

LAND EXCHANGE FEASIBILITY ANALYSIS BLUE VALLEY RANCH, COC-66842

Background

In 1999, the Bureau of Land Management (BLM) and Galloway, Inc. (Galloway) completed the Eagle Pass Ranch land exchange (COC-58589). That exchange achieved BLM Kremmling Resource Management Plan (RMP) objectives of consolidating federal and nonfederal lands for more effective management by both parties, enhancing public access along the Colorado and Blue Rivers, and bringing several large tracts of big game winter range into federal ownership. Galloway has proposed another exchange to further consolidate lands within its ranch and has engaged Western Land Group, Inc. (WLG) as its consultant for the exchange.

1.0 Exchange Proposal

The federal and nonfederal lands proposed for exchange are located in Grand and Summit Counties, Colorado. The offered nonfederal lands are described in Exhibit A and consist of approximately 2,016 acres. The selected federal lands are described in Exhibit B and comprise approximately 1,773 acres. Under the current proposal, BLM would convey eleven federal parcels in exchange for ten nonfederal parcels which include a road easement and water rights. Galloway owns or has optioned the properties being offered to BLM. Mineral estates on both federal and nonfederal lands will be exchanged to the extent possible to avoid creating split estates.

BLM would convey all federal parcels to Galloway. Seven parcels, comprising approximately 1,303 acres, lie within Galloway's Blue Valley Ranch. Of the remaining four federal parcels, two parcels are located within the neighboring Sheephorn Creek Ranch, one parcel is surrounded by Blue Valley Acres subdivision, and one parcel lies adjacent to Skylark Ranch. If the proposed land exchange is completed, Galloway has agreements to convey the federal parcels outside Blue Valley Ranch to the adjoining property owners.

2.0 Land Use Planning and Resource Values

Land exchanges are BLM's preferred method for accomplishing land tenure adjustments identified in land use plans, unless conditions warrant using the authority of the Federal Land Transaction Facilitation Act (FLTFA). The proposed exchange would benefit BLM's resource management by increasing habitat for sage grouse and big game, acquiring additional riparian areas, increasing easily accessible river frontage for fishing and other recreational activities, and providing better public access to other federal lands. BLM's analysis of the proposed Blue Valley Ranch exchange indicates there is not sufficient competitive interest in the federal lands to justify a competitive sale through FLTFA. Seven federal parcels proposed for this exchange are intermingled with lands owned by Galloway. Galloway has agreed to convey the other four federal parcels lying outside Blue Valley Ranch to adjoining landowners when the land exchange is completed. Offering these federal parcels for competitive sale is not likely to generate interest

from other additional parties. A land exchange provides the most effective mechanism to accomplish the RMP's land tenure adjustment goals.

The proposed land exchange is consistent with the planning goals set forth in the Kremmling Resource Management Plan Record of Decision (December 1984 and subsequent RMP amendments). The land exchange meets BLM's management objectives to promote more effective natural resource management on public lands. The RMP provides for considering lands as suitable for disposal when they have no important wildlife habitat values; where tract size, isolation, potential, or access limit Bureau initiated range and forest management opportunities; or the tracts have no resources values of major significance (pp. 14-15). Under the RMP, BLM would process, initiate, and favor actions for consolidation of ownership where overall land management would be improved. The federal lands selected for the exchange are Category I lands, "available for disposal, on a case-by-case basis, through boundary adjustment...if disposal serves the national interest. Land exchanges would be considered if the exchange would result in a consolidated land ownership pattern, improved manageability of natural resources, or otherwise be in the public interest consistent with the provisions of Section 206 of FLPMA" (Appendix C, as amended). Based on planning goals established in the RMP, disposing of the federal lands by exchange rather than by sale under the Federal Lands Transaction Facilitation Act will provide greater public benefits.

Acquisition of the offered private lands conforms with the Kremmling RMP management objectives to improve overall land management by acquiring lands adjacent to intensively managed public lands such as special recreation management areas and inholdings within large blocks of public lands (pp. 14-15). The exchange would mitigate public/private boundary conflicts, enhance recreational opportunities, and improve public access (p. 11). Acquisition of several parcels would help preserve the viewshed for the Colorado River Headwaters Scenic Byway and also benefit the Upper Colorado Special Recreation Management Area. The exchange provides an opportunity to acquire and improve upland habitats for sage grouse and for big game and to increase wetland habitat for waterfowl (pp. 8-9).

2.1 Federal Lands

All federal parcels are located in Grand County. Primary resources associated with Parcels A-E are timber and wildlife habitat. Parcels A, D and E can be accessed by foot through other BLM land and are used by the public for hunting. The landownership patterns and topography in the area, however, have resulted in the public trespassing on private lands. Parcels B and C are surrounded by nonfederal lands and are not publicly accessible. Galloway currently holds the grazing permits for Parcels A, B, and C (62 AUMs). The neighboring Sheephorn Creek Ranch holds the grazing permit for Parcels D and E (29 AUMs).

Parcel F is rangeland with its primary resource use as livestock grazing. Galloway currently holds a grazing permit on this parcel (17 AUMs). The parcel is accessible by foot from adjacent BLM lands.

Parcels G and H partially border the Blue River with a combined total of 3,700 feet of river frontage. Neither of these parcels is publicly accessible by foot or an established roadway, but they can be accessed by floating the Blue River whenever water flows are adequate. Parcel I has

1,600 feet of Blue River frontage that is accessible by a trail. The parcel provides public fishing opportunities, wildlife habitat, and opportunities for hunting. The mineral report identifies saleable minerals on the three parcels. Galloway holds grazing permits on all three parcels (130 AUMs).

Parcel J consists of two separate tracts of BLM-administered lands. The northernmost tract of Parcel J lies south of U.S. Highway 40. Its historic use has been livestock grazing, but it is not currently under BLM grazing permit. The second tract is the upland portion of federal land lying along the Colorado River. This upland is well-suited for incorporation into an agricultural operation as a hay meadow. BLM would retain a portion of the public land on the Colorado River to protect riparian resources and to provide fishing access to the public.

Parcel K is an isolated 40-acre parcel accessible only by subdivision road through the Blue Valley Acres subdivision. The parcel is under grazing permit to Galloway (8 AUMs). Power Site Reserve No. 32, a Temporary Withdrawal by Executive Order in July 1910, would be modified to allow conveyance of the parcel by exchange, subject to Section 24 of the Federal Power Act.

A cultural resources inventory found two sites eligible for the National Register of Historic Places which will be mitigated to State Historical Preservation Office standards before any transfer of ownership.

There are no known hazardous materials, petroleum products, or environmental liability on the federal lands. There are no Wilderness Areas/Wilderness Study Areas, Areas of Critical Environmental Concern, or Wild and Scenic Rivers on the federal lands proposed for exchange.

The federal lands proposed for exchange are intermingled with or adjacent to private lands and represent logical additions to surrounding or adjacent ranches. If the federal lands are transferred into private ownership, they are likely to be used in the same manner as the surrounding lands.

2.2 Nonfederal Lands

The nonfederal lands offered in exchange are grouped into three general geographic areas:

- North of Trough Road – four parcels, 722 acres, Grand County.
- Green Mountain Reservoir – five parcels, 1,116 acres, Grand (1) and Summit (4) Counties.
- Red Gorge Mining District – a group of 20 patented mining claims, 178 acres, Grand County.

North of Trough Road.

Parcel 1 is a 657-acre tract that adjoins BLM-administered lands to the east and west. Galloway acquired this parcel for conveyance to the United States as part of this exchange, and its acquisition not only would consolidate federal ownership north of Trough Road but would also protect the parcel from development visible from the Colorado River Headwaters Scenic Byway. Approximately 50 percent of the parcel is timbered, predominately lodgepole. The rest of the parcel is sagebrush-grassland. The parcel provides a variety of wildlife habitats, including

habitat for sage grouse and big game.

Parcel 5 would provide access from U.S. Highway 40 to a large block of public lands by an existing two-track road that would tie into another two-track on adjacent public lands. There are no other roads in the area. The area is sage-grouse habitat and big game winter range.

Parcel 7 is an access easement owned by Galloway. Acquisition of this easement, an existing two-track road, would provide public access to BLM-administered federal lands south of the Colorado River in the Inspiration Point area of Grand County and would provide public access to approximately 1,280 acres of big game habitat for hunting.

Parcel 8 is comprised of two tracts which include 1.2 miles of Blue River frontage and provide legal access to another parcel of public land having an additional 2,500 feet of river frontage. Acquisition of this parcel would consolidate four public reaches of the Blue River, extending south from the confluence of the Colorado and Blue Rivers to a point just north of Trough Road, and would result in nearly two contiguous miles of river for public fishing and recreation. The parcel includes areas of riparian habitat, wetlands, and floodplains. The parcel also includes the 7.12 c.f.s. water rights from the Blue River described in Exhibit A. BLM would use these water rights to enhance waterfowl habitat in the area or to supplement in-stream flows.

Green Mountain Reservoir.

In the vicinity of Green Mountain Reservoir, Parcels 2, 3, 9 and 10 are in northern Summit County and Parcel 4 is in southern Grand County. Acquisition of the parcels would consolidate public landownership in this area. The parcels include sage grouse and critical big game habitat, scenic resources, and natural springs and wetlands. Parcels 3 and 4 would enhance dispersed recreation opportunities along the Williams Peak Road. Parcel 10 would provide public access to approximately 3.2 miles of the Blue River immediately below Green Mountain Reservoir, where pedestrian and vehicular access is blocked at the dam at least 50 percent of the time.

Parcels 2 and 9 would enhance dispersed recreation opportunities in the Green Mountain area. Portions of Parcel 2 lie within the boundary of the Arapaho National Forest. If acquired in the proposed land exchange, jurisdiction of those portions within the Forest boundary would be transferred to the U.S. Forest Service and would be managed according to the Land Ownership Adjustment Guidelines that were developed as part of the USFS White River Resources Management Plan 2002.

BLM's acquisition of these five parcels would complement the goals set forth in the Summit County Open Space Protection Plan (1986). Summit County acquired 991 acres near Green Mountain Reservoir to prevent their development and to protect open space and scenic values of the area. The nonfederal lands in the exchange adjoin lands administered by BLM and the Forest Service as well as lands now owned by Summit County.

Red Gorge Mining District.

Parcel 6 is comprised of twenty patented mining claims totaling 178 acres in the Red Gorge Mining District in western Grand County. Acquisition of the claims would consolidate federal lands in the area and prevent possible development of these inholdings. Approximately 50 percent of this acreage lies within the Upper Colorado River Special Recreation Management Area (SRMA). As abandoned mining operations, there may be safety or hazardous materials issues associated with the claims. An Abandoned Mine Lands Environmental Site Assessment has been initiated to determine cleanup and mitigation alternatives, recommendations on required actions, and potential liability, but the report has not been finalized. The United States will not acquire any of the mining claims until recommended cleanup and/or mitigation has been completed.

With the exception of Parcel 6, an Initial Site Assessment of the nonfederal parcels was completed December 11, 2003. No hazardous materials, petroleum products, or environmental liabilities were found.

Upon acquisition, the nonfederal lands would be managed for multiple use as provided in the Kremmling RMP. Land use management priorities will be established as part of the environmental assessment process, but priorities most likely will be placed on sage grouse and other wildlife habitat protection, enhanced recreation opportunities, and livestock grazing.

3.0 Public Benefits

3.1 Proposed Disposal

BLM would benefit by the disposal of 1,773 acres of federal lands that are scattered, isolated and difficult to manage. Five of the parcels proposed for disposal do not have legal public access. Five parcels, while accessible from adjoining public lands, have intermingled ownerships that result in public trespass onto private property, especially during hunting season. Disposal of these parcels would increase BLM's overall resource management efficiency.

Most of the parcels are within Blue Valley Ranch or adjoin other lands where they would be logical additions to private ownership and management as part of a ranch. Generally, BLM's management opportunities on these parcels are limited because of size, relative isolation from other BLM-managed lands, and lack of access. The parcels would be more efficiently used if they were incorporated into the agricultural operations of the surrounding private lands.

3.2 Proposed Acquisition

BLM would benefit by acquisition of the nonfederal parcels which would consolidate federal lands in several areas, allowing more efficient natural resource management. The exchange proposal offers opportunities to consolidate federal lands north of Trough Road, along the Colorado River Headwaters Scenic Byway, and within the Upper Colorado River SMRA and the Red Gorge Mining District. Consolidation of land ownerships would reduce the potential for conflicts between users of the public lands and adjoining property owners.

The addition of the nonfederal lands would meet objectives in the RMP for wildlife, recreation, public access, and scenic values. BLM estimates a net gain of 438 acres of sage grouse habitat, 274 acres of big game habitat, and 1,099 acres of critical winter range as a result of the proposed land exchange. A net increase of about 2.3 miles of public and pedestrian access along the Blue River would enhance river-related recreational opportunities for the general public. The exchange would also enhance recreation opportunities along the Williams Peak Road and provide public access to Inspiration Point and adjacent areas of public lands on the southern edge of the Colorado River.

The proposal complements the Summit County's acquisition of 991 acres in the Green Mountain Reservoir area for the preservation of open space and offers further protection of scenic resources and open space in the vicinity of Green Mountain Reservoir in Grand and Summit Counties.

Upon acquisition, the nonfederal parcels would be managed for multiple use as provided in the RMP. Land use management priorities will be established as part of the environmental assessment process, but they are likely to include wildlife habitat protection, enhanced recreation opportunities, and livestock grazing.

4.0 Value

The federal and nonfederal lands will be appraised in accordance with federal appraisal standards. The appraisal reports will be subject to final review and approval by a Review Appraiser designated by the Appraisal Services Directorate, National Business Center. Recent appraisals for the BLM Kremmling land exchange with the Colorado State Land Board, together with other available market data, indicate that the total value of the nonfederal lands will exceed the value of the federal lands currently proposed for exchange. The value of the federal lands is estimated to be \$4.47 to \$6.25 million. The value for the nonfederal lands is estimated to be \$4.93 to \$6.5 million. Equalization of values could be achieved by deleting nonfederal lands from the exchange, donation of nonfederal land, Payment of cash equalization, or a combination of these options. The field office has identified and prioritized three nonfederal parcels (6, 5, and 7) that could be dropped from the exchange to balance values.

5.0 Title Considerations

5.1 Federal Lands

The federal patent will be subject to the reservation to the United States of a right-of-way for ditches or canals constructed by the authority of the United States (Act of August 30, 1890). BLM will provide the mineral report to the appraiser and minerals will be considered in determining federal land values. The need for reserving public access across a federal parcel will be identified as the exchange is processed. The withdrawal for Power Site Reserve No. 32 on Parcel K will be modified to allow disposal by exchange or revoked.

The patent would be issued subject to valid existing rights, unless the proponent has reached agreement with the holders prior to exchange closing. Both grazing permittees were notified of

the exchange proposal January 16, 2004. Galloway provided a waiver, but Parcels D and E will be subject to Sheephorn Creek Ranch's grazing rights unless the two-year notification period expires before the exchange is completed.

5.2 Nonfederal Lands

Proponent has provided title commitments for each nonfederal parcel. A preliminary review of the title information indicates that there are no encumbrances (rights-of-way, third party mineral interests, or other reservations) that would interfere with BLM's proposed management of the parcels. BLM will review the title information in detail once we receive concurrence to process the exchange.

6.0 Possible Problems or Conflicts

Disposal of the three federal parcels with Blue River frontage could generate some opposition to the exchange. However, the loss of about a mile of Blue River frontage would be more than offset by the acquisition of 1.5 miles of accessible river frontage (Parcel 8) and 3.2 additional miles of pedestrian access to the Blue River below Green Mountain Reservoir (Parcel 10).

Although four federal parcels are accessible by foot from adjoining BLM lands and are used by the public for hunting, disposal of these parcels may generate opposition. The configuration of the federal lands, however, has led to trespass onto adjoining private lands. The Colorado Division of Wildlife supports the disposal of Parcels D and E.

The twenty patented mining claims in the Red Gorge Mining District are completely surrounded by public lands. As abandoned mining operations and private inholdings, there are safety concerns associated with the claims. Cleanup and mitigation measures would be completed before the property is acquired by the United States.

The Summit County Open Space Advisory Council supports BLM acquisition of the five nonfederal parcels in the vicinity of Green Mountain Reservoir. Acquisition of these lands would consolidate public ownership in an area where the Open Space Advisory Council is concerned about visual impacts. The Grand County Commissioners also support the protection of open space with BLM acquisition of Parcel 1 which would protect part of the Colorado River Headwaters Scenic Byway viewshed.

7.0 Processing Costs and Funding

Galloway and BLM will share the costs of the exchange. The major tasks to be completed, estimated completion dates, party responsible for completing the task, and funding cost estimates for each party are as follows:

<u>Task</u>	<u>Completion Date</u>	<u>Responsible Party</u>	<u>Cost Estimates</u>	
			<u>BLM</u>	<u>Proponent</u>
Mineral Report (Federal) Completed	Various	BLM	\$ 5,200	
Mineral Report (Federal) Approved	4/2003	BLM	\$ 600	

<u>Task</u>	<u>Completion Date</u>	<u>Responsible Party</u>	<u>Cost Estimates</u>	
			<u>BLM</u>	<u>Proponent</u>
Federal Lands Segregated	6/2003	BLM	\$ 150	
Hazmat Report (Nonfederal)	12/2003	BLM	\$ 2,100	
Biological Assessment	12/2003	Proponent		\$40,000
Cultural Surveys/Report Completed	12/2003	Proponent		\$50,000
Cultural Report Approved	6/2004	BLM	\$ 600	
CERCLA Report Completed	6/2004	BLM	\$ 1,500	
Biological/T&E Reports Approved	7/2004	BLM	\$ 900	
Mine Hazard Report Completed	8/2004	BLM	+\$ 5,000	
Hazmat Report (Federal)	9/2004	BLM	\$ 2,100	
Paleontological Report	9/2004	Proponent		\$ 3,850
Cultural Mitigation Completed	9/2004	Proponent		\$40,000
Cultural Mitigation Approved	10/2004	BLM	\$ 400	
Solicitor Review (Feasibility Rept)	10/2004	BLM/Solicitor	\$ 1,800	
Feasibility Report to WO	10/2004	BLM	\$ 5,000	
WO Feasibility Review	11/2004	BLM	\$ 5,500	
Agreement to Initiate Exchange	12/2004	BLM/Prop	\$ 3,000	
Notice of Exchange Proposal Published	12/2004	Proponent		\$ 600
Notice of Exchange Proposal Mailed	12/2004	BLM	\$ 300	
Cadastral Survey Completed	12/2004	BLM/Prop		\$17,400
Title Commitments (Nonfederal)	12/2004	Proponent		TBD
Preliminary Title Opinion	12/2004	BLM/Solicitor	\$ 1,800	
Appraisal Requested	1/2005	BLM	\$ 300	
Mineral Report (Nonfederal) Completed	2/2005	BLM	\$ 400	
Environmental Assessment Completed	2/2005	Proponent		\$35,000
Mineral Report (Nonfederal) Approved	3/2005	BLM	\$ 400	
Environmental Assessment Approved	3/2005	BLM	\$ 4,500	
Appraisal Reports Completed	6/2005	Proponent		\$20,000
Appraisal Reports Approved	7/2005	DOI/ASD	\$ 1,500	
PS Wdl Modification – PLO	7/2005	BLM	\$ 500	
Draft Decision Record	7/2005	BLM	\$ 5,000	
Solicitor Review (Decision Record)	7/2005	BLM/Solicitor	\$ 1,800	
Decision Package to WO	7/2005	BLM	\$ 5,000	
WO Review/Approval to Proceed	9/2005	BLM	\$ 5,000	
Notice of Decision Published	9/2005	Proponent		\$ 600
Notice of Decision Mailed	9/2005	BLM	\$ 300	
Title Insurance Policy/Deed(s)	10/2005	Proponent		TBD
Patent(s) Prepared	10/2005	BLM	\$ 1,800	
Title Review/Final Title Opinion	10/2005	BLM/Solicitor	\$ 1,800	
Closing	12/2005	Proponent/BLM	\$ 1,000	TBD
Total Estimated Costs			+\$65,250	+\$207,450

BLM's share of costs for processing the exchange will be provided from benefiting subactivities 1430, 1220, 1110, and 1150.

The federal lands selected for this exchange were segregated on June 27, 2003, for a period of five years. The Notice of Exchange Proposal will be published upon approval of the feasibility analysis, draft Agreement to Initiate, and draft Notice of Exchange Proposal. The proposed exchange is estimated to be completed by December 2005.

8.0 Recommendation

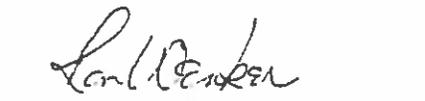
The proposed exchange would result in the acquisition by the United States of land valuable for its wildlife habitat, scenic qualities and recreational values. It would protect these same lands and the adjoining and surrounding public lands from future land uses which could conflict with public land management activities in the area. Acquisition of these lands would also complement the land management and acquisition activities of BLM and Summit County. It would eliminate conflicts and improve the management potential of both the public and private land. The costs to the BLM to process the exchange is minimal compared to the values received. It is my recommendation to proceed.

9.0 Recommended By



John F. Ruhs, Field Manager
Kremmling Field Office

Date: 12/03/03



Ron Wenker, State Director
Colorado State Office

Date: 12/13/04

EXHIBIT A

DESCRIPTION OF NONFEDERAL LANDS Sixth Principal Meridian, Colorado (Grand and Summit Counties)

Parcel 1 (Thompson, Grand County)

T. 1 N., R. 80 W.,
sec. 30, lot 4;
sec. 31, lots 1 and 2, and NE1/4NW1/4, except that portion conveyed to Grand
County;
T. 1 N., R. 81 W.,
sec. 36, all,
containing 656.58 acres.

Parcel 2 (Green Mountain, Summit County)

T. 2 S., R. 80 W.,
sec. 3, lots 1 and 2, SW1/4/NE1/4, SE1/4NW1/4, E1/2SW1/4, and W1/2SE1/4;
sec. 10, E1/2E1/2, NW1/4NE1/4, and NE1/4NW1/4;
sec. 11, W1/2 of lot 9;
sec. 14, lot 4,
containing 621.64 acres.

Parcel 3 (Knorr-Highway 9, Summit County)

T. 2 S., R. 80 W.,
sec. 2, S1/2NE1/4 and that part of the SE1/4 lying northerly and easterly of the
Colorado State Highway No. 9 right of way,
containing 189 acres, more or less.

Parcel 4 (Haystack Mountain, Grand County)

T. 1 S., R. 80 W.,
sec. 35, SE1/4,
containing 160 acres.

Parcel 5 (North of 40 Outright Exemption, Grand County)

T. 1 N., R. 79 W.,
sec. 7, that portion of lot 3 and the NE1/4SW1/4 lying north of U.S. Highway 40
known as Parcel A, North of 40 Outright Exemption,
containing 2.05 acres, more or less.

Parcel 6 (Red Gorge Mining Claims, Grand County)

T. 1 S., R. 82 W.,
secs. 29, 30, and 32, those portions encompassed within the Copper Prince, Thor,
Thor No. 1, and Thor No. 2 Lode Mining Claims, Survey No. 18059;

Parcel 6 (Continued)

T. 1 S., R. 82 W.,

secs. 30 and 31, those portions encompassed within the Three Sisters Lode Mining Claim, Survey No. 15479, and within the Bryan Lode Mining Claim, Survey No. 15482;

sec. 31, those portions encompassed within the Kiowa Girl Mining Claim, Survey No. 15026, and within the 16 to One Lode Mining Claim, Survey No. 15483;

sec. 32, that portion encompassed within the Sunset Lode Mining Claim, Survey No. 18670, except that portion thereof lying within Johnnie D and Caesar Lode Mining Claims;

secs. 32 and 33, those portions encompassed within the Main, Jumbo, Queen, Morning Star, Johnnie D., Iron Rust, First Chance, Caesar and Radium Lode Mining Claims, Survey No. 18347A; and that portion encompassed within the Second Chance Lode Mining Claim, Survey No. 18671, except that portion thereof lying within First Chance and Iron Rust Lode Mining Claims;

sec. 33, those portions encompassed within the Radium Millsite, Survey No. 18347B;

containing 178.21 acres, more or less.

Parcel 7 (Inspiration Point Easement, Grand County)

T. 1 S., R. 81 W.,

sec. 8, N1/2NE1/4 - a perpetual, non-exclusive, 30-foot wide access easement for ingress and egress purposes, being 15 feet on either side of the centerline of an existing traveled way.

Parcel 8 (Blue River North–Yust Tract 1, Grand County)

T. 1 N., R. 80 W.

sec. 19, a tract of land in the NE1/4, being more particularly described as follows:

Beginning at the North 1/16 corner between Sections 19 and 20, T. 1 N.,

R. 80 W., from which the 1/4 corner between Sections 19 and 20 bears

S 02°09'33" W, a distance of 1326.35 feet (basis of bearing); thence

S 02°09'33" W along the section line between Sections 19 and 20 for

892.00 feet to a point on the right bank of the Blue River;

Thence S 02°09'33" W and continuing along said section line for 79.14 feet to a point on the median line of the Blue River;

Thence along said median line for the following courses:

Thence N 55°01'17" W for 51.42 feet;

Thence N 52°29'02" W for 53.67 feet;

Thence N 47°54'29" W for 60.64 feet;

Thence N 50°46'13" W for 27.23 feet;

Thence N 55°38'44" W for 89.27 feet;

Thence N 58°42'53" W for 32.37 feet;

Thence N 61°03'45" W for 64.01 feet;

Thence N 86°11'19" W for 31.56 feet;

Parcel 8 (Yust Tract 1 Continued)

Thence N 80°11'20" W for 18.11 feet;
Thence S 88°35'38" W for 53.11 feet;
Thence S 86°16'54" W for 12.31 feet;
Thence S 86°17'51" W for 55.38 feet;
Thence S 81°31'47" W for 19.08 feet;
Thence S 68°56'55" W for 69.26 feet;
Thence S 44°48'54" W for 65.63 feet;
Thence S 36°20'14" W for 23.15 feet;
Thence S 32°59'38" W for 13.90 feet;
Thence S 04°21'52" E for 11.71 feet;
Thence S 08°07'16" E for 60.57 feet;
Thence S 11°30'04" E for 8.95 feet;
Thence S 10°36'06" E for 75.23 feet;
Thence S 15°33'15" E for 43.01 feet;
Thence S 08°12'53" E for 117.94 feet;
Thence S 08°37'21" E for 109.00 feet;
Thence S 02°51'09" E for 34.90 feet to a point on the east-west centerline of section 19;
Thence N 88°38'12" W along said east-west centerline for 69.07 feet to a point on the right bank of the Blue River;
Thence N 88°38'12" W and continuing along said east-west centerline for 731.69 feet to the center-east 1/16 corner of Section 19 and being a standard U.S.B.L.M. aluminum pipe and cap;
Thence N 88°42'37" W and continuing along said east-west centerline for 92.90 feet to a point on the right bank of the Blue River;
Thence N 88°42'37" W for 78.28 feet to a point on the median line of the Blue River;
Thence along said median line for the following courses:
Thence N 32°10'41" W for 68.93 feet;
Thence N 32°52'28" W for 97.07 feet;
Thence N 31°28'58" W for 55.68 feet;
Thence N 35°31'14" W for 165.10 feet;
Thence N 30°29'39" W for 146.44 feet;
Thence N 28°11'39" W for 34.06 feet;
Thence N 29°48'17" W for 105.79 feet;
Thence N 43°12'58" W for 175.37 feet;
Thence N 42°32'07" W for 48.87 feet;
Thence N 24°23'45" W for 86.42 feet;
Thence N 01°31'40" E for 34.73 feet;
Thence N 02°02'17" W for 76.82 feet;
Thence N 08°55'41" E for 71.50 feet;
Thence N 15°33'21" E for 53.96 feet;
Thence N 22°34'36" E for 61.79 feet;
Thence N 25°26'34" E for 95.02 feet;
Thence N 29°31'22" E for 38.94 feet;
Thence N 34°32'47" E for 47.33 feet;

Parcel 8 (Yust Tract 1 Continued)

Thence N 35°41'05" E for 58.18 feet;
Thence N 39°38'35" E for 113.71 feet;
Thence N 47°25'29" E for 86.48 feet;
Thence N 55°19'51" E for 45.25 feet;
Thence N 61°10'49" E for 68.71 feet;
Thence N 64°31'39" E for 61.71 feet;
Thence N 68°46'54" E for 49.00 feet;
Thence N 73°53'06" E for 101.69 feet;
Thence N 78°36'06" E for 162.35 feet;
Thence N 81°01'47" E for 86.79 feet;
Thence N 89°58'27" E for 79.51 feet;
Thence N 87°39'42" E for 49.59 feet;
Thence N 81°46'26" E for 44.06 feet;
Thence N 75°21'48" E for 68.71 feet;
Thence N 67°49'18" E for 30.91 feet;
Thence N 65°48'11" E for 56.10 feet;
Thence N 39°55'33" E for 25.46 feet;
Thence N 35°46'58" E for 23.07 feet;
Thence S 66°00'47" E for 77.98 feet to a point on the right bank of the Blue River;
Thence S 66°00'47" E for 927.60 feet to a point on the section line between Sections 19 and 20;
Thence S 02°09'33" W along the section line for 32.67 feet to the point of beginning.

Parcel 8 (Blue River North–Yust Tract 2, Grand County)

T. 1 N., R. 80 W.

sec. 20, a tract of land in the NW1/4SW1/4, being described as follows:
Commencing at the W1/4 corner of said Section 20, a standard U.S.B.L.M. pipe and brass cap, thence S 84°14'37" E for 1332.99 feet (basis of bearings) to the center-west 1/16 corner of said Section 20, a standard U.S.B.L.M. aluminum pipe and cap and the point of beginning for this description;
Thence S 04°38'59" W for 630.97 feet to a U.S.B.L.M. Witness Point Marked "WP-3 S20" from which the SW 1/6 corner of said Section 20 bears S 04°52'14" W for 656.73 feet;
Thence S 04°52'14" W for 50.28 feet to a point on the right bank of the Blue River;
Thence S 04°52'14" W for 192.31 feet to a point on the median line of said Blue River;
Thence along said median line for the following courses:
Thence N 10°30'14" W for 9.03 feet;
Thence N 13°33'20" W for 139.20 feet;
Thence N 17°56'54" W for 56.56 feet;
Thence N 11°46'10" W for 47.01 feet;
Thence N 17°47'32" W for 46.49 feet;

Parcel 8 (Yust Tract 2 Continued)

Thence N 30°38'47" W for 16.25 feet;
Thence N 34°20'56" W for 128.13 feet;
Thence N 34°05'57" W for 28.74 feet;
Thence N 42°54'03" W for 68.63 feet;
Thence N 44°40'13" W for 194.32 feet;
Thence N 44°26'36" W for 73.95 feet;
Thence N 40°55'51" W for 24.45 feet;
Thence N 43°19'23" W for 72.17 feet;
Thence N 21°53'05" W for 30.87 feet;
Thence N 40°38'01" W for 39.32 feet;
Thence N 50°11'55" W for 74.98 feet;
Thence N 47°12'44" W for 65.44 feet;
Thence N 56°02'32" W for 94.49 feet to a point on the east-west centerline of said Section 20;
Thence S 84°14'37" E and leaving said median line for 116.96 feet along said east-west centerline to a point on the right bank of the Blue River;
Thence S 84°14'37" E for 652.60 feet to the point of beginning.

TO BE KNOWN AS THE FOLLOWING:

YUST TRACT 2 SUBDIVISION EXEMPTION,
containing 120 acres, more or less

Together with 7.12 cfs water rights, more particularly described as:

1. 1.79 cfs of 18.33 cfs, absolute, decreed to Loback Ditch; appropriation date December 31, 1930; adjudication date October 26, 1937, Civil Action No. 1709, Water District No. 36, State of Colorado;
2. 1.75 cfs of 17.85 cfs, absolute, decreed to Loback Ditch, First Enlargement, appropriation date December 31, 1899; adjudication date March 10, 1952; Civil Action No. 1805, Water District No. 36, State of Colorado; and
3. 3.58 cfs of 36.62 cfs, absolute, decreed to Loback Ditch, Second Enlargement; appropriation date August 7, 1973; adjudication date December 18, 1974; Case Number W-2400, District Court in and for Water Division No. 5, State of Colorado.

Parcel 9 (Sudan, Summit County)

T. 2 S., R. 80 W.,
sec. 3, SE1/4NE1/4 and E1/2SE1/4,
containing 120 acres.

Parcel 10 (Pedestrian Easement, Summit County)

T. 2 S., R. 80 W.,
sec. 3, a metes and bounds description of a parcel to be created out of lot 3,
containing 25 acres, more or less.

Total acreage of offered nonfederal lands is 2,015.77 acres, more or less.

EXHIBIT B

DESCRIPTION OF FEDERAL LANDS

Sixth Principal Meridian, Colorado
(Grand County)

Parcel A (NW Sheephorn Mountain)

T. 1 S., R. 81 W.,
sec. 9, S $\frac{1}{2}$ SW $\frac{1}{4}$,
containing 80 acres.

Parcel B (North Sheephorn Mountain)

T. 1 S., R. 81 W.,
sec. 15, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$,
containing 120 acres.

Parcel C (SW Sheephorn Mountain)

T. 1 S., R. 81 W.,
sec. 15, SW $\frac{1}{4}$ SW $\frac{1}{4}$;
sec. 21, lots 1 to 6, inclusive, and NE $\frac{1}{4}$ NE $\frac{1}{4}$;
sec. 22, NW $\frac{1}{4}$ NW $\frac{1}{4}$,
containing 330.36 acres.

Parcel D (Sheephorn Creek 1)

T. 1 S., R. 81 W.,
sec. 33, lot 2, N $\frac{1}{2}$ NW $\frac{1}{4}$, and SE $\frac{1}{4}$ NW $\frac{1}{4}$,
containing 165.75 acres.

Parcel E (Sheephorn Creek 2)

T. 1 S., R. 81 W.,
sec. 28, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$,
containing 120 acres.

Parcel F (Southern Parcel)

T. 1 S., R. 80 W.,
sec. 26, S $\frac{1}{2}$ SE $\frac{1}{4}$,
containing 80 acres.

Parcel G (Blue River East)

T. 1 S., R. 80 W.,
sec. 28, lot 5 and SE $\frac{1}{4}$ NE $\frac{1}{4}$,
containing 78.83 acres.

Parcel H (Blue River West)

T. 1 S., R. 80 W.,
sec. 28, lot 3, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and E $\frac{1}{2}$ SW $\frac{1}{4}$;
sec. 33, lot 3, SW $\frac{1}{4}$ NE $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$,
containing 273.17 acres.

Parcel I (Blue River North)

T. 1 N., R. 80 W.,
sec. 29, part of W $\frac{1}{2}$ W $\frac{1}{2}$ south of Trough Road;
sec. 30, part of S $\frac{1}{2}$ SE $\frac{1}{4}$ south of Trough Road;
sec. 31, E $\frac{1}{2}$ E $\frac{1}{2}$, part of W $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ south and east of Trough Road;
sec. 32, NE $\frac{1}{4}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ NW $\frac{1}{4}$,
containing 390 acres, more or less.

Parcel J (Palmer Meadows)

T. 1 N., R. 79 W.,
sec. 7, that part of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ south of U.S. Highway 40;
sec. 8, that part of the S $\frac{1}{2}$ SW $\frac{1}{2}$ north of the Colorado River and that part of the
SW $\frac{1}{4}$ NW $\frac{1}{4}$ south of U.S. Highway 40;
sec. 17, that part of the N $\frac{1}{2}$ NW $\frac{1}{4}$ north of the Colorado River,
containing 95 acres, more or less.

Parcel K (Blue Valley Acres)

T. 1 S., R. 80 W.,
sec. 34, SE $\frac{1}{4}$ NW $\frac{1}{4}$,
containing 40 acres.

Total acreage of selected federal lands is 1,773.11 acres, more or less.

EXHIBIT C

ENCUMBRANCES, OUTSTANDING INTERESTS, AUTHORIZED USES

I. Nonfederal Lands

Parcel 1

- State of Colorado reserved all rights to any and all minerals, ore and metals of every kind and character, and all coal, asphaltum, oil, gas and other like substances in or under said land, the rights of ingress and egress for the purpose of mining, together with enough of the surface of the same as may be necessary for the proper and convenient working of such minerals and substances, in Colorado Patent No. 3181, recorded October 19, 1917, in Book 56 at Page 492. (Encumbers only sec. 36, T. 1 N., R. 81 W.)
- BLM right-of-way COC-34340 granted to Galloway, Inc., for access road purposes. (sec. 31, T. 1 N., R. 80 W.)
- Easement and right of way for ingress and egress purposes reserved by William Henry Thompson, recorded January 8, 1985, in Book 365 at Page 839.
- Access Agreement from Galloway, Inc. to William Henry Thompson, recorded March 13, 2000 at Reception No. 2000-002359 and re-recorded May 26, 2000, at Reception No. 2000-004795.

Parcel 2

- United States reserved all oil and gas in the land so patented, and the right to prospect for, mine, and remove such deposits from the same in Patent No. 1058662, recorded June 9, 1964 in Book 174 at Page 98. (lot 2, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, sec. 3)
- United States reserved all coal and other minerals in the lands so patented, together with the right to prospect for, mine, and remove the same in Patent No. 1048525, recorded September 23, 1935 in Book 105 at Page 518 and Patent No. 1058663, recorded June 9, 1964 in Book 174 at Page 97. (SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, sec. 3; NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, sec. 10; lot 9, sec. 11, and lot 4, sec. 14)
- Right of way for Colorado State Highway 9.
- Easement granted to the United States of America for power line, recorded in Book 158 at Page 111. (Colorado River Storage Project, Bureau of Reclamation)

Parcel 3

- United States reserved all coal and other minerals in the lands so patented , together with the right to prospect for, mine, and remove the same in Patent No. 1055967, recorded January 19, 1948 in Book 123 at Page 129.
- Right of way for Colorado State Highway 9.
- Easement as granted to the United States of America for power line, recorded in Book 131 at Page 392. (Bureau of Reclamation)
- Easement as granted to the United States of America for power line, recorded June 5, 1961 in Book 158 at Page 111. (Colorado River Storage Project, Bureau of Reclamation)
- Grantor reserved all gas, oil, and minerals in and under 300-ft. wide tract granted to Colorado Department of Highways and gave grantee (highway department) the right to use surface earth, dirt, gravel, sand or other road building materials for highway purposes as it may desire, by deed recorded September 11, 1958 in Book 153 at Page 14.
- Easements granted to Mountain Parks Electric, Inc., for power lines, recorded November 29, 1993 at Reception Nos. 456984, 456987 and 456988.

Parcel 4

- Bell Ditch No. 1, Priority No. 676; Bell's Blue River Ditch No. 2, Priority No. 680; Bell's Blue River Ditch No. 2, Priority No. 884; Bell's Blue River Ditch Enlargement; Stafford's Ditch, together with any and all water and water rights, ditch and ditch rights, reservoir and reservoir rights belonging to or used in connection with said lands herein described.
- Ditch rights recorded May 26, 1883 in Book 4 at Pages 55 and 56, and July 14, 1884 in Book 4 at Page 208.
- Right of way for Grand County Road No. 381.

Parcel 5

- Right of way granted the Sulphur Gulch Ditch, by instrument recorded May 20, 1897 in Book 5 at Page 941.
- Easements granted Mountain Parks Electric, Inc., for power lines, by instruments recorded February 14, 1997 at Reception No. 97001234 and December 11, 1998 at Reception No. 98013171.
- Exceptions, restrictions, reservations, easements, trails and rights of way as set forth on the plat of North of 40 Outright Exemption recorded October 31, 2000 at Reception No. 2000-010217

Parcel 6

Policy does not insure against:

- Right of way for ditches and canals constructed by the authority of the United States, as reserved by United States patents recorded October 3, 1910 in Book 46 at Page 162 (Survey No. 18059); August 4, 1913 in Book 52 at Page 414 (Survey Nos. 18347A and 18347B); November 12, 1914 in Book 54 at page 412 (Survey No. 18671); November 12, 1914 in book 54 at Page 414 (Survey No. 18670); September 15, 1916 in Book 56 at Page 268 (Survey No. 15026); January 29, 1971 in Book 176 at Page 22 (Survey No. 15483); January 29, 1971 in Book 176 at Page 25 (Survey No. 13479); and January 29, 1971 in Book 176 at Page 28 (Survey No. 15482).
- Right of proprietor of any other vein or lode to extract and remove his ore there from should the same be found to penetrate or intersect subject property, as reserved by United States Patents recorded October 3, 1910 in Book 46 at Page 162 (Survey No. 18059); September 15, 1916 in Book 56 at Page 268 (Survey No. 15026); January 29, 1971 in Book 176 at Page 22 (Survey No. 15483); January 29, 1971 in Book 176 at Page 25 (Survey No. 13479); and January 29, 1971 in book 176 at Page 28 (Survey No. 15482).
- In the absence of necessary legislation by Congress, the Legislature of Colorado may provide rules for working the mining claim or premises hereby granted, involving easements, drainage and other necessary means to its complete development, as reserved by United States patents recorded October 3, 1910 in Book 46 at Page 162 (Survey No. 18059); August 4, 1913 in Book 52 at page 414 (Survey Nos. 18347A and 18347B); November 12, 1914 in Book 54 at Page 412 (Survey No. 18671); November 12, 1914 in Book 54 at Page 414 (Survey No. 18670); September 15, 1916 in Book 56 at Page 268 (Survey No. 15026); January 29, 1971 in Book 176 at Page 22 (Survey No. 15483); January 29, 1971 in Book 176 at Page 25 (Survey No. 13479); and January 29, 1971 in Book 176 at Page 28 (Survey No. 15482).
- Any loss, damage or claim arising by virtue of discrepancies and variations between the patented legal descriptions of mining claim tracts insured herein and legal descriptions of the same tracts, as depicted on the U.S. BLM Independent Resurvey With Tract Segregations of Township 1 South, Range 82 West of the 6th P.M. dated January 17, 1939.
- Any loss, damage or claim arising as a result of any overlap or encroachment of adjoining properties.
- Any rights, interests or easements in favor of the State of Colorado, the United States of America, or the public, which exist or are claimed to exist in any beach areas lying above the mean high water mark, or, over, under and/or across the waters and present and past bed and banks of the Colorado River. (Survey Nos. 18347A, 18347B and 18671)

Parcel 7

- Right of way for Grand County Road No. 1, also known as Trough Road.
- Lease dated April 15, 1991 between Municipal Subdistrict, Northern Colorado Water Conservancy District, a quasi-municipal entity, Welton T. Bumgarner and Bumgarner Ranches, Inc. as evidenced in Special Warranty Deed from the Municipal Subdistrict, Northern Colorado Water Conservancy District to Galloway, Inc., recorded August 7, 1995 at Reception No. 95006587.
- Restrictions which do not contain a forfeiture or reverter clause, as contained in Deed from the Municipal Subdistrict, Northern Colorado Water Conservancy District, a quasi-municipal entity to Galloway, Inc., recorded August 7, 1995 at Reception No. 95006587, providing substantially as follows: Subject property "shall not be used for or in connection with the storage of water in a reservoir with a capacity in excess of 20 acre feet. This covenant shall be perpetual, shall be included within and be a restriction on any and all subsequent conveyances of any interest in the lands hereby conveyed, and shall be construed to run with such lands for the benefit and use of property owned by grantor."
- Development Restriction contained within Special Warranty Deed from Galloway, Inc., to James E. Yust, recorded October 31, 2000 at Reception No. 2000-010222.
- Easement reserved in Special Warranty Deed from Galloway, Inc., to James E. Yust recorded October 31, 2000 at Reception No. 2000-010222.

Parcel 8 – Yust Tract 1

- Easement and right of way granted to the United States of America for power line, recorded April 11, 1950 in Book 98 at Page 341, as amended by instrument recorded May 12, 1986 in Book 394 at Page 460. (Western Area Power Administration, Department of Energy)
- Rights, if any, of the United States government, the State of Colorado, and any other governmental entity, riparian owners, the public or private persons existing in, or with respect to, the present and past bed, banks, bottomland and waters of Blue River.
- Any loss or damage as a result of any accretion, reliction, avulsion or change in location of Blue River, or the channel or the thread of the stream thereof or the median line thereof.
- Easement and right of way granted to Nancy Yust by instrument recorded December 10, 1993 at Reception No. 93012691.
- Cooperative Agreement for Damage Prevention Fencing recorded August 25, 1994 at Reception No. 94009484.

- Exclusive Road Easement granted to United States of America, recorded June 11, 2001 at Reception No. 2001-005326. (Bureau of Land Management)
- Memorandum of Option Contract., by and between James E. Yust, Optioner, and Galloway, Inc., Optionee, recorded October 18, 2002 at Reception No. 2002-011181. (Note: Upon completion of the transactions contemplated herein, the above exception will be deleted from the policy to be issued.)
- Maintenance Access Easement, as reserved by James E. Yust in Deed to Galloway, Inc.

Parcel 8 – Yust Tract 2

- Easement and right of way granted to the United States of America for power line by instruments recorded April 11, 1950 in Book 98 at Page 341, as amended by instrument recorded May 12, 1986 in Book 394 at Page 460. (Western Area Power Administration, Department of Energy)
- Easement and right of way granted to the United States of America for power line by instrument recorded and May 15, 1961 in Book 136 at Page 393. (Colorado River Storage Project, Bureau of Reclamation)
- Right of way granted to Mountain States Telephone and Telegraph Company by instrument recorded August 31, 1970 in Book 173 at Page 222.
- Rights, if any, of the United States government, the State of Colorado, and any other governmental entity, riparian owners, the public or private persons existing in, or with respect to, the present and past bed, banks, bottomland and waters of Blue River.
- Any loss or damage as a result of any accretion, reliction, avulsion or change in location of Blue River, or the channel or the thread of the stream thereof or the median line thereof.
- Easement and right of way granted to Nancy Yust by instrument recorded December 10, 1993 at Reception No. 93012691.
- Cooperative Agreement for Damage Prevention Fencing recorded August 25, 1994 at Reception No. 94009484.
- Resolution No. 2000-8-17 recorded December 19, 2000 at Reception No. 2000-011723.
- Exclusive Road Easement granted to United States of America recorded June 11, 2001 at Reception No. 2001-005326. (Bureau of Land Management)
- Memorandum of Option Contract, by and between James E. Yust, Optioner, and Galloway, Inc., Optionee, recorded October 18, 2002 at Reception No. 2002-011181. (Note: Upon completion of the transactions contemplated herein, this exception will be deleted from the policy to be issued.)

- Maintenance Access Easement, as reserved by James E. Yust in Deed to Galloway, Inc.,
- Exceptions, restrictions, reservations, easements, trails and rights of way as set forth on the plat of Yust Tract 2 Subdivision Exception.

Parcel 9

- United States reserved all the oil and gas in the land patented, and the right to prospect for, mine, and remove such deposits from the same in Patent No. 1048476, dated July 27, 1931.
- Terms, conditions and provisions of option purchase agreement recorded January 31, 2003 at Reception No. 709757. (Note: This exception will be deleted upon recording of the termination of option agreement.)

Parcel 10

- United States reserved all the oil and gas in the land so patented, and the right to prospect for, mine, and remove such deposits from the same in Patent No. 1048476, dated July 27, 1931.

II. Federal Lands

Parcel A (NW Sheephorn Mountain)

- Vacant public land. No rights-of-way. Grazing permit #051794 to Galloway, Inc.; Allotment 07535 (Trough Road), 9 AUMs.

Parcel B (North Sheephorn Mountain)

- Vacant public land. No rights-of-way. Grazing permit #051794 to Galloway, Inc.; Allotment 07535 ((Trough Road), 14 AUMs.

Parcel C (SW Sheephorn Mountain)

- Vacant public land. No rights-of-way. Grazing permit #051794 to Galloway, Inc.; Allotment 07535 (Trough Road), 39 AUMs.

Parcel D (Sheephorn Creek 1)

- Vacant public land. No rights-of-way. Grazing permit #051792 to Sheephorn Creek Ranch; Allotment 07551 (McPhee), 17 AUMs.

Parcel E (Sheephorn Creek 2)

- Vacant public land. No rights-of-way. Grazing permit #051792 to Sheephorn Creek Ranch; Allotment 07551 (McPhee), 12 AUMs.

Parcel F (Southern Parcel)

- Vacant public land. No rights-of-way. Grazing permit #051753 to Galloway, Inc.; Allotment 07545 (Knorr), 17 AUMs.

Parcel G (East of Blue River)

- C-12512 Mountain Parks Electric, Inc., 14.4-24.9 kv power line, width 20'-50'; issued 8/14/1972, amended 12/21/1981, 9/15/1998, 8/19/1998.
- North ½ of Parcel - Grazing permit #051794 to Galloway, Inc.; Allotment 07573 (Blue Valley), 4 AUMs.
- South ½ of Parcel - Grazing permit #051753 to Galloway, Inc.; Allotment 07545 (Knorr), 8 AUMs.

Parcel H (West of Blue River)

- C-12512 Mountain Parks Electric, Inc., 14.4-24.9 kv power line, width 20-50 ft.; issued 8/14/1972, amended 12/21/1981, 9/15/1998, 8/19/1998.
- C-65026 Galloway, Inc., access road, width 30-40 ft.; issued 6/5/2001.
- Grazing permit #051753 to Galloway, Inc.; Allotment 07545 (Knorr), 57 AUMs.

Parcel I (Blue River North)

- C-23468 James E. Yust, ditch/staging area (ditches L, K, Z, R, Q), width 100 ft.; issued 3/25/1982.
- C-34340 Galloway, Inc., access road, width 20 ft.; issued 1/17/1983, amended 8/14/1987.
- C-54615 Grand County Road and Bridge, Grand County Road No. 1, width variable; issued 3/7/1994, amended 2/7/1996, 12/1/1997.
- C-62475 James E. Yust and Jeanne A. Off, access road "A"; issued 3/3/1999.
- C-62471 James E. Yust, access roads (roads H, K, L, M, J), various widths; issued 3/3/1999.
- C-65027 Galloway, Inc., access road, width 40 ft.; issued 6/5/2001.

Parcel I (Continued)

- C-65443 Galloway, Inc., ditches, width 20 ft.; issued 8/9/2001.
- C-65028 Galloway, Inc., diversion ditches, width 300 feet; issued 5/9/2001.
- Northern Portion of Parcel - Grazing permit #051755 to Galloway, Inc.; Allotment 00008 (Kerwin), 11 AUMs.
- Southern Portion of Parcel - Grazing permit #051794 to Galloway, Inc.; Allotment 07543 (Loback), 50 AUMs.

Parcel J (Palmer Meadows)

- U.S. Highway 40 (Grand County), deed recorded in book 85 at page 242, 11/1/1939.
- U.S. Highway 40 (Colorado Department of Highways), deed recorded in book 134 at page 303, 9/1/1960.

Parcel K (Blue Valley Acres)

- Power Site Reserve No. 32, withdrawn by Executive Order July 2, 1910. The withdrawal will be modified to allow disposal by exchange or revoked.
- Parcel accessed via a subdivision road.
- C-12512 Mountain Parks Electric, Inc., 14.4-24.9 kv power line, width 20-50 ft.; issued 8/14/1972, amended 12/21/1981, 9/15/1998, 8/19/1998.
- Grazing permit #051753 to Galloway, Inc.; Allotment 07545 (Knorr), 8 AUMs.