESSOR will reimburse LESSEE in accordance with the Request for Proposal (Exhibit "A") and the Proposal (Exhibit "B") both attached hereto, which Exhibit "A" and Exhibit "B" are incorporated herein for all purposes.

3. **Rent**. The LESSEE shall pay an annual rent of $_____ made in semi-annual payments of $_____. Rent shall be payable in advance with the first semiannual payment of rent due on the effective date of this LEASE with additional semi-annual payments of rent due on the six-month anniversary date of this LEASE throughout the primary term and any "Extended Term."

4. **Indemnity**. LESSEE shall indemnify the LESSOR and hold the LESSOR harmless from all damages, claims for damages, investigation costs, attorney' fees or other expenses arising from any claim or claims asserted by any person injured, damaged or who claims to be injured or damaged from LESSEE'S livestock or LESSEE'S use or occupancy of the LEASED PREMISES, regardless of whether such claim is asserted against LESSEE and LESSOR, jointly and severally or against the LESSOR alone.

5. **Use by LESSEE**.

    a. LESSEE shall use the LEASED PREMISES for grazing and pasturage of cattle in accordance with the Request for Proposal (Exhibit "B") and the Proposal (Exhibit "C") both attached hereto, which Exhibit "B" and Exhibit "C" are incorporated herein for all purposes. LESSEE shall use the LEASED PREMISES for no other purpose.

    b. LESSEE shall not overgraze the LEASED PREMISES but will use the same in a prudent manner so that the turf is maintained in good condition. LESSEE agrees to abide by the livestock unit per acre grazing limit set by the Natural Resource Conservation Service (NRCS). The LESSOR will have the authority to designate appropriate individuals to investigate whether LESSEE is overgrazing the LEASED PREMISES. If it is determined that LESSEE is overgrazing the LEASED PREMISES, the LESSOR will provide written notice of overgrazing to LESSEE giving him/her five (5) days to remove the necessary number of livestock to prevent continued overgrazing. Failure to meet compliance within the five (5) day period will be cause for termination of the LEASE by LESSOR.

    c. LESSEE shall maintain fencing and pastureland in good husbandry manner. LESSOR shall maintain public roadways and cattleguards at both public entrances to the LEASED PREMISES.

    d. LESEE shall not spray any mesquite trees or any other vegetation on the LEASED PREMISES without first obtaining the written approval of the LESSOR.

    e. The discharge of any rifle, side arm, handgun, bow, crossbow, shotgun, compressed air gun or air gun or the act of hunting on the LEASED PREMESIS is prohibited.

6. **Condition.** LESSEE accepts the LEASED PREMISES in its present condition. LESSEE acknowledges that LESSEE has inspected the LEASED PREMISES and that the LEASED PREMISES are adequate for the intended use of the LEASED PREMISES. LESSEE releases the LESSOR from any liability with respect to the condition of the LEASED PREMISES, including, without limitation, any defects not presently apparent.

7. **Use by City.** LESSOR shall have the right to go upon the LEASED PREMISES at any time to inspect same, construct buildings thereon or make other improvements thereon. Further, the LESSOR shall have the right to construct roadways across any portion of the LEASED PREMISES.

8. **Compliance with Applicable Law.** LESSEE acknowledges that the LEASED PREMISES surrounds a potential water supply source for the City of Iowa Park, Texas. Accordingly, LESSEE SHALL use the LEASED PREMISES in a manner which does not violate any applicable law, case law, statute or regulation pertaining to the watershed or water supply of the City of Iowa Park, Texas. LESSEE acknowledges that the LESSOR may terminate this LEASE in accordance with paragraph 1 above if LESSEE's intended use of the LEASED PREMISES is contrary or becomes contrary to a permissible use of the LEASED PREMISES by virtue of applicable law.

9. **No Sublease**. LESSEE shall not sublet or assign this LEASE or any portion thereof.

WITNESS OUR HANDS on the _____ day of _____, _____.

LESSOR:

City of Iowa Park, Texas
103 N. Wall
Iowa Park, TX 76367

_____
Jerry Flemming, City Manager
City of Iowa Park, Texas

ATTEST:

_____
Janice Newman, City Secretary
City of Iowa Park, Texas

LESSEE:

_____
_____
_____

_____
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