

AGREEMENT TO INITIATE A LAND EXCHANGE

DEWEY-LEVIE LAND EXCHANGE IDI-37603

United States Department of the Interior Bureau of Land Management

Purpose and Scope

This Agreement is between the United States of America, acting by and through the United States Department of Interior, Bureau of Land Management (BLM) and Don L. Dewey, a married man dealing with his sole and separate property, as to an undivided 1/2 interest, and Paul D. Levie and Rae Levie, Trustees of the Paul D. and Rae Levie Trust, dated November 20, 1973, as to an undivided 1/2 interest (hereinafter "Landowners"). Landowners certify they have legal ownership or control of the non-Federal land described below and can provide clear title to such land that is acceptable to the United States of America. Landowners further certify that Don L. Dewey and Paul D. Levie are citizens of the United States and the Paul D. and Rae Levie Trust conforms to the laws of the State of Idaho. The parties enter into this non-binding Agreement to Initiate a Land Exchange (Agreement) to document the commitments the parties hereto make to evaluate the merits of pursuing a proposal to exchange Federal and non-Federal lands and interests therein. The parties intend the exchange to be in the public interest and of mutual benefit to the parties as follows:

- Dispose of an isolated Federal parcel having no legal access
- Consolidate Federal and private land ownership
- Protect nesting long-billed curlew populations and habitat
- Preclude the construction of an access road through the long-billed curlew Area of Critical Environmental Concern (ACEC)
- Prevent future private development adjacent to the ACEC

The parties acknowledge that participation in these commitments will have no binding effect on any party to consummate the exchange. Should the parties terminate this Agreement without the consummation of an exchange, neither party will require the other party to reimburse them or pay damages associated with participation in the activities identified herein. In addition, the withdrawal from, and termination of, the exchange or Agreement by the BLM's Authorized Officer at any time prior to the issuance of the Notice of Decision is not protestable or appealable under the regulations at 43 CFR Part 4.

Authority

The parties enter into this Agreement pursuant to Section 206 of the Federal Land Policy and Management Act of October 21, 1976, as amended (43 U.S.C. 1716). Consideration of an exchange of Federal and non-Federal lands or interests therein must include, among other things, an evaluation of how the exchange will serve the public interest, based on an equal value determination, an environmental analysis, and coordination and/or consultation with State and

local governments, Tribal governments, and other interested or affected parties.

Format

The Agreement includes Exhibits A-D, attached hereto and made a part hereof. Exhibit A includes an overview map of the exchange parcels and individual maps of the Federal and non-Federal lands proposed for exchange. Exhibits B and C consist of the legal descriptions and title information for the Federal and non-Federal lands, respectively. Exhibit D addresses land exchange processing costs, responsibilities, and schedule.

Amendment and Termination

The parties will make amendments to this Agreement in writing by mutual consent effective upon the signature by all parties. The parties jointly agree to share in the responsibilities for amending the Agreement with the frequency and level of detail necessary to support the purposes of the Agreement.

The Agreement shall be effective until completion of the exchange or until any of the parties chooses to withdraw from the Agreement. Should any party wish to withdraw from the Agreement, they may do so by providing the other parties a written 30-day advance notice of intent to terminate participation. The parties may decide to revise the schedule as needed.

General Provisions

The following general provisions apply to all parties in this Agreement:

1. Hazardous Substances - Each party to this Agreement hereby declares that to the best of their knowledge, there has not been any actual or suspected release, storage, or disposal of hazardous substances on the Federal or non-Federal lands involved in the exchange. The BLM will inventory Federal and non-Federal lands in compliance with 40 CFR Part 312 (All Appropriate Inquiry regulations) to determine the presence of hazardous substances. If the BLM determines the release, storage, or disposal of hazardous substances on either the Federal or non-Federal land involved in the exchange, the parties may choose to either, (a) conduct further investigation and, if necessary, remediation; (b) remove the land so affected from the exchange proposal; or (c) terminate the Agreement. The BLM will inspect and prepare the appropriate report for the Federal and non-Federal lands. All inspections and documentation shall be in accordance with Federal standards.
2. Right to Enter - Each party to this Agreement hereby grants permission to the other parties, and their authorized agents, contractors or permittees, to enter upon and physically examine the lands described in this Agreement. The parties will limit such examination to non-surface disturbing activities and limit vehicular travel to existing roads. Any examination or entry that exceeds the scope of the above-described examination will require advance approval from the respective landowner (BLM or Landowners).
3. Relocation and Use Termination - Pursuant to 49 CFR 24.101, this Agreement serves as formal notice of the voluntary nature of this exchange and that the United States is acquiring the non-Federal land on a voluntary basis. The United States will not pay relocation benefits and

they are not applicable to the exchange parties. The Landowners certify that there are no known tenants or occupants of the non-Federal property and no unrecorded liens or other matters that may affect the property.

4. Availability of Information – The BLM will make all documents, reports and other related requirements prepared for the Federal and non-Federal land needed to evaluate and process the land exchange part of the public record and subject to public availability at the discretion of the Federal party. This includes information which may be exempt from release under the Privacy Act (5 U.S.C. 552 (a)), and information which may qualify for exemption under the Freedom of Information Act (5 U.S.C. 552(b)). All such material prepared in relation to this Agreement shall become the property of the United States and be considered “pre-decisional working papers” not subject to premature availability prior to the issuance of the decision on the exchange.

5. Disclosure Provision - By entering into this Agreement, the Landowners certify that they have not entered into any verbal or written contracts, options, financial arrangements, service agreements, commissions, representations, or other arrangements or agreements with third parties related to the non-Federal and Federal lands. The Landowners acknowledge and agree to immediately notify the BLM if they enter into any such contracts, options, or other arrangements or agreements, and that this Agreement must be amended to include a full disclosure provision.

6. Regulatory Deadline Suspension - The parties to this Agreement agree to suspend the deadlines for completion of appraisals pursuant to provisions of 43 CFR 2201.1 (d), and for reaching an agreement on value pursuant to 43 CFR 2201.4(a)(1). In lieu of those deadlines, the Agreement adopts the processing schedule outlined in Exhibit D related to obtaining appraisal reports, completion of appraisal review by the Department of Interior’s Office of Valuation Services (OVS), acceptance of appraisals by the BLM (if needed), and reaching agreement on value between the parties.

7. Value Determination – This exchange may not require formal appraisals if the respective properties or interests therein are of approximately equal value, as defined in 43 CFR 2201.5. In other words, 1) the value of the lands to be conveyed out of Federal ownership is not more than \$150,000; 2) the Federal and non-Federal lands are substantially similar in location, acreage, use, and physical attributes; and 3) there are no significant elements of value requiring complex analysis. Based on Restricted Use Appraisal Reports dated September 12, 2013, prepared by Sam Langston, MAI, of Langston and Associates, the parties believe that the respective properties are of approximately equal value.

If the parties determine the need for formal appraisals, they understand that the Department of Interior’s Office of Valuation Services (OVS) will develop the appraisal Statement of Work and will review and approve the appraisals. If required, the Landowners will be responsible for funding appraisals for each of the properties described in Exhibits B and C to determine market value (as defined in 43 CFR 2200.0-5(n)). The appraisals will be consistent with the principles prescribed in the Uniform Appraisal Standard for Federal Land Acquisitions (and as prescribed in 43 CFR 2201.3).

8. Compensation of Costs - No compensation of costs pursuant to the provisions of 43 CFR 2201.1-3 will be allowed in this exchange.

Exchange Provisions

9. Each party will use the schedule listed in Exhibit D as a guide to the steps involved in the processing of this proposal. The parties understand that the schedule is a best estimate of time required to accomplish each step of the process. They further understand that if events beyond the control of the respective parties interfere with the completion of any step of the exchange, there will be no legal recourse for either party, and they may revise the schedule as needed.

10. Exhibit C contains preliminary title evidence for the non-Federal land. The Landowners agree to resolve any title issues identified during the processing of the proposal.

11. The Landowners agree to convey to the United States of America by warranty deed the non-Federal parcel described in Exhibit C, subject to reservations and exceptions shown in that exhibit and the title commitment, and acceptable to the Office of the Solicitor. Such conveyance shall include all of the interests in the land, including but not limited to the minerals, timber, grazing use, water and all other interests, except for those interests specifically reserved and shown in the title commitment.

12. The BLM will convey to the Landowners by patent the Federal land and minerals, to the extent allowed, identified in Exhibit B, subject to the reservations and exceptions shown in that exhibit. Subject to limitations prescribed by law and regulation, prior to patent issuance, the BLM may give a holder of any right-of-way within the Federal land the opportunity to amend the right-of-way for conversion to a new term, including perpetuity, if applicable, or to an easement.

13. The Landowners agree to provide the BLM with preliminary title evidence and a final title insurance policy for the non-Federal land. One copy of any lien, reservation or encumbrance affecting the subject land will accompany the title commitment/binder. A qualified title company will prepare and issue title work on the approved ALTA U.S. Policy Form – 9/28/1991. The title company shall issue the title policy for the appraised value of the property and shall name the United States of America as the insured party.

14. The Landowners shall make every reasonable effort to eliminate any and all liens and encumbrances which may exist on the property that would preclude the United States from receiving clear title. In the event that, at the time of closing, liens for taxes or assessments for special improvement districts for the current year do exist, which amounts have not yet been calculated or payable, the Landowners agree to deposit the appropriate amount with the title company in escrow for the payment of taxes and assessments for special improvement districts, and have these items removed from the title policy.

15. The parties agree that, effective on the date of execution of this Agreement, they shall place no additional reservations, exceptions, covenants, restrictions, or encumbrances on either the Federal or the non-Federal lands described in Exhibits B and C without notice to, and an opportunity for comment by, the other parties. The need to place such reservations, covenants, restrictions, or encumbrances on a particular parcel may be grounds for the other parties to refuse

to accept title to the parcel.

16. The parties will consummate the exchange on an equal value basis to the extent possible.

Sam Langston, MAI, of Langston and Associates, 2229 W. State Street, Boise, Idaho 83702, completed Restricted Use Appraisal Reports dated September 12, 2013. The reports reflect a preliminary value range of \$16,000 to \$24,000 for the non-Federal land, and \$20,000 to \$30,000 for the Federal land. The above mentioned information will be made available to the OVS as part of its evaluation of the value characteristics of the Federal and non-Federal land. Should the results of a report prepared, reviewed and approved by a qualified appraiser under the direction of the OVS conclude that the value of the Federal land in this exchange is not more than the \$150,000 threshold specified in 43 CFR 2201.5(2), the land exchange may proceed without further appraisal upon the authorized officer's written determination that the Federal and non-Federal lands are approximately equal in value.

If the OVS fails to approve a Statement of Approximately Equal Value, the OVS in consultation with the BLM will establish land values by formal appraisals, which the Landowners will fund. If the OVS appraises the Federal parcel higher than the non-Federal parcel, the first option shall be cash equalization, which will preclude the BLM from retaining a small, unmanageable, isolated parcel. If the OVS appraises the non-Federal parcel higher than the Federal parcel, the BLM shall proffer cash equalization to the Landowners. The Landowners may also agree to voluntarily waive the value difference, or work with BLM to identify other Federal lands for exchange in order to equalize the values.

17. The parties will negotiate additional costs of processing the proposal at that time.

18. If needed, the Landowners agree to pay for the appraisals of the Federal and non-Federal lands. If needed, the OVS will conduct and approve the appraisals in accordance with 43 CFR 2201.3 and Federal standards. Both parties agree that the OVS would prepare the appraisal reports for use by the BLM and subject to release and public review upon acceptance by the BLM. All parties further agree that the BLM would be the client for the appraisals and that the approved appraisal reports would be the property of the BLM.

19. Environmental Review: The BLM will be responsible for completing environmental review work on all lands in the exchange.

20. Improvements –

- There are no buildings on either property.
- A well casing without a water right is located in the southwest corner of the non-Federal parcel. Prior to title transfer, the Landowners will have the well capped and/or plugged in accordance with State regulations.

Decision and Closing Provisions

Should the parties decide to proceed with consummation of the transaction, they will handle the decision and closing processes as follows:

1. Decision: Upon reaching and documenting an agreement on value based on either an approximately equal value determination or approved appraisal reports, the BLM will issue a decision, publish the Notice of Decision, and initiate a protest period. A decision by the BLM to exchange Federal land is subject to protest under 43 CFR 2201.7-1 and appeal under 43 CFR Part 4.

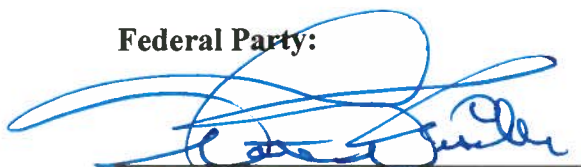
2. Pursuant to 43 CFR 2201.9, the parties will transfer title to the Federal and non-Federal lands simultaneously through escrow procedures. Exhibit D outlines the responsibility for costs associated with the closing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the last date shown below and surnamed each of the four (4) Exhibits attached.

This parties may execute this Agreement in any number of counterparts, all of which taken together shall constitute the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

Federal Party:

Non-Federal Party:



Tate Fischer, Manager
Four Rivers Field Office

07/07/15
Date

Tate Fischer
Four Rivers Field Office Manager

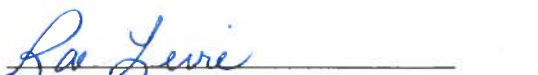
Don L. Dewey, a married man dealing
with his sole and separate property

Date



Paul D. Levie, Trustee of the Paul D. and
Rae Levie Trust

6-22-15
Date



Rae Levie, Co-Trustee of the Paul D. and
Rae Levie Trust

6-22-15
Date

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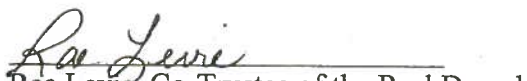
Don L. Dewey, a married man dealing
with his sole and separate property

6-24-15
Date



Paul D. Levie, Trustee of the Paul D. and
Rae Levie Trust

6-22-15
Date



Rae Levie, Co-Trustee of the Paul D. and
Rae Levie Trust

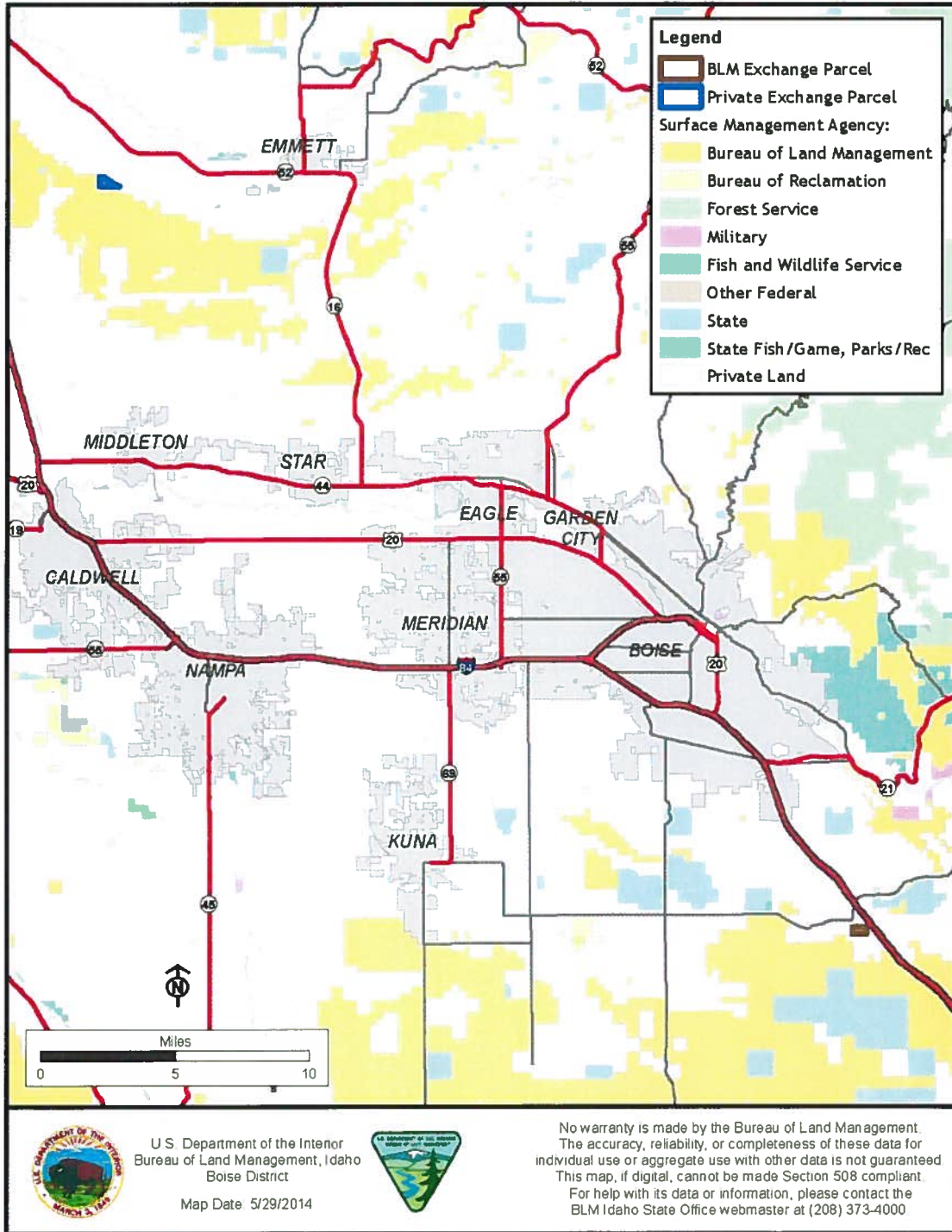
6-22-15
Date

Exhibits

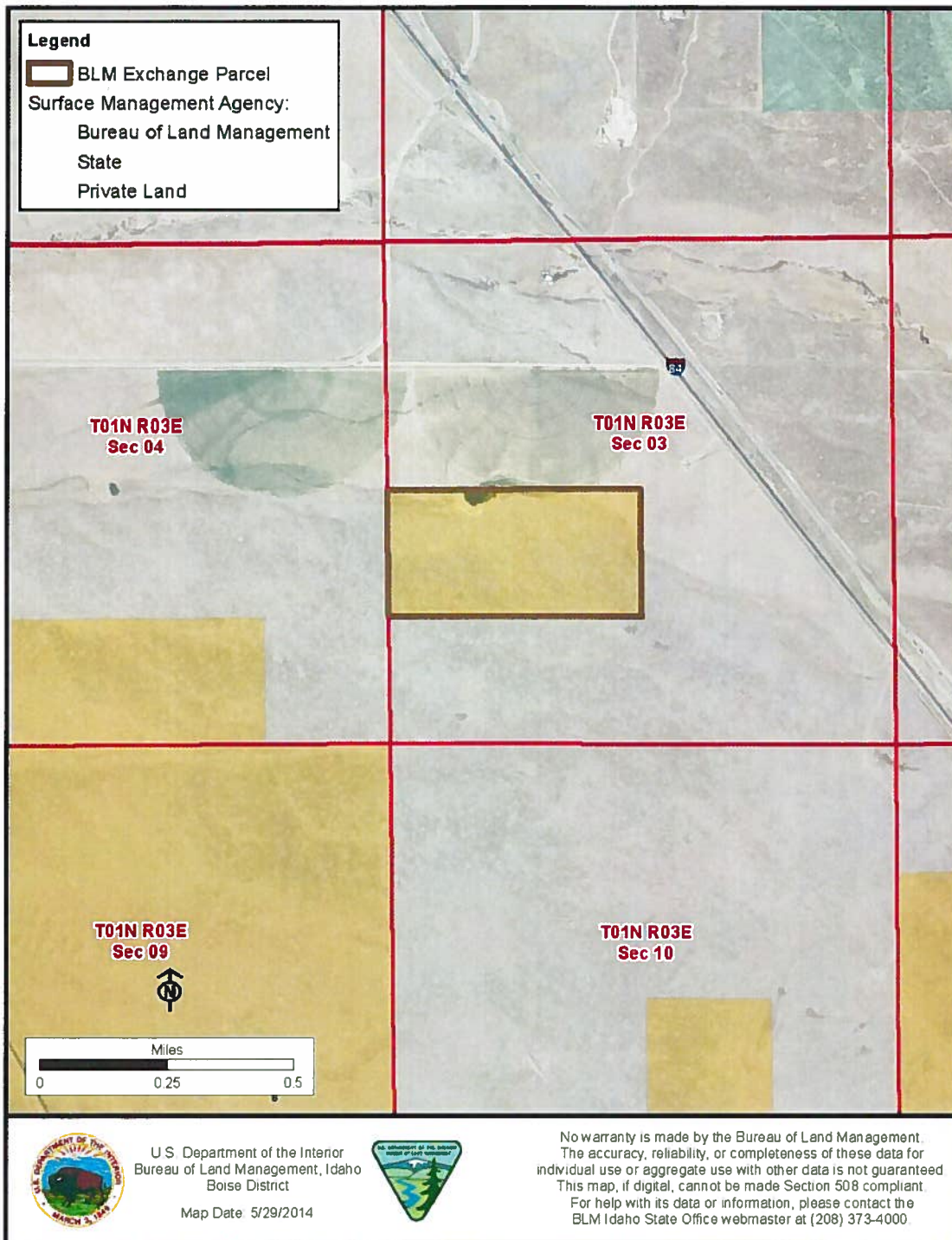
- A.** Maps of Proposed Exchange Parcels
- B.** Description of the **Federal Exchange Land** and Interests and Preliminary Title Information
- C.** Description of the **non-Federal Exchange Land** and Interests and Preliminary Title Information
- D.** Implementation Schedule, Costs and Responsibilities

Exhibit A - Location Maps

Dewey Land Exchange IDI-37603 - Overview Map



Dewey Land Exchange IDI-37603 - BLM Parcel



Dewey Land Exchange IDI-37603 - Private Parcel

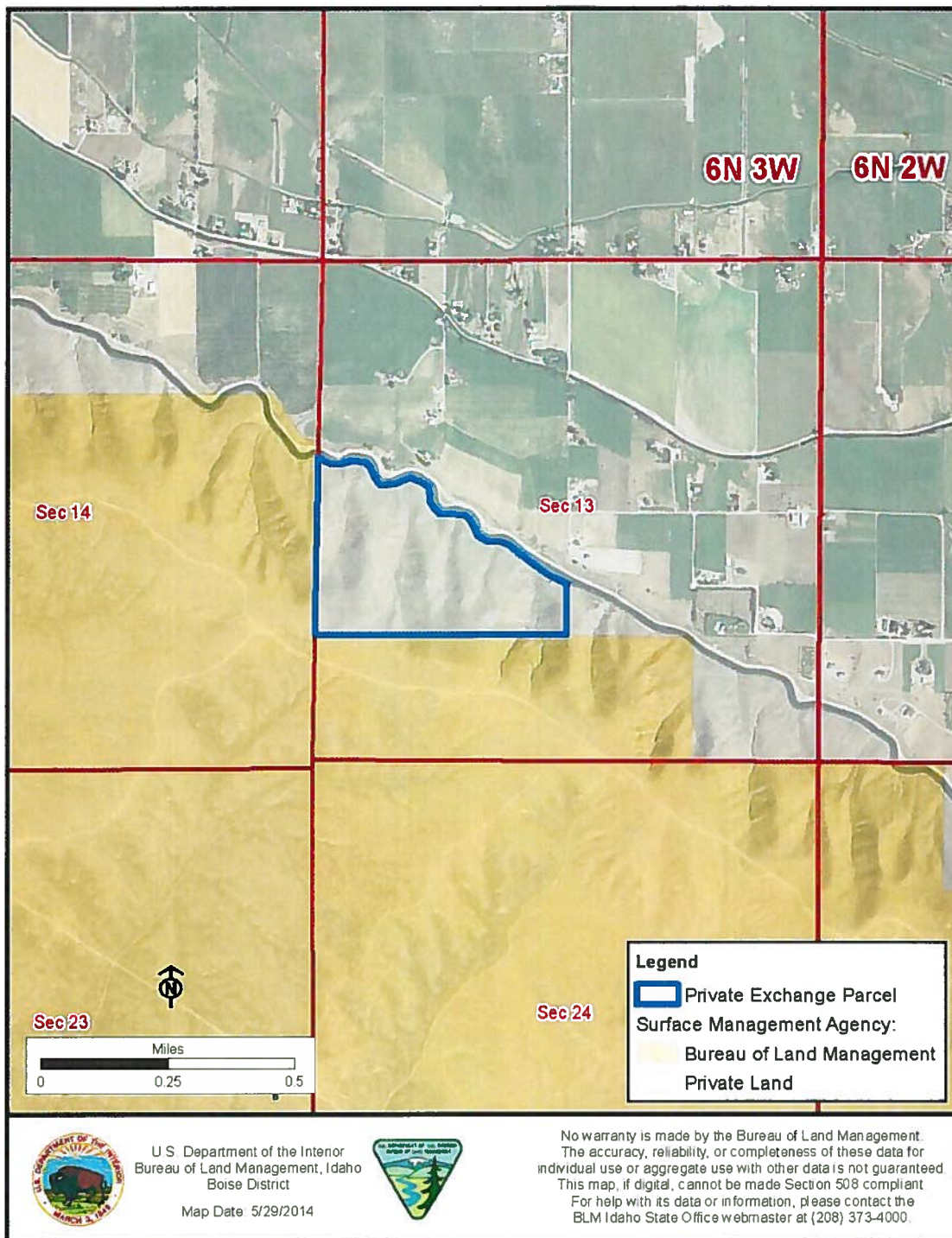


Exhibit B. Description of the Federal Land and Interests and Preliminary Title Information

T. 1 N., R. 3 E., Boise Meridian, Ada County, Idaho

Section 3: N½SW¼.

Containing 80 acres, more or less

EXCEPTING AND RESERVING TO THE UNITED STATES a right-of-way for ditches and canals constructed by the authority of the United States pursuant to the Act of August 30, 1890 (43 U.S.C. 945).

SUBJECT TO:

Those rights for livestock grazing purposes held by Murray Hansen in the Bryon's Run FFR grazing allotment (no. 00881), under the authority of the Taylor Grazing Act and pertinent amendments thereto. Completion of the exchange would remove 8 of the 20 Animal Unit Months (AUMs) currently authorized in the allotment. The permittee will be provided official notification of the proposed exchange in accordance with 43 CFR 4110.4-2.

General Assumptions and Limiting Conditions

1. Water rights – The Idaho Department of Water Resources website shows no active water rights on the Federal parcel. The Federal land is not irrigated, nor does there exist a municipal use. Thus, no water right issues affect the Federal land.
2. Minerals – Mineral rights will be conveyed with the surface estate.
3. Grazing – The patent would be subject to those rights for livestock grazing held by Murray Hansen on the Bryon's Run FFR grazing allotment (no. 00881) under the authority of the Taylor Grazing Act and pertinent amendments thereto (43 CFR 4110.4-2). The permittee will be provided an official 2-year notification according to 43 CFR 4110.4-2. If the parties consummate the exchange prior to expiration of the 2 years, and the permittee has not signed a waiver, the United States will issue the patent subject to the existing grazing permit for whatever amount of the 2-year notification remains.

Exhibit C. Description of the non-Federal Land and Interests and Preliminary Title Information

That part of the S½NW¼ of Section 13 and that part of the N½SW¼ of Section 13 lying South of the Black Canyon Canal in T. 6 N., R. 3 W., Boise Meridian, Gem County, Idaho. Containing 78 acres, more or less.

The following is a list of encumbrances of record affecting the non-Federal land in this exchange, as noted in Schedule B of the Alliance Title & Escrow Corp. Title Commitment No. 4051010698, dated 8/2/2010. The BLM will request an updated title report upon execution of the Agreement.

1. Rights or claims of parties in possession not shown by the public record. **Note: Subject to Solicitor concurrence, this exception is acceptable since the landowner has stated that no parties reside on or physically possess any of the parcel, and inspections by BLM staff have corroborated that fact.**
2. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**
3. Easements, or claims of easements, not shown by the public records. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**
4. Any lien or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**
5. (a) Unpatented mining claims, (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water whether or not the matters excepted under (a), (b), or (c) are shown by the public records. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**
6. Taxes or special assessments which are not shown as existing liens by the public records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records. **Note: This exception will not appear on the title policy.**
7. General taxes for the year 2010 (or subsequent years), a lien, but not yet payable. **Note: This exception will not appear on the title policy.**
8. Right-of-way for the Black Canyon canal, and the rights of access thereto for maintenance of said canal. **Note: This exception may not appear on the title policy if, as we have been told by the Bureau of Reclamation, that the northern boundary of the parcel excludes the canal.**
9. Ditch, road, and public utility easements as the same may exist over said premises. **Note: No easements are known to exist on the parcel; therefore, this exception is**

acceptable, subject to Solicitor concurrence, as it will not interfere with management of the parcel.

10. Any matters that may arise on account of the exact location of the canal referenced in the legal description. **Note: This exception will not appear on the title policy.**
11. Rights, interests, or claims which may exist or arise by reason of fact(s) shown on a survey plat entitled Record of Survey of Don Dewey Property. Dated: January 26, 2006. Prepared by: J.J. Howard Engineering/Surveying. Recorded: March 8, 2006. Instrument No. 249900, of Official Records. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**
12. The policy or policies when issued will not insure against loss arising by reason of any lack of access to and from the land. **Note: Subject to Solicitor concurrence, this exception is acceptable as it will not interfere with management of the parcel.**

The Landowners have agreed to remove all references to taxes, mortgages, liens, or any other encumbrance deemed unacceptable by the Department of Interior Field Solicitor prior to completing the exchange.

There are no tenants on the property.

Exhibit D - Dewey/Levie Land Exchange Processing Steps

Note: The parties have agreed on cost sharing, and will use the following as a guide to processing. .

Exchange Processing Step	Completion Date	BLM	Dewey/Levie	Comments
Segregation of Federal Lands	10/2013	\$250	0	
Preliminary Title Evidence	10/2013	0	Market rate	
Preliminary Estimate of Values	11/2013	0	\$1000	
Prepare NOEP	11/2013	\$250	0	
Cultural Resource Clearance of Federal Land	12/2013	\$800	0	
T & E Wildlife Report	12/2013	\$800	0	
HazMat Survey of Federal and non-Federal Land	12/2013	\$1500	0	
Native American Consultation	12/2013	\$1000	0	assume 2 meetings
Approval of Feasibility Package	11/2014	\$1000		
Sign Agreement to Initiate	7/2015	\$500	\$500	
Publish NOEP	7/2015	0	\$600	
Mineral Report (Federal)	9/2015	\$1000	0	
Mineral Report (non-Federal)	9/2015	0	\$2000	
SHPO Consultation	10/2015	\$200	0	
Appraisals	12/2015		\$9,000	
Appraisal Review & Approval	1/2016	\$1000	0	
Complete NEPA Analysis	4/2016	\$1500	\$1500	
Draft Decision Record	4/2016	0	0	
Approval of Decision Package	7/2016	\$1000	0	
Publish NOD	7/2016	\$500	0	
Title Insurance Policy	8/2016	0	Market rate	
Prepare Patent	8/2016	\$250	0	
Title Closing	8/2016	0	Market rate	
Solicitor's Final Title Opinion	9/2016	\$500	0	
APPROX. TOTAL		\$12,050	\$15,000+	