## FARMING LEASE AND MAINTENANCE AGREEMENT

## Terms

Date:	( <del></del>	, 2021
Landlord (or	"County"):	Jones County, Texas, a political subdivision
Landlord's A	ddress:	PO Box 48; Anson, Texas 79501
Tenant:		
Tenant's Add	ress:	
<b>Premises:</b> <u>Block 1, T&amp;N</u> as Tract 1 in th	O RR. Compa	ILY of approximately 40.117 acres, more or less, out of Survey 15 by Survey, Jones County, Texas, being more particularly described as Exhibit "A".
Base Rent:		
	2021 - \$ 2022 - \$ 2023 - \$ 2024 - \$ 2025 - \$	per acre per acre per acre
execution of the year thereafter amount of acreduce the amount of the acreage to amount of day be paid on the acre and the Land an amount for by determining acre production multiplied by liquidated damand the rest of per bushel, the Term (years): renew for an acreduction acreduction and the rest of per bushel, the	his lease and a during the tereage available ount of acreage because is to be be reduced. It is or months the annual per acreading the value of the number of the number of the number of the acreage needs and ages. For exact the acreage needs and age per acreading the tereadditional five	Installments the first installment being due on the date of this like installment being due on or before

Termination Date:  addition 5 years, as set out herein, then such Termination Date shall be				
Use: The property may be used exclusively as described in this paragraph. Tenant will use the property for planting, cultivating, and harvesting grain sorghum, wheat, rye, barley, triticale, and other agriculture crops or for grazing livestock or other crops. Lessee shall be responsible for any fencing and fencing around the boundary lines of the Premises. Such fence to be constructed in a manner that keeps livestock from straying from the Premises.				
Amount of Liability Insurance:				
\$ 250,000.00 covering property damage and personal injury, including damage to the pivots and all related equipment by the Tenant or Tenant's livestock.				
Definitions				
"Rent" means Base Rent plus any other amounts of money due Landlord by Tenant.				
"Landlord" means Landlord and its agents, employees, invitees, licensees, or visitors.				
"Tenant" means Tenant and its agents, employees, invitees, licensees, or visitors.				
Clauses and Covenants				
A. Tenant agrees to:				
1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.				
2. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for Tenant's intended use, with the following conditions: NONE.				
3. Prepare the land for planting approved crops, including any leveling of the land which may be required in addition to the leveling work done by the County at the commencement of this Lease.				
4. Cultivate and maintain the Premises in a timely, thorough, and farm like manner, employing the best methods of farming customarily practiced on like crops in the area according to the standards maintained throughout the neighborhood, which should include in both cases a proper rotation of crops, destruction of weeds, maintenance of fences, drainage ditches and erosion control practices. Further, use diligence to prevent noxious weeds from going to seed on the Premises, destroy such weeds, and keep the weeds and grass cut or destroyed on the fields,				

farmstead, roadside, and fence rows at Tenants sole expense. Construct and maintain any

expiration of the 5 years, the Lease shall continue for five (5) more year (total Term of 10 years)

at this new per acre price.

**Commencement Date:** 

internal fencing and fencing around the Property to prevent any livestock that are grazing on the Property from leaving the Property.

- 6. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Premises, including the rules and regulations of the United States Department of Agriculture, Texas Agriculture Commissioner and Texas Commission on Environmental Quality (TCEQ).
  - 7. Pay the Base Rent when it is due to Landlord at Landlord's Address.
- 8. Pay a late charge of five (5) percent of any Rent not received by Landlord within ten (10) days of the date on which it is due.
- 9. Pay for all utility services used by Tenant. Pay all costs associated with Tenant's farming and ranching operations on the Premises. Pay all charges for insecticides, herbicides and other costs of cultivation, planting and production of crops on the above described real property including but not limited to all assessments of the Boll Weevil Eradication Program, if applicable.
- 10. Pay all taxes on the crops raised on the Premises and on Tenant's personal property located on the Premises. Pay any ad valorem taxes which may be assessed on the Premises.
- 11. Allow Landlord to enter the Premises to perform Landlord's obligations, to inspect the Premises, and to operate, maintain, service and repair Landlord's irrigation system located on the Premises.
- 12. Repair or replace any damage to the Premises or Landlord's equipment located on the Premises caused by Tenant.
- 13. Submit in writing to Landlord any request for repairs, replacement, or maintenance that are the obligation of Landlord.
- 14. Maintain public liability insurance for the Premises and the conduct of Tenant's business, naming Landlord as an additional insured, in the amounts stated in the lease.
  - 15. Maintain insurance on Tenant's personal property.
- 16. Deliver certificates of insurance to Landlord before the Commencement Date and thereafter when requested.
- 17. Indemnify, defend, and hold Landlord harmless from any loss, attorney's fees, court and other costs, or claims arising out of Tenant's use of the Premises.
  - 18. Vacate the Premises on termination of this lease.
- 19. Maintain adequate records on all matters related to farming the Premises and provide Landlord with a copy upon request.

- 20. Keep all gates on the Premises closed and locked, ingress to and egress from the Premises being at those places designated by Landlord.
- 21. Maintain a perimeter fence around the Premises if the Tenant grazes livestock on the Premises. Such fence shall be constructed in a manner that keeps livestock from straying from the Premises.

## B. Tenant agrees not to:

- 1. Use the Premises for any purpose other than that stated in the lease or enroll the Premises or any part of the Premises in the U. S. Department of Agriculture Conservation Reserve Program ("CRP").
  - 2. Create or allow a nuisance or permit any waste of the Premises.
  - 3. Change or tamper with Landlord's lock system.
  - 4. Substantially alter the Premises without the approval of Landlord.
- 5. Assign this lease or sublease any portion of the Premises without Landlord's written consent.
  - 6. Litter or leave trash or debris on the Premises.
  - 7. Allow a lien to be placed on the Premises.

#### C. Landlord agrees to:

- 1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.
- 2. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Premises, including the rules and regulations of the United States Department of Agriculture, Texas Department of Agriculture, and Texas Commission on Environmental Quality (TCEQ).

## D. Landlord Agrees not to:

- 1. Allow any use of the Premises inconsistent with Tenant's permitted Use as long as Tenant is not in default.
  - 2. Unreasonably withhold consent to a proposed assignment or sublease.

## E. Landlord and Tenant agree to the following:

1. Alterations. Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at termination of this lease and at Tenant's expense, remove any physical additions and improvements, repair

any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.

- 2. Abatement. Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.
- 3. **Release of Claims/Subrogation.** Landlord and Tenant release each other from any claim, by subrogation or otherwise, for any damage to the Premises or Tenant's personal property by reason of fire or the elements, regardless of cause, including negligence of Landlord or Tenant. This release applies only to the extent that it is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.
- 4. **Notice to Insurance Companies.** Landlord and Tenant will notify the issuing insurance companies of the release set forth in the preceding paragraph and will have the insurance policies endorsed, if necessary, to prevent invalidation of the insurance coverage.

## 5. Condemnation/Substantial or Partial Taking.

- a. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.
- b. If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.
- c. Tenant will have no claim to the condemnation award of proceeds in lieu of condemnation.
- 6. **Landlord's Lien.** Tenant grants to Landlord a security interest in the collateral to secure payment and performance by Tenant of all obligations and payments due from Tenant under this lease. The collateral will include all of Tenant's crops and personal property located or to be located on the Premises, and all products, proceeds, governmental payments, insurance proceeds, documents of title, and warehouse receipts relating to such property.

This lease is a security agreement under both article 9 of the Texas Business and Commerce Code and the federal Food Security Act of 1985. Tenant agrees (upon request) to furnish to Landlord a list of the names and addresses of any buyer, commission merchant, or selling agent to or through whom Tenant may sell the collateral. Tenant agrees (upon request) to notify Landlord of the identity of any buyer, commission merchant, selling agent, or warehouse to or with whom Tenant intends to sell or store the collateral within seven (7) days before any sale or storage of the collateral.

- 7. **Default by Landlord/Events.** A default by Landlord is the failure to comply with any provision of this lease that is not cured within thirty days after written notice.
- 8. **Default by Landlord/Tenant's Remedies.** Tenant's remedies for Landlord's default are to sue for damages and terminate this lease.
- 9. **Default by Tenant/Events.** Defaults by Tenant are (a) failing to pay timely Rent; (b) abandoning or vacating a substantial portion of the Premises; and (c) failing to comply with a

term of this Lease within ten days after written notice with any provision of this lease other than the defaults set forth in (a) and (b) above.

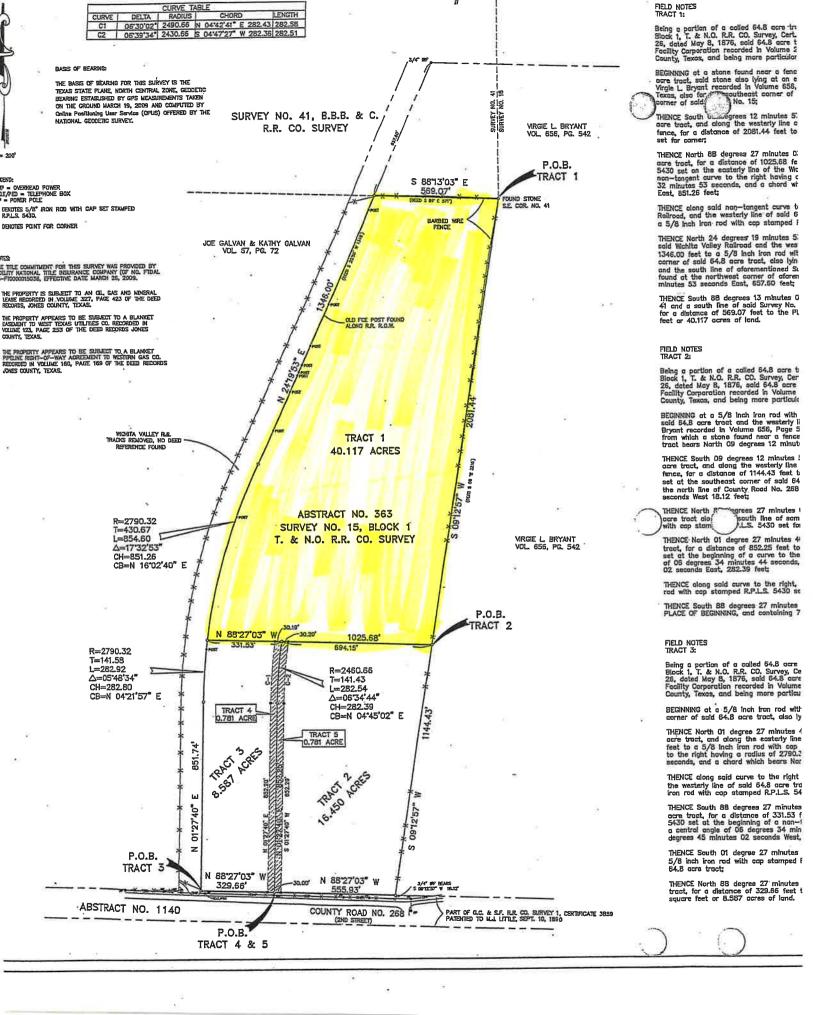
- 10. **Default by Tenant/Landlord's Remedies.** Landlord's remedies for Tenant's default are to (a) terminate this lease and enter and take possession of the Premises, and retain all rent paid to that date as liquidated damages; (b) enter the Premises and perform Tenant's obligations; and (c) terminate this lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be farming the Premises, until the default is cured, without being liable for damages. Landlord shall terminate this lease on the 1st day after the written notice of a default under the lease is given, provided said default is not cured.
- 11. **Default/Waiver/Mitigation.** It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by law, Landlord and Tenant have a duty to mitigate damages.
- 12. **Security Deposit.** IF Tenant defaults, Landlord may use the Security Deposit to pay arrears of Rent, to repair any damage or injury, or to pay any expense or liability incurred by Landlord as a result of the default.
- 13. *Holdover*. If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term.
- 14. *Alternative Dispute Resolution*. Landlord and Tenant agree to mediate in good faith before filing a suit for damages.
- 15. Attorney's Fees. If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.
  - 16. Venue. Venue is in the county in which the Premises are located.
- 17. **Entire Agreement.** This lease, together with the attached exhibits and riders, is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in writing in this lease.
- 18. Amendment of Lease. This lease may be amended only by an instrument in writing signed by Landlord and Tenant.
- 19. *Limitation of Warranties*. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.
- 20. **Notices.** Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or

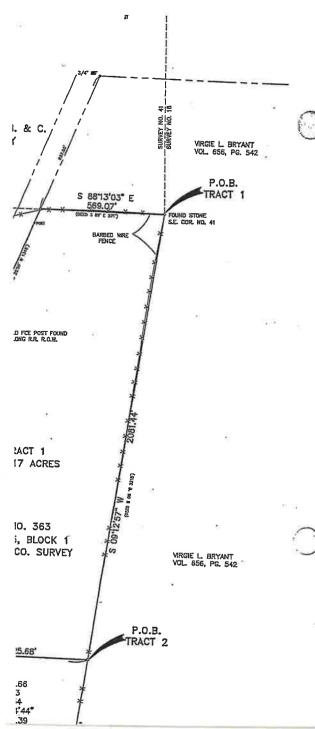
not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

- 21. *Mineral Interests*. This lease is subordinate to any present or future oil, gas, or other mineral exploration agreements and leases. Landlord will not be liable to Tenant for any damages for actions attributable to those agreements and will receive all consideration paid therefore. Tenant shall be entitled to damages to growing crops arising from development and exploration of oil, gas, or mineral interest of Tenant's.
- 22. **Limitation of Rights**. Landlord and Tenant agree that Tenant by this Lease is not entitled to any interest in any mineral, wind, or water rights associated with the Premises, other than those water rights expressly granted in Section 23, above, or any payment derived from the lease or conveyance of any such interest.

LANDLORD:	
County of Jones, Texas	
By:	_
TENANT:	

# **EXHIBIT "A"**





Being a portion of a colled 54.8 acre tract of land situated in the west part of Survey No. 15, Block 1, T. & N.O. R.R. CO. Survey, Cert. No. 774. Abstract No. 363, Patent No. 287, Volume 26, dated May 8, 1876, acid 64.8 acre tract described in the deed to Texas Midwest Public Facility Caparation recorded in Volume 298, Page 386 of the Official Public Records of Jones County, Texas, and being more particularly described as follows:

BEGINNING at a stone found near a fence corner post at the northeast corner of soid 64.8 acre tract, said stone also lying at an ell-corner of a tract of land described by deed to Virgle L. Bryant recorded in Volume 655, Page 542 of the Deed Records of Janes County, Texas, also for a Beautheast corner of Survey No. 41, B.B.B. & C. R.R. CO. Survey and an ell-corner of said.

THENCE South exactrees 12 minutes 57 seconds West along the easterly line of said 64.8 acre tract, and along the westerly line of said Bryant tract, and generally along a barbed wire fence, for a distance of 2081.44 feet to a 5/8 inch from rod with cop stamped R.P.L.S. 5430 set for corner;

THENCE North 88 degrees 27 minutes 03 seconds West leaving the easterly line of sold 64.8 acre tract, for a distance of 1025.68 feet to a 5/8 inch iron rod with cap stamped R.P.L.S. 5430 set on the easterly line of the Wichita Valley Rairroad, and being the beginning of a non-tangent curve to the right howing a radius of 2790.32 feet a central angle of 17 degree 32 minutes 53 seconds, and a chord which bears North 16 degrees 02 minutes 40 seconds

THENCE clong said non-tangent curve to the right and the easterly line of said Wichita Valley Relirood, and the westerly line of said 64.8 acre tract, for an ara distance of 854.60 feet to a 5/8 inch iron rod with cap stamped R.P.L.S. 5430 set for comer;

THENCE North 24 degrees 19 minutes 53 seconds East continuing along the easterly line of sold Wichita Valley Railroad and the westerly line of sold 64.8 acre tract, for a distance of 1346.00 feet to a 5/8 inch iron rad with cap stamped R.P.L.S. 5430 set for the northwest corner of sold 64.8 acre tract, also lying an a north line of oforementioned Survey No. 15, and the south line of aforementioned Survey No. 41, and from which a 3/4 inch iron rad found at the northwest corner of aforementioned Bryant tract bears North 24 degrees 19 minutes 53 seconds East, 657.60 feet;

THENCE South 88 degrees 13 minutes 03 seconds East along the south line of sold Survey No. 41 and a south line of sold Survey No. 15, and along the north line of sold 64.8 acre tract, for a distance of 559.07 feet to the PLACE OF BEGINNING, and containing 1,747,484 square feet or 40.117 acres of land.

## FIELD NOTES TRACT 2:

Being a partion of a colled 84.8 acre tract of land situated in the west part of Survey No. 15, Block 1, T. & N.O. R.R. CO. Survey, Cert. No. 774, Abstract No. 363, Patent No. 287, Volume 25, dated May 8, 1876, said 84.8 acre tract described in the deed to Texas Midwest Public Facility Corporation recorded in Volume 298, Page 388 of the Official Public Records of Janes County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 Inch Iron rod with cap stamped R.P.L.S. 5430 set on the easterly line of soid 54.8 acre tract and the westerly line of a tract of land described by deed to Virgie L. Bryant recorded in Yoluma 555, Page 542 of the Dead Records of Jones County, Texas, and from which a stone found near a fence comer post at the northeast corner of said 64.8 acre tract bears North 09 degrees 12 minutes 57 seconds East, 2081.44 feet;

THENCE South 09 degrees 12 minutes 57 seconds West clong the easterly line of sold 54.8 acre tract, and clong the westerly line of sold Bryant tract, and generally along a barbed wire fence, for a distance of 1144.43 feat to a 5/8 Inch Iran rad with cap stamped R.P.L.S. 5430 set at the southeast corner of sold 64.8 acre tract, from which a 5/4 inch Iran rad found in the north line of County Road No. 268 (2nd Street) bears South 09 degrees 12 minutes 57 seconds West 18.12 feet;

THENCE North & \*sgrees 27 minutes 03 seconds West leaving the costerly line of soid 64.8 south line of same, for a distance of 555.93 feet to a 5/8 inch iron rad july 5430 set for corner,

THENCE North 01 degree 27 minutes 40 seconds East Jeaving the south line of sold 64.8 core tract, for a distance of 852.25 feet to a 5/8 inch iron rod with cap stamped RP.L.S. 5430 set at the beginning of a curve to the right having a radius of 2460.66 feet a central angle of 06 degrees 34 minutes 44 seconds, and a chord which bears North 04 degrees 45 minutes 02 seconds East, 282.39 feet;

THENCE along said curve to the right, for an arc distance of 282.54 feet to a 5/8 inch iron rod with cap stamped R.P.L.S. 5430 set for corner;

THENCE South 88 degrees 27 minutes Q3 seconds East, for a distance of 694.15 feet to the PLACE OF BEGINNING, and containing 716,585 square feet or 16.450 acres of land.

## FIELD NOTES TRACT 3:

Being a portion of a called 64.8 acre tract of land situated in the west part of Survey No. 15, Block 1, T. & N.O. R.R. CO. Survey, Cert. No. 774, Abstract No. 363, Patent No. 287, Volume 25, dated May 8, 1876, sold 64.8 acre tract described in the deed to Texas Midwest Public Facility Corporation recorded in Volume 288, Page 386 of the Official Public Records of Jones County, Texas, and being more particularly described as follows:

FIELD NOTES TRACT 4 30 FEET WIDE ACCESS

Being a portion of a c Block 1, T. & N.O. R.R. 26, dated May 8, 1876 Facility Corporation rec County, Texas, and being

BEGINNING at a 5/8 in south line of said 64.8 5430 set at the south West, 329.66 feet

THENCE North 88 degre tract, for a distance of

THENCE North O1 degre 852.20 feet to a point 2490.66 feet a central North 04 dagrees 42 m

THENCE along said curv

THENCE South 01 degree PLACE OF BEGINNING, a

FIELD NOTES TRACT 5 30 FEET WIDE ACCESS

Being a partion of a co Black 1, T. & N.O. R.R. 25, dated May 8, 1676, Facility Carporation rec County, Texas, and beln

BEGINNING at a 5/8 inc south line of sold 64.8 5430 set at the southw West, 329.66 feet

THENCE North 01 degre 852.25 feet to a 5/8 is curve to the right have seconds, and a chord w

THENCE along sold curv rod with cap stamped i

THENCE South 88 degree for corner at the begins a central angle of 05 degrees 47 minutes 27

THENCE along said non-for corner;

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THENCE North 88 degre tract, for a distance of feet or 0.781 of an acr

