

**ROOSEVELT CITY
CLASS "K-2" WATER SHARES LEASE AGREEMENT**

This Agreement entered into this **25th** day of **February, 2014**, by and between Roosevelt City Corporation, a municipality of the State of Utah, located In Duchesne County, located at 255 South State Street, Roosevelt, Utah, hereinafter referred to as "CITY" and David Boren, residing at 6448 West 6000 North, Roosevelt, Utah, Duchesne County, State of Utah, hereinafter referred to as BOREN.

WHEREAS: CITY owns shares of Class "K-2" water; and,

WHEREAS: CITY is desirous of utilizing these shares of water to the best advantage; and,

WHEREAS: BOREN, is desirous of leasing excess shares of Class "K-2" water owned by CITY; and,

WHEREAS: CITY is willing to allow BOREN to lease shares of Class "K-2" water.

NOW THEREFORE: Pursuant to the following terms and conditions, the CITY and BOREN enter into this agreement for the purpose of allowing BOREN to use FORTY (40) shares of Class "K-2" water owned by CITY for a period of four (4) years commencing with the 2014 irrigation season.

DUTIES OF BOREN

- 1. Lease Price:** BOREN agrees to lease Forty (40) shares of Class "K-2" water from CITY for a period of four years commencing with the 2014 irrigation season.
- 2. Payment of Assessments:** BOREN agrees to pay the full amount of the Spring assessment from Dry Gulch Irrigation, payable to Roosevelt City, no later than the Dry Gulch Irrigation due date. At the end of each irrigation season, BOREN agrees to pay the Fall assessment from Dry Gulch Irrigation payable to Roosevelt City no later than the Dry Gulch Irrigation due date. It will be the responsibility of BOREN to contact Dry Gulch Irrigation to determine the Dry Gulch Irrigation due date.
- 3. Payment of Additional Fees:** BOREN agrees to pay the bid amount of Twenty and no/1200 (\$20.00) Dollars per share annually for a total of **Eight Hundred (\$800.00) Dollars** payable to Roosevelt City and due at the same time as the Spring and Fall Dry Gulch Irrigation assessments. Roosevelt City will send an invoice for one half the annual amount of **Four Hundred and no/100 (\$400.00) Dollars** prior to the Dry Gulch Irrigation assessment due date.
- 4. Finance Terms:** BOREN agrees to pay to CITY the amount of the pro-rated assessment based on the actual use by BOREN of the K-2 shares which will be determined at the end of the irrigation season.

5. **Provide Water to Golf Course:** BOREN agrees to relinquish any K-2 water for use at the Roosevelt Municipal Golf Course upon seventy-two (72) hours notice from CITY.
6. **Guarantee of Water:** Because the water is on the "on call" system, BOREN agrees not to use more than one-fifth (1/5) of the shares of K-2 water during any thirty (30) day period during the season unless the one-fifth (1/5) is not used during a specific month, in which case it may accumulate and be used in another month.

DUTIES OF CITY

1. CITY agrees to lease to BOREN Forty (40) shares of Class "K-2" water for a period of four (4) years commencing with the 2014 irrigation season and make them available to BOREN upon delivery by Dry Gulch Irrigation.
2. CITY agrees to pay the spring assessment and fall assessment to Dry Gulch Irrigation Company.
3. In the event CITY needs to use these K-2 shares, BOREN will be given a seventy-two (72) hour notice.

This agreement shall be for the term of four (4) years commencing with the 2014 irrigation season.

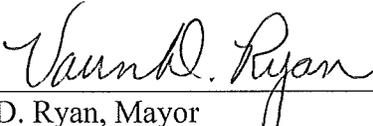
IN WITNESS WHEREOF, the parties have executed this Lease Agreement the day and year first above written.

LESSOR:

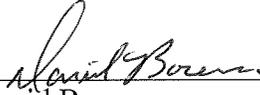
LESSEE:

CITY OF ROOSEVELT:

BOREN



 Vaun D. Ryan, Mayor



 David Boren

ATTEST:

WITNESS:



 Carolyn Wilcken, City Recorder