

**AMENDMENT NO. 2  
TO LEASE AGREEMENT  
BETWEEN SANTA FE COUNTY AND  
S&G LAND & CATTLE COMPANY  
FOR AGRICULTURAL LEASE**

**THIS AMENDMENT** is made and entered into as of this 26<sup>th</sup> day of November, 2013, by and between **Santa Fe County**, a political subdivision of the State of New Mexico (hereinafter "Lessor"), and **S & G Land & Cattle Company**, Ronnie C. Salazar, sole proprietor (hereinafter "Lessee"), whose address is 58 County Road 111, Espanola, New Mexico 87532.

**WHEREAS**, in May 2010, Lessor entered into Lease Agreement No. 2010-0174-CSD/MS (hereinafter "Lease Agreement") with Lessee for the purpose of Lessee's operation of an agricultural farm;

**WHEREAS**, under the Lease Agreement the Lessee agreed to occupy and use for agricultural farming and other agricultural purposes approximately 1,700 acres of land owned by Lessor located in Taos County, New Mexico including six (6) center pivot irrigated fields totaling 720 acres and an additional 980 acres of dry-land pasture (hereinafter the "Property");

**WHEREAS**, the Lease Agreement was approved by Lessor on May 21, 2010 and the term of the Lease Agreement was two (2) years and nine (9) months and was scheduled to expire December 31, 2012;

**WHEREAS**, pursuant to Paragraph 2 of the Lease Agreement, the term of the Lease was extended by Amendment No.1 and expires December 31, 2013;

**WHEREAS**, Paragraph 2.B of the Lease Agreement permits the parties to amend the Lease Agreement by an instrument in writing;

**WHEREAS**, the Lessor has reduced the area of land available for irrigated fields on the Property from 720 acres to 624 acres;

**WHEREAS**, the Lessee has made a timely request for an extension and the parties desire to amend the Lease Agreement to extend the term of the Lease for another year, adjust the annual rent due to the reduction in irrigated fields, and state the maximum amount of water available to the Lessee.

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

1. Paragraph 1 (**Property Description**) of the Lease Agreement, the last phrase is deleted and replaced with: "with the irrigated fields totaling approximately 624 acres and approximately 1,076 acres of dry-land pasture (hereinafter referred to as the 'Property')."
2. Paragraph 2 (**General Requirements**) of the Lease Agreement is amended by inserting a subparagraph "C.1" to read as follows:

C.1 Pursuant to Amendment No. 2, the term of this Lease Agreement is for another one (1) year term from December 31, 2013 to December 31, 2014. With this Amendment No. 2, Lessee has one (1) remaining one-year extension available. This Lease shall not extend beyond December 31, 2015.

3. Paragraph 2 (**General Requirements**) of the Lease Agreement, subparagraphs “B. Amendments.” through “U. Prevention of wildlife depredation.” are re-lettered as paragraphs “D” through “W.”

4. Paragraph 2 (General Requirements) of the Lease Agreement, new subparagraph “M. Water pumping.” is amended by deleting it and replace with:

M. Water pumping. Lessee shall be restricted to utilizing a maximum of 1,248 acre-feet per year of Lessor’s allocated water rights. Lessee shall be responsible for pumping all irrigation water necessary for activities under this Lease and all expenses associated therewith as authorized by this Lease. Lessee shall provide the Lessor with well meter readings on or before the first day of January and monthly during the growing season from May through October during the term of this Lease.

5. Paragraph 3 (**Land Use**) of the Lease Agreement is amended by deleting subparagraph “A. Allowed crops.” and replace with:

A. Allowed use. Lessee may utilize the Property for bona fide agricultural uses not otherwise prohibited by this Lease. Lessee may utilize the Property for grazing of livestock in numbers consistent with accepted agricultural practices.

6. Paragraph 5 (**Rent**) of the Lease Agreement is amended by inserting subparagraphs “A” and “B” to read as follows:

A. By Amendment No. 1 extending the term of this Lease Agreement from December 31, 2012 to December 31, 2013, the Lessee continued the payment of annual rent in the amount of Ninety Thousand Dollars (\$90,000.00).

B. By Amendment No. 2 extending the term of this Lease Agreement from December 31, 2013 to December 31, 2014, the annual rent payment in the amount of Seventy-Six Thousand Three Hundred and Seventy-Five Dollars (\$76,375.00) which shall be due on or before the first day of January 2014. Lessee’s failure to timely pay rent shall be sufficient grounds for Lessor to terminate this Lease Agreement.

7. All other provisions of Lease Agreement No. 2010-0174-CS/MS not amended, replaced or superseded by Amendment No. 1 and this Amendment No. 2 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 as of the date first written above.

**SANTA FE COUNTY**

Kathleen Holian  
Kathleen Holian, Chair  
Board of County Commissioners

11-26-13  
Date

**ATTEST:**

Geraldine Salazar  
Geraldine Salazar  
Santa Fe County Clerk

11-26-13  
Date

**APPROVED AS TO FORM:**

Stephen E. Ross  
Stephen E. Ross  
Santa Fe County Attorney

11-13-13  
Date

**FINANCE DEPARTMENT APPROVAL:**

Teresa C. Martinez  
Teresa C. Martinez  
Santa Fe County Finance Director

11/14/13  
Date

**S & G Land and Cattle Company**

Ronnie C. Salazar  
Ronnie C. Salazar, President

11/20/13  
Date

**New Mexico State Board of Finance**

\_\_\_\_\_  
(signature and title)

\_\_\_\_\_  
Date

