
COMMERCIAL PROPERTY LEASE

THIS AGREEMENT is made by and between TERIC, LLC, a Wyoming limited liability company, whose mailing address is 408 South Douglas Highway, Gillette, Wyoming 82716 ("Lessor"), and BOOT HILL, INC., a Wyoming corporation, whose mailing address is 400 South Douglas Highway, Gillette, Wyoming 82716 ("Lessee").

WITNESSETH:

For and in consideration of the mutual covenants and agreements contained herein, the parties do hereby agree as follows:

1. Description of Property. Lessor hereby leases to the Lessee upon the terms and conditions stated herein the following real property, together with all improvements thereon and equipment, supplies, inventory and furnishings located therein:

Restaurant building, parking lot and office at 910 North Gurley Ave., Gillette, Wyoming.

2. Term of Lease. The term of this lease shall be for ten years commencing on the 1st day of June, 2013, unless terminated according to the provisions of this agreement.

3. Rent. Lessee agrees to pay rent in the amount of Ten Thousand Dollars (\$10,000) per month unless adjusted by agreement between the parties. The first payment is due on the 1st day of June, 2013. Payments will continue on a monthly basis thereafter. Payments are considered late if made after the 5th day of each succeeding month for the term of this lease.

4. Signs. Lessee may erect on the premises such signs of such color, size or design as shall be found to be in keeping with the general design of the building signs, all in accordance with the ordinances of the City of Gillette.

5. Taxes. Lessor agrees to pay all personal property taxes, license taxes and sales taxes during the term of this lease. Lessor is to be responsible for all real property taxes and personal property taxes for personal property leased to Lessee.

6. Use of the Premises / Restrictions on Use. Lessee shall use the premises for its lawful business purposes, including operation of restaurant and bar facilities, off-site catering operations, and sales of alcohol. Sale and consumption of alcohol by Lessee and its customers are expressly permitted by Lessor. Lessee agrees to comply with all laws, ordinances, rules, and regulations of any governmental authority which are applicable to the conduct of Lessee's business.

7. Alterations and Improvements. Lessee may remodel the leased premises. Any remodeling involving a total cost exceeding \$10,000 shall require Lessor's prior consent.

8. Repairs. Lessee shall be responsible for all maintenance of the premises. Lessor agrees to undertake all repairs of \$250.00 or more to the structure and fixtures, including but not limited to the roof, furnace, air conditioning, plumbing, parking lot and

other major components at its sole expense unless the damage is determined to be caused by Lessee. Lessee will be responsible for all minor repairs associated with the leased facility which are less than \$250.00 per repaired item.

9. Liens: Lessee's Duty to Keep Premises Free of Liens. Lessee shall keep all of the premises and every part thereof and all buildings and other improvements at any time located thereon free and clear of any and all mechanics', materialmans' and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operation of Lessee, any alteration, improvement, or repairs, additions which Lessee shall make, may make, or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and to indemnify Lessor and all of the premises and all buildings and improvements thereon against all such liens and claims of liens and suits or other proceedings pertaining thereto.

10. Condemnation. If the leased premises or any substantial portion thereof, is condemned or taken under right of eminent domain by any legally constituted authority, which makes the leased premises unsuitable for the purposes of the Lessee, then in such event this lease shall cease on the date when possession is taken by the condemnor and rent shall be due to the Lessor until said date.

Such termination shall be without prejudice to the rights of either Lessor or Lessee to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Lessee shall have rights in the condemnation award of

Lessor to the extent of payments made by it which are applicable to the payment of the purchase price of the property for the condemnation, if Lessee exercises the option and buys the remainder of the building. To the extent that there is an award to Lessee relating to business losses resulting from the condemnation, Lessor shall have no interest or right in those amounts.

11. Insurance and Indemnification. Lessee shall indemnify Lessor and save it harmless from any and all claims, actions, damages, liability, and expense in connection with loss of life, personal injury, and/or damage to property occurring in or about, or arising from or out of the premises, or occasioned wholly or in part by any act or omission of Lessee, its agents, contractors, customers, or employees. Lessee shall keep in force, at its own expense, public liability insurance sufficient to cover such indemnification and naming as insured both Lessor and Lessee and containing an express waiver of any subrogation against Lessor with minimum limits of \$1,000,000 on account of bodily injuries or death of one person, \$2,000,000 on account of bodily injuries or death of more than one person as the result of any one accident or disaster, and the amount of \$1,000,000 on account of damage to property. A copy of such policy shall be delivered within ten (10) days of the signing of this agreement to Lessor and shall be kept in full force and effect during the term of this lease with a copy of the renewal provided each year thereafter to Lessor by Lessee or Lessee's insurance company.

12. Personal Property and Risk. Lessee's personal property on the premises shall be at the risk of Lessee. Lessee specifically agrees to hold Lessor harmless for any loss that may occur to any of Lessee's inventory or other property within the leased

premises.

13. Default. Any of the following events shall constitute a default of this Lease:

a. The Lessee's failure to pay any rent to Lessor on the first of the month.

b. Lessee's failure to perform any other duty or obligations imposed upon it by this lease, and such default shall continue for a period of ten (10) days after written notice thereof has been given by Lessor.

In the event of any such default of Lessee, Lessor may at any time thereafter, upon written notice, and without limiting Lessor in the exercise of any other right or remedy which Lessor may have by reason of such default, whether created by statute or case law, take possession of the same. Lessor may re-let the premises or any part thereof for the account of Lessee, for such terms and upon such conditions and at such rental as Lessor may deem proper. In such event, Lessor may receive and collect rent from such re-letting and apply it against any amount due from Lessee hereunder, including, without limitation, such expenses as Lessor may have incurred in recovering possession of the premises, placing the same in good order and condition, and all other expenses, commissions, and charges, including attorney's fees, which Lessor may have paid or incurred in connection with said repossession and re-letting. Lessor may execute any lease made pursuant hereto in Lessor's name or in the name of Lessee, as Lessor may see fit, and Lessee shall have no right to any rent collected thereunder.

Lessor shall have the right to cancel and terminate this lease upon default, by

giving written notice to Lessee, and upon such termination, Lessor shall have the right to re-enter the premises and take possession of the same and all equipment and fixtures therein.

14. Lien on Personal Property and Abandoned Property. All goods, chattels, fixtures, and other personal property belonging to Lessee which are in or are put into the premises during said term shall at all times be bound with a lien in favor of Lessor and shall be chargeable for all rent hereunder and the fulfillment of all other covenants and agreements herein.

Should Lessee vacate or abandon the premises and leave any goods or chattels in, upon, or about the premises for a period of more than ten (10) days after such vacation or abandonment or after termination of this lease in any manner whatsoever, then Lessor shall have the right to sell, after ten (10) days written notice to Lessee, all or any part of the property at public or private sale and apply the proceeds of such sale first to the payment of all costs and expenses of conducting the same and caring for or storing the goods and chattels and, second, to apply to the balance, if any, of any indebtedness due from Lessee to Lessor.

15. Assignment, Mortgage, or Sublease. This lease shall not be assigned by either party without the written consent of the other party. The parties acknowledge that Lessor may mortgage the property. Lessee shall not sublet the property or any portion thereof without the consent of Lessor. A Notice of Lease may be recorded in the office of the Campbell County Clerk, Gillette, Wyoming, by either party.

16. Lessor's Reserved Rights. Lessor reserves the right to:

- a. Inspect the premises during normal business hours.

b. Make repairs and improvements, structural or otherwise, in or to the premises as Lessor deems desirable or necessary, so long as said improvements do not interfere with the operation or the conduct of business by the Lessee, emergencies excepted.

17. Utilities. Lessee shall be responsible for all charges for gas, electricity, light, heat, power, telephone or other communication service, garbage service, water and sewer used, rendered, or supplied upon or in connection with the leased premises and shall indemnify the Lessor against any liability or damages on such account.

18. Notice. Any written notice required to be given pursuant to this agreement shall be deemed given by:

- a. Delivery in person of the written notice to any of the parties to this agreement, or
- b. The certified mailing, postage prepaid, of such notice addressed as stated above.

19. Hazardous Substances: Lessee shall not cause or permit the disposal, discharge, or release of any hazardous substances on or in the leased property. Lessee shall not do, nor allow anyone else to do, anything affecting the leased property that is in violation of any environmental law.

20. Miscellaneous.

- a. This agreement shall be binding on and shall inure to the benefit of the parties hereto, its heirs, executors, and assigns.
- b. Time is of the essence in all provisions of this lease.
- c. The failure of Lessor to insist upon strict performance of any of the

covenants, agreements, or obligations of this lease shall not be deemed a waiver of any subsequent breach or default of any of the covenants, agreements, or obligations of this lease.

d. In the event it becomes necessary for either of the parties to this agreement to file suit for the enforcement of any of the terms herein, the successful party shall be entitled to collect from the other party all attorney's fees and costs.

e. Any amendments or changes in this lease shall be in writing and shall be signed by both Lessee and Lessor.

f. This agreement shall constitute the entire agreement between the parties and prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

21. Liquor License. Upon occurrence of a default by Lessee, or upon termination of this lease, and if Lessor requests, Lessee shall immediately assign all of its right, title and interest in all liquor licenses held by Lessee for conducting business at the leased property or for off-site activities for which the leased property is used, and Lessee shall cooperate in obtaining government approval of transfer of liquor license(s) to Lessor.

DATED this 13 day of May, 2013.


LESSOR:

TERIC, LLC

BY: 
Ric L. Schuyler, Manager

LESSEE:

BOOT HILL, Inc.

BY: 
Terry E. Brown, President

STATE OF WYOMING)
)'
COUNTY OF CAMPBELL)

Witness my hand and official seal.

STATE OF WYOMING)
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COUNTY OF CAMPBELL)

Witness my hand and official seal.

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