

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreement contained herein and other good and valuable considerations, the receipt of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby covenant and agree as follows:

ARTICLE I TERMS OF EASEMENT GRANT

Section 1.1 Recitals. The foregoing recital clauses are true and correct in all respects and form an integral part of this Agreement, the same as if they were set forth in the numbered paragraphs hereof.

Section 1.2 Grant of Easement. The Village hereby agrees to grant to TSVI an easement for the use of the Ocean Boulevard "Easement Property" area on "Parcel 1" in the form attached as Exhibit C hereto ("Easement" for Ocean Boulevard on WWTP "Parcel 1"), which Easement grant shall be executed and delivered to TSVI for recording in the records of Taos County, New Mexico, after the date on which the Village has received and recorded its deed from the USFS for fee title to its 4.910 acre "Parcel 1" on which the Village's Wastewater Treatment Plant and a portion of the Ocean Boulevard gravel road are situated.

Section 1.3 Description of the "Easement Property" on Ocean Boulevard on "Parcel 1". The "Easement Property" along Ocean Boulevard on Parcel 1 in the Easement grant shall be as described on the "Easement Survey" for "Parcel 1", attached as Exhibit D hereto, being an area with a minimum width of 66.0 feet, 33 feet on either side of the surveyed center line of Ocean Boulevard on "Parcel 1" and with an approximate length of 746.38 feet running east to west.

Section 1.4 Permitted Uses of the Easement Property by Easement Grantee TSVI. The Village agrees to grant TSVI a perpetual, non-exclusive roadway and right of way easement for ingress and egress and for utilities over the Ocean Boulevard "Easement Property" on the Village's "Parcel 1", to and from TSVI's Taos Ski Valley resort facilities skier parking lot areas, and to and from its ski resort facilities located on its USFS / SUP ski resort facility lands, to and from the public road State Highway 150. The utilities subject to this Easement grant shall include all existing subsurface natural gas lines and electrical and fiber optic lines as well as any water and sewer utility lines. The Village also agrees to grant to TSVI a perpetual, non-exclusive day skier parking

use easement on the "Parcel 1" portion of Ocean Boulevard on the Easement Property area for its day skier vehicle parking and for the parking of TSVI's related day skier transportation trucks and trailers, and for the parking of TSVI's ski resort facility equipment and vehicles and for the parking of TSVI's road maintenance and snow plowing vehicles and equipment.

Section 1.5 Maintenance of Easement Property and All of Ocean Boulevard by TSVI at Its Expense. TSVI agrees that it will, at its sole expense and cost, as consideration for the Village granting the Easement, maintain, repair and snow plow the Easement Property area of Ocean Boulevard on the Village's "Parcel 1" as well as the rest and remainder of the Ocean Boulevard road located on its USFS / SUP ski facility lands, to and from TSVI's skier parking lots and TSVI's ski resort facilities, to and from State Highway 150.

Section 1.6 No Obstruction of Easement Property by Village. The Village agrees to not obstruct Ocean Boulevard and the Easement Property on its "Parcel 1" at any time by its municipal operations, or otherwise, and further agrees to not park or store any of its Village equipment or vehicles on the Easement Property area on Ocean Boulevard on its "Parcel 1" that would in any way interfere with TSVI's easement rights and uses and full day skier parking rights granted by this Agreement.

Section 1.7 Insurance by TSVI. As consideration for granting the Easement, TSVI will maintain at all times satisfactory commercial liability insurance for its day skier parking use and for its maintenance and snow plowing operations and for any parking use relating to the Easement Property, and TSVI agrees to name the Village as an "additional insured" on such commercial liability insurance policies.

Section 1.8 No Wavier of Sovereign Immunity or Rights Under the New Mexico Tort Claims Act. Nothing herein shall constitute a waiver of the Village's sovereign immunity nor any of its rights, immunities, defenses, or any limitations on liability under the New Mexico Tort Claims Act, NMSA 1978 § 41-4-1, *et seq.* as amended.

Section 1.9 Easement Perpetual; Termination. The Easement Agreement, when recorded, shall run with the land, and is intended to confer restrictions and benefits on and to the Parties, constitutes an equitable servitude, and may be modified and/or terminated only upon the written agreement of the Parties or their respective successors and assigns, which written agreement must be recorded in the Taos County Records where the Easement is recorded.

ARTICLE II GENERAL PROVISIONS

Section 2.1 Remedies. Subject to the Parties' rights of termination of this Agreement due to the failure of the USFS to deed Parcel 1 to the Village, in the event of any default in or breach of any term or condition of this Agreement by either Party, or any successor, the defaulting or breaching party shall, upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, shall, in any event, within thirty (30) days after receipt of notice, commence to cure or remedy such default. If such cure or remedy is not undertaken or not diligently pursued, or if the default or breach is not cured or remedied within a reasonable time period, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the defaulting or breaching party. In the event that either party files suit against the other party to enforce this Agreement, the prevailing party in such proceeding shall be entitled to receive its reasonable attorney's fees and costs from the non-prevailing party.

Section 2.2 No Third Party Beneficiary Intended (Other Than Existing Utility Providers). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties, and their respective successors and assigns, and any Successor Owner any rights or remedies under or by reason of this Agreement. This provision does not apply to the existing utility providers of the existing, underground gas lines (by New Mexico Gas Company) and underground electric and fiber optic lines (by Kit Carson Electric) in the Ocean Boulevard Easement Property.

Section 2.3 Litigation by Third Parties. In the event this Agreement, or any provision thereof, is challenged in a court of law or administrative proceeding by a party or parties not a Party hereto, the Village and TSVI agree to do all things reasonably necessary to protect and defend the validity, enforceability, and effectiveness of this Agreement.

Section 2.4 Negation of Partnership. The Parties acknowledge that neither TSVI nor the Village is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting party with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall create a partnership, joint venture, or other joint enterprise between the Parties, or give either TSVI or the Village any interest in the business or affairs of the other.

Section 2.5 Authority. The undersigned signatories represent that each has the power and authority to bind their respective entities. Each further agrees to provide upon request such resolutions, certificates or other documentation reasonably required to evidence such power and authority. TSVI recognizes that this Agreement will be first submitted to the Village Council for approval before execution by the Mayor.

Section 2.6 Exhibits. Each and all of the Exhibits stated herein and attached hereto are hereby incorporated herein by this reference. The Exhibits are:

- Exhibit A – Boundary Survey of “Parcel 1”
- Exhibit B – USFS / SUP to TSVI for its Taos Ski Valley Ski Resort Facilities
- Exhibit C – Form of Recordable “Easement” (for Ocean Boulevard / WWTP “Parcel 1”)
- Exhibit D – Easement Property Survey – “Parcel 1” / the “Easement Property”

Section 2.7 Captions. The captions and paragraph headings of this Agreement are not necessarily descriptive, or intended or represented to be descriptive, of all the provisions thereunder, and in no manner shall such captions and paragraph headings be deemed or interpreted to limit the provisions of this Agreement.

Section 2.8 Counterparts. This Agreement may be executed through the use of separate signature pages or in any number of counterparts, and each of such counterparts shall, for all purposes, constitute one agreement binding on all the parties, notwithstanding that all parties are not signatories to the same counterpart.

Section 2.9 Facsimile Transmission. Copies of this instrument, and any and all amendments hereto, which are signed and delivered by each party and produced and/or reproduced by facsimile transmission, shall be valid and binding upon each signatory party.

Section 2.10 Numbers and Genders. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, the use of any gender shall include all genders, and the use of the words "include" and "including" shall be construed as if the phrases "without limitation" or "but not [be] limited to" were annexed thereafter.

Section 2.11 Severability. If any provisions of this Agreement, or the application of such provisions to any person or circumstances, shall be held invalid, the

remainder of this Agreement, or the application of such provisions to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Section 2.12 Governing Law. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the laws of the State of New Mexico.

Section 2.13 Entire Agreement; Amendment. The Parties agree that this Agreement constitutes the entire between the parties with respect to the matters herein and that no other agreements or representations other than those contained in this Agreement with respect to the matters herein. This Agreement shall be amended only in writing, which shall be effective only when signed by the authorized representatives of both Parties.

Section 2.14 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

Section 2.16 Further Assurances. Without additional consideration, the Parties will sign, acknowledge, and deliver any other documents and take any other action necessary or appropriate and reasonably required by the other to carry out the intent and purpose of this Agreement.

[The remainder of this page has intentionally been left blank.]

IN WITNESS WHEREOF, the Village and TSVI have caused this Agreement to be executed as of the Effective Date.

VILLAGE OF TAOS SKI VALLEY, an
Incorporated New Mexico Municipality

By: _____
Neal King, Mayor

Per Resolution / Action of
Village Council Dated: _____

Attest:

_____, Village Clerk

STATE OF NEW MEXICO)
)ss.
COUNTY OF TAOS)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Neal King, Mayor of the Village of Taos Ski Valley, an incorporated New Mexico municipality, New Mexico.

Notary Public

My commission expires:

TAOS SKI VALLEY, INC., a New
Mexico corporation

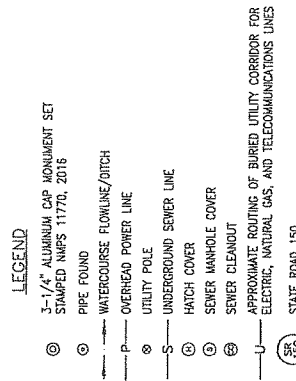
By: _____
David Nordon
Its CEO

STATE OF NEW MEXICO)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of
_____, 2017, by David Nordon, CEO of Taos Ski Valley, Inc. in said capacity
and on behalf of Taos Ski Valley, Inc.

Notary Public

My commission expires:



BOUNDARY SURVEY PLAT
Current owner: U.S. Forest Service
Projected Section 4 T 27N. R 14E. NMPM

Survey plat of:
Parcel 1, projected
Section 4, Township 27 N,
Range 14 E, NMMPM

i. Robert A. Watt, a New Mexico Registered Professional Surveyor, certify that I conducted and am responsible for this boundary survey, that this boundary survey is true and correct to the best of my knowledge and belief, and that this survey and plot meet the Minimum Standards for Surveying in New Mexico. I further certify that this is a boundary survey plot.

Robert A. Watt, NWPS #11770 _____ Date _____

Auth ID: QUE33
Contact ID: Taos Ski Valley, Inc.
Expiration Date: 6/05/2054
Use Code: 161

FS-2700-5b (v. 1/14)
OMB No. 0596-0082

U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE
SKI AREA TERM SPECIAL USE PERMIT
AUTHORITY:
National Forest Ski Area Permit Act of 1986 (16 U.S.C. 497b)

Taos Ski Valley, Inc., PO Box 90, Taos Ski Valley, NM 87525

Taos Ski Valley, Inc. (the holder) is authorized to use and occupy National Forest System (NFS) lands on the Carson National Forest, subject to the terms and conditions of this term special use permit (the permit).

This permit covers 1,270 acres in TOWNSHIP 27N, RANGE 14E, PORTIONS OF SECTIONS 4, 5, 8, 9, 10, 15, 16, 21, 22 (the permit area), as shown on the map attached as Appendix A. This permit is issued for the purpose of: constructing, operating, and maintaining a winter sports resort including food service, retail sales, and other ancillary facilities known as Taos Ski Valley.

Improvements authorized in the permit area are listed in Appendix B.
Services authorized in the permit area are listed in Appendix C.
Environmental Site Inspection is included as Appendix D.

TERMS AND CONDITIONS

I. GENERAL TERMS

A. **AUTHORITY**. This permit is issued pursuant to the National Forest Ski Area Permit Act of 1986, 16 U.S.C. 497b, and 36 CFR Part 251, Subpart B, as amended, and is subject to their provisions.

B. **AUTHORIZED OFFICER**. The authorized officer is the Forest Supervisor or a subordinate officer with delegated authority.

C. **TERM**. This permit shall expire at midnight on 6/05/2054, 40 years from the date of issuance. Expiration of this permit shall not require notice, a decision document, or any environmental analysis or other documentation.

D. **CONTINUATION OF USE AND OCCUPANCY**. Upon expiration of this permit, the use and occupancy authorized by this permit may not continue unless a new permit is issued. The authorized officer may prescribe new terms and conditions when a new permit is issued. Prior to expiration of this permit, the holder may apply for a new permit that would renew the use and occupancy authorized by this permit. Applications for a new permit must be submitted at least one year prior to expiration of this permit. Continuation of the use and occupancy authorized by this permit shall be at the sole discretion of the authorized officer. At a minimum, before issuing a new permit, the authorized officer shall ensure that (1) the use and occupancy to be authorized by the new permit is consistent with the standards and guidelines in the applicable land management plan; (2) the type of use and occupancy to be authorized by the new permit is the same as the type of use and occupancy authorized by this permit; and (3) the holder is in compliance with all the terms of this permit.

E. AMENDMENT

1. This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms that are required by law, regulation, the applicable land management plan, or projects and activities implementing a land management plan pursuant to 36 CFR Part 218.

2. At the sole discretion of the authorized officer, this permit may be amended to remove authorization to use any NFS lands not specifically covered in the master development plan for this permit or not needed for the use and occupancy authorized by this permit.

3. The holder may apply for an amendment to this permit to cover new or changed uses or areas. In approving or denying an amendment, the authorized officer shall consider, in addition to the requirements in applicable laws and regulations, the findings or recommendations of other affected agencies and whether the new or changed use or area can be accommodated by an amendment to this permit, or whether a new permit should be issued.

F. COMPLIANCE WITH LAWS, REGULATIONS, AND OTHER LEGAL REQUIREMENTS. In exercising the privileges granted by this permit, the holder shall comply with all present and future federal laws and regulations and all present and future state, county, and municipal laws, regulations, and other legal requirements that apply to the permit area, to the extent they do not conflict with federal law, regulation, or policy. The Forest Service assumes no responsibility for enforcing laws, regulations, and other legal requirements that fall under the jurisdiction of other governmental entities.

G. NON-EXCLUSIVE USE. The use and occupancy authorized by this permit are not exclusive. The Forest Service reserves the right of access to the permit area, including a continuing right of physical entry to the permit area for inspection, monitoring, or any other purpose consistent with any right or obligation of the United States under any law or regulation. The Forest Service reserves the right to allow others to use the permit area in any way that is not inconsistent with the holder's rights and privileges under this permit, after consultation with all parties involved. Except for any restrictions that the holder and the authorized officer agree are necessary to protect the installation and operation of authorized improvements, the permit area shall remain open to the public for all lawful purposes.

H. ASSIGNABILITY. This permit is not assignable or transferable.

I. TRANSFER OF TITLE TO THE IMPROVEMENTS

1. **Notification of Transfer.** The holder shall notify the authorized officer when a transfer of title to all or part of the improvements is planned.

2. **Transfer of Title.** Any transfer of title to the improvements covered by this permit shall result in termination of the permit. The party who acquires title to the improvements must submit an application for a permit. The Forest Service is not obligated to issue a new permit to the party who acquires title to the improvements. The authorized officer shall determine that the applicant meets requirements under applicable federal regulations.

J. CHANGE IN CONTROL OF THE BUSINESS ENTITY

1. **Notification of Change in Control.** The holder shall notify the authorized officer when a change in control of the business entity that holds this permit is planned.

a. In the case of a corporation, control is an interest, beneficial or otherwise, of sufficient outstanding voting securities or capital of the business so as to permit the exercise of managerial authority over the actions and operations of the corporation or election of a majority of the board of directors of the corporation.

b. In the case of a partnership, limited partnership, joint venture, or individual entrepreneurship, control is a beneficial ownership of or interest in the entity or its capital so as to permit the exercise of managerial authority over the actions and operations of the entity.

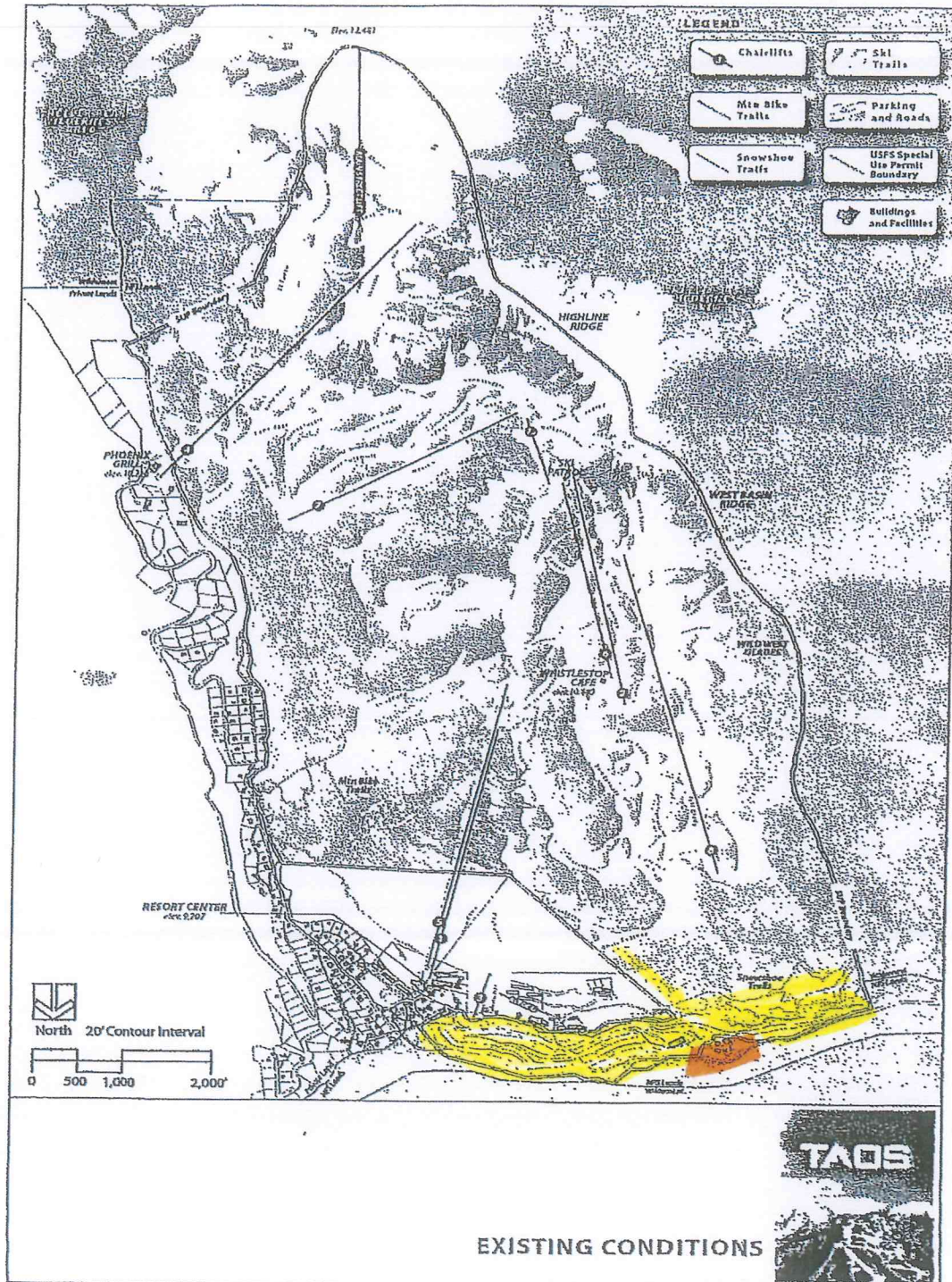
c. In other circumstances, control is any arrangement under which a third party has the ability to exercise management authority over the actions or operations of the business.

2. **Effect of Change in Control.** Any change in control of the business entity as defined in clause J.1 shall result in termination of this permit. The party acquiring control must submit an application for a special use permit. The Forest Service is not obligated to issue a new permit to the party who acquires control. The authorized officer shall determine whether the applicant meets the requirements established by applicable federal regulations.

II. IMPROVEMENTS

A. LIMITATIONS ON USE. Nothing in this permit gives or implies permission to build or maintain any structure or facility or to conduct any activity unless specifically authorized by this permit. Any use not specifically authorized by this permit must be

APPENDIX A MAP OF THE PERMIT AREA



EASEMENT

[For TSVI's Use of Ocean Boulevard on the Village's Wastewater Treatment Plant "Parcel 1"]

THIS EASEMENT is made this _____ day of _____, 2017, by and between the VAILLAGE OF TAOS SKI VALLEY, an incorporated New Mexico municipality (the "Village" or "Grantor") and TAOS SKI VALLEY, INC., a New Mexico corporation ("TSVI" or "Grantee"), and its successors and assigns (collectively hereafter the "Parties").

WITNESSETH, the Village as the Grantor herein, for and in consideration of the premises and for the future provision of road and snow maintenance services by TSVI, the Grantee herein, and for other valuable consideration, the receipt of which is acknowledged, does hereby grant unto TSVI, the Grantee herein, a perpetual, non-exclusive roadway and right of way easement for ingress and egress and for utilities over the Ocean Boulevard "Easement Property" (as described on attached Exhibit A hereto) on the Village's "Parcel 1", to and from TSVI's Taos Ski Valley resort facilities skier parking lot areas, and to and from its ski resort facilities located on its USFS / SUP ski resort facilities lands, to and from the public road State Highway 150. The utilities subject to this easement grant shall include all existing subsurface natural gas lines and electrical and fiber optic lines as well as any water and sewer utility lines. The Village, the Grantor herein, also agrees to grant to TSVI, the Grantee herein, a perpetual, non-exclusive day skier parking use easement on the "Parcel 1" portion of Ocean Boulevard on the Easement Property area (as described on Exhibit A hereto) for its day skier vehicle parking and for the parking of other TSVI's related day skier transportation trucks and trailers, and for the parking of TSVI's ski resort facility equipment and vehicles, and for the parking of TSVI's road maintenance and snow plowing vehicles and equipment.

The easement granted herein is located within lands situate within the Antoine Leroux Grant in projected Section 9, Township 27 North, Range 14 East, N.M.P.M., in the Village of Taos Ski Valley, Taos County, New Mexico, and is more particularly described as follows, to wit:

All as shown and as more particularly described on Exhibit A attached hereto (Easement Survey Plat of, and the legal description for, the Easement Property).

The Village, the Grantor herein, hereby covenants that the Grantor is the true and lawful owner of the land described herein under the Deed to the Village from the United States Department of Agriculture Forest Service (USFS), recorded in Book _____, Page _____, Records of Taos County, New Mexico.

The Village, the Grantor herein, reserves the right to use the above described Easement Property for purposes not inconsistent with the rights hereby granted to TSVI, Grantee herein, including its own access to and from its Waste Water Treatment Plant facilities located on its "Parcel 1" and for other municipal purposes; provided, however, the Village, the Grantor herein, shall not obstruct by its municipal operations or otherwise, the Ocean Boulevard roadway nor any part of the Easement Property on its "Parcel 1", at any time and in any way, that interferes with TSVI's access rights and TSVI's parking of day skiers. The Grantor Village further agrees not to park or store any of its Village equipment or vehicles on the Easement Property area on Ocean Boulevard on its "Parcel 1" that would in any way interfere with TSVI's easement rights and uses granted by this Agreement.

The provisions hereof shall run with the land and inure to the benefit of and bind the heirs, executors, mortgagees, lessees, tenants, successors and assigns of the Parties hereto. Grantee shall have the unrestricted right to sell, transfer, assign, pledge, mortgage, lease, grant licenses or other use or occupancy rights with respect to, or otherwise dispose of, in whole or in part, any interest in the Easement relating to its USFS/SUP Taos Ski Valley ski resort facilities and operations, and such assigns shall have the further right to convey, in whole or in part, the rights granted to them by Grantee.

Witness my hand and seal this _____ day of _____, 2017.

VILLAGE OF TAOS SKI VALLEY, an incorporated
New Mexico municipality

By: _____
Neal King
Its: Mayor

Village Clerk

Acknowledgement

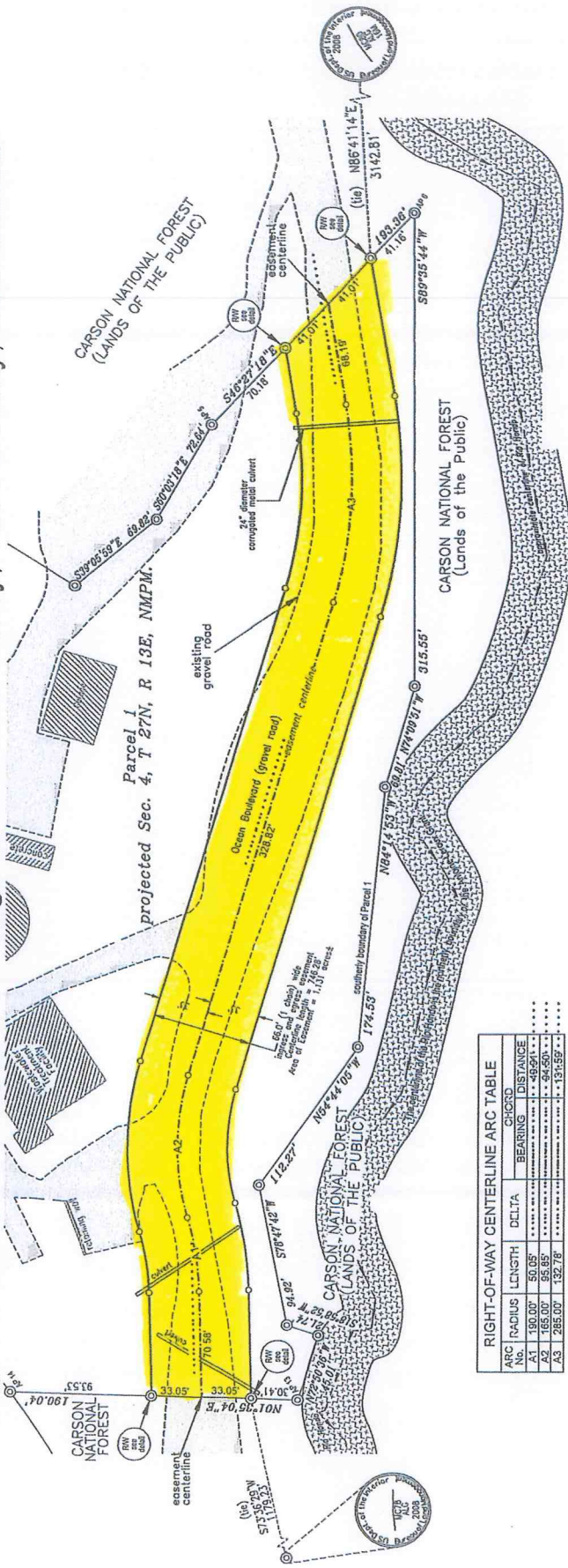
STATE OF _____)
)ss.
COUNTY OF _____)

The foregoing Easement was acknowledged before me on _____, 2017, by Neal King, Mayor of the Village of Taos Ski Valley, an incorporated New Mexico municipality.

Notary Public

My commission expires:

EASEMENT SURVEY PLAT, within Parcel #1 of projected Section 4, Township 27 North, Range 14 East, NMMP, in the Village of Taos Ski Valley, Taos County, New Mexico



ARC NO.	RADIUS	LENGTH	DELTA	BEARING	CHORD	CHORD DISTANCE
A1	190.00'	50.05'	14.04°	S 85° 41' 14" E	33.88'	48.94'
A2	165.00'	55.85'	16.27°	S 89° 05' 44" W	31.55'	94.50'
A3	285.00'	132.78'	22.91°	N 84° 14' 53" W	50.71'	131.59'

REFERENCE DOCUMENTS

Title	Surveyor	NMPS #	Job No.	Date	Amd. Date	Cabinet/Book	Page
Antone Leroux Grant, Taos County, New Mexico Dependent Resturvey	Will C. Gibson	USDA-BLM	---	25 Aug 2010	---	USDA-BLM Records	38-B
Randall Lewis Tract	---	---	---	31 Jul 1950	---	B	443-446
Warranty Deed from Ed Harris to U.S.	---	---	---	26 Jun 1908	---	A-49	---
Executive Order No. 946, creating Carson National Forest signed by Theodore Roosevelt	---	---	---	23 Jun 1908	---	U.S. Gov. Records	---
USDA - F.S. Permit # CARI authorizing KRI Carbon Electric Cooperative	Robert A. Watt	11770	1504.5	23 Apr 2015	---	Carson National Forest	---
USDA - F.S. Permit # QUES4 authorizing New Mexico Gas Company	---	---	---	23 Apr 2015	---	Taos District Office	---

Purpose of Survey

The purpose of this survey is to identify an easement through Parcel 1, projected Sec. 4, T 27 N, R 14 E, NMMP, that is 66 ft. wide; 33 ft. each side of centerline.

I, Robert A. Watt, a New Mexico Registered Professional Surveyor, certify that I conducted and am responsible for this survey, and that this survey is true and correct to the best of my knowledge and belief, and that I am not aware of any facts or circumstances that would render this survey invalid or unreliable. I am not aware of any facts or circumstances that would render this survey invalid or unreliable. I am not aware of any facts or circumstances that would render this survey invalid or unreliable.

Robert A. Watt, NMPS #11770
Date: 01 Nov 2016

MONUMENT DETAILS

BEARING BASE

Bearings of this survey are based on measured geodetic control values post-processed through the National Geodetic Survey Online Position User Service (OPUS), and are indexed to geodetic north.

EASEMENT SURVEY

Current owner: Village of Taos Ski Valley
Projected Section 4, T 27N, R 14E, NMMP

Survey plat prepared for:

Easement with Parcel 1, projected Sec. 4, T 27N, R 13E, NMMP

Red Tail Surveying, Inc.
Complete Land Surveying and Earth Information Services
301-A Hinde Street
Taos, New Mexico 87571-6654
575.758.7441
www.redtailsurvey.com

Draftsman: JMcL/75 | Proof: Robert A. Watt | Date: 01 Nov 2016 | Scale: 1"=50' | Job no. 1504.05.eas