UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

AMENDMENT TO AGREEMENT TO INITIATE COOPER MOUNTAIN LAND EXCHANGE

(Serial Number COC-64971)

On May 18, 2005, the Bureau of Land Management (hereinafter referred to as BLM) on behalf of the United States of America and Robin L. Morley, and Phantom Canyon Ranch Land and Cattle Company, LLC, a Colorado Limited Liability Company, hereinafter called the proponent, entered into an Agreement to Initiate a land exchange, which is hereby amended as follows.

The parties hereby affirm their intent to complete an exchange of lands pursuant to Section 206 of the Act of October 21, 1976, as amended (43 D.S.C. 1716), subject to the fulfillment of federal statutory, regulatory, and administrative requirements, and further agree that:

1. Appraisals, which established a market value of $1,345,000.00 for the offered non-federal lands and a market value of $1,349,000.00 for the selected federal lands were completed and approved as summarized in Exhibit A, which is attached hereto and made a part hereof. The parties hereby accept those values and agree that the values of the offered non-federal lands and selected federal lands will be fixed and "locked in" at the approved appraised values until the land exchange is completed.
2. The value of the Federal lands exceeds the value of the offered non-federal lands. The parties agree that the proponent will equalize the value difference by making a cash equalization payment to the BLM in the amount of $4,000.00 when the exchange is closed.
3. In addition to the encumbrances agreed to in the Agreement to Initiate a Land Exchange dated May 18, 2005, the patent to the Federal lands will be subject to: Those rights for access road purposes as will be granted to Summit Pressed Brick and Tile Company, its successors and assigns, by nonexclusive road easement Colorado 69295FD under the Act of October 21, 1976 (43 U.S.C. 1715), across the W½SE¼SW¼, sec. 30, T. 17 S., R. 68 W., Sixth Principal Meridian, Colorado.

This agreement does not legally bind any party to proceed with processing or to consummate the proposed exchange, or to reimburse or pay damages to any party to this proposed exchange, or anyone doing business with any such party.

This agreement and the consummation of the proposed exchange is subject to the provisions of 43 CFR part 4, the Department of Interior Hearings and Appeals procedures, and in the event of a protest or appeal, is contingent upon final disposition of that protest or appeal.

IN WITNESS WHEREOF, the parties have executed this agreement in duplicate as of the last date shown below.

By: ***Roy L. Masinton*** ***5/18/05***

 Roy L. Masington, Field Manager Date

 Bureau of Land Management

 Royal Gorge Field Office

By: *Robin L Morley* 5/10/05

 Robin L. Morley Date

By: Mark Morley 5/10/05

 Mark Morley Date

 Phantom Canyon Ranch and Cattle Company, LLC

 A Colorado Limited Liability Company

Amendment to Agreement to Initiate Cooper Mountain Land Exchange (COC-64971) Exhibit A (page 1 of 1)

APPRAISAL SUMMARY FOR THE COOPER MOUNTAIN LAND EXCHANGE

Following is a summary of the approved appraisal values of the lands included in the Cooper Mountain Land Exchange, Serial Number COC-64971. The Federal and non-federal lands were appraised by Jim Sinclair, Appraisal Services Directorate.

Federal Lands

Parcel Identifier Acres Value Valuation Date/Approval Date

Soda Springs (Tr A) 20 : $50,000 5/31/2006 7/3/2006

 Current Use Livestock grazing.

Highest and Best Use: Rural Residential Assemblage.

Soda Springs (Tr B) 450 $315,000 5/31/2006 7/3/2006

Current Use: Livestock grazing.

Highest and Best Use: Low Density Rural Residential Home Site Development.

 Penrose Commons 914.09 $594,000 5/31/2006 7/3/2006

Current Use: Livestock grazing.

Highest and Best Use: Low Density Rural Residential Home Site Development.

 Dakota Ridge 280 $168,000 5/31/2006 7/3/2006

Current Use: Livestock grazing.

Highest and Best Use: Low Density Rural Residential Home Site Development.

 Brush Hollow 240 $222,000 5/31/2006 7/3/2006

Current Use: Livestock grazing.

Highest and Best Use: Low Density Rural Residential Home Site Development.

TOTAL $1,349,000.

Non-Federal Lands

Acres Value Valuation Date/Approval Date

 (One Parcel) 2242.43 $1,345,000 5/31/2006 6/26/2006

Current Use: Livestock grazing.

Highest and Best Use: Rural Residential Home Site Development.

TOTAL $1,345,000.