OFFICE PROPERTY LEASE AGREEMENT
WITH
PLAINS EAGLE CORPORATION

This Lease Agreement is made and entered into as of the last date entered below on the signature page, by and between **PLAINS EAGLE CORPORATION**, a New Mexico corporation, located at 1221 Mercantile Road, Santa Fe, NM 87507, hereinafter referred to as the "**Lessor**" and **Santa Fe County**, hereinafter referred to as the "**Lessee.**"

In consideration of the covenants and agreements of the Lessee as set forth in this Lease, the Lessor does hereby lease, let and demise unto the Lessee, under the conditions specified below, administrative office space located at 1204 Mercantile Road, Santa Fe, NM 87507 (hereinafter "the Premises").

1. **Premises.**
   This lease pertains to office space located at 1204 Mercantile Road, Santa Fe, NM 87507 with appropriate parking spaces, hereinafter referred to as the "**Premises.**"

1. **Term.**
   A. The Lessor agrees to lease the Premises to the Lessee, under the conditions specified in Section 1 of this Lease Agreement, for a period of three (3) years, commencing on July 1, 2010 and terminating on June 30, 2013 unless sooner terminated pursuant to the terms and conditions hereinafter set forth.

   B. Lessee shall have an option to renew the lease for an additional two (2) years on the same terms and conditions. The Lessee may exercise this option by submitting a written notice to Lessor that the Lease will be extended an additional two years. The notice must be submitted to Lessor at least sixty calendar days prior to the expiration of the initial Lease.

2. **Compensation.**
   (A). The Lessee agrees to pay the Lessor rent in the amount of $3,465.00 per month, due and payable on or before the first day of each month at the offices of Lessor at the address listed above. Any payment not received by the fifth day after the due date shall accrue a $25.00 late charge.

   (B) If the option to renew has been exercised, rental amount will increase to $3570.00 per month for 24 months, beginning July 1, 2013 thru June 30, 2015. Option to renew cannot be exercised if Lessee is in default of this lease.

3. **Maintenance.**
   A. Lessor obligation. Lessor shall keep and maintain the Premises in good order, condition and repair, including without limitation, the exterior walls (unless Lessee, it's employees or invitees damage such walls), roof, foundation, concrete slab, parking lot, curbs and sidewalks, building front, sewage facilities within or connected with the Premises including the free flow up to the main sewer line (if a drain line is caused to clog due to Lessee's neglect, Lessee is responsible for this service), heating and cooling systems, and electrical systems. Lessor shall further be responsible for (i) sweeping and snow removal on the sidewalk immediately in front of the Premises and (ii) sweeping and snow removal immediately in front of any front and rear doors to the Premises if snow is over 2 inches.

B. Lessee's obligations.
Lessee shall keep in good order and repair the interior of the premises including but not limited to, door hardware, doors, windows, floor coverings, walls, plumbing fixtures, light fixtures, light bulbs, ceilings (unless damage is caused by a roof leak). Lessee shall keep the interior appearance in a first-class condition. Fire extinguishers will have proper, current inspection tags during occupancy and upon vacating premises, which Lessee shall maintain throughout their lease term.
Lessee is responsible for applying Calcium Chloride type "ice melt" to ice on sidewalks.
Lessee is responsible and shall keep in good order and repair the exterior fences (fence at back of facility was installed by Lessee).

4. Inspection.
Lessor shall have the right to enter any and all parts of the Premises at all reasonable hours (or, in an emergency, at any hour) to inspect the Premises or clean or make repairs or alterations to the Premises as the Lessor may deem necessary.

5. Hazardous Materials.
Lessee shall not knowingly permit any hazardous material to be kept on or about the Premises. This shall include, but not limited to, hydrocarbons, petroleum gasoline and or crude oil or any products, by products, or fractions there of.

6. Utilities.
Lessee shall be responsible for the payment of all electric, gas, refuse, water, sewer charges, security and telephone, internet, and other communications utilities attributable to the Premises during the Term.

7. Insurance.
A. Lessor shall carry and maintain in full force and effect during the Term and any extension or renewal thereof fire and extended coverage insurance upon the Premises and all alterations, additions and improvements thereto.

B. Lessee shall carry and maintain in full force and effect during the Term and any extension or renewal thereof fire and extended coverage on the contents, furniture, fixtures and equipment and other personal property used in Tenant's business.

C. Lessee shall carry and maintain in full force and effect during the Term and any extension or renewal thereof liability insurance for its activities and personal property on the leased property. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000.00 per occurrence with an annual aggregate of not less than $2,000,000.00. Lessee shall maintain insurance and provide a certificate of this policy to Lessor upon demand and Lessor shall be added as additionally insured.

8. Taxes.
A. Lessor shall pay real property taxes, to include any special and general assessments, on the tax parcel containing the Premises and against any alterations, additions and improvements thereon.

B. Lessee shall be responsible for all taxes related to the operation of Lessee's business on the Premises to include, but not limited to, employment taxes, income taxes, gross receipts taxes, compensating taxes and state and local property taxes on the inventory, furniture, fixtures and equipment or other personal property used in Lessee's business.

9. Alterations, Additions, and Improvements.

A. Lessee shall not make any alterations, additions, or improvements to the Premises without the written consent of Lessor, which consent shall not be unreasonably withheld, and then only upon the terms and conditions as may be reasonably imposed by Lessor along with any grant of approval.

B. Lessee agrees that all alterations, additions, and improvements desired by Lessee shall be made at the expense of Lessee. Lessee shall not permit any mechanic's or material men's liens to be filed against or attach to the Premises as a result of any work done by Tenant in the Premises. If any lien is filed against or attaches to the Premises, Lessee shall immediately notify Lessor in writing and Lessee shall cause such lien to be removed within sixty (60) days of notice thereof, or if Lessee, in good faith, desires to contest such lien, Lessee shall be privileged to do so, and shall, in the event of judgment or foreclosure on such lien, caused the same to be discharged and removed prior to the execution of such judgment.

C. Lessee agrees that any and all alterations, additions and improvements except for signs, shelving and moveable furniture, fixtures and equipment shall merge with and become a permanent part of the Premises and any and all interest of Lessee shall vest in Lessor. At the termination of this Lease, Lessee shall be responsible for removing any signs, shelving and moveable furniture and equipment owned by Lessee from the Premises and Lessee shall repair any damage caused by the removal of same. Additionally, Lessor may, at its option, require Lessee to remove any additions, repair and alterations in order to restore the Premises to the condition existing at the time Lessee took possession, with all costs of removal to be borne by Lessee.

10. Assignment or Sublease.

Lessee shall not assign, sublease or otherwise transfer their right of occupancy and/or use of the Premises without the prior approval of the Lessor, which right shall not be unreasonably withheld.

11. Destruction of or Damage to Premises.

A. Lessee agrees that if at any time during the Term, or any extension or renewal thereof, the Premises shall be totally or partially destroyed due to any cause whatsoever, upon Lessee's written notice to Lessor of such destruction, Lessor shall have the option to rebuild or repair the Premises to such state of condition and repair as existed immediately prior to such destruction or damage, provided that rebuilding or repair shall be completed within one hundred eighty (180) days of Lessee's obtaining appropriate permits to commence repairs or construction. In such case, rental herein shall be abated or adjusted until the Premises have been rebuilt or repaired.

B. If, within thirty (30) days following receipt of Lessee's written notice of destruction or damage, Lessor elects not to rebuild or repair the Premises, Lessor shall so notify Lessee in writing, and thereupon this Lease shall terminate and become null and void. Lessor shall have no duty or obligation to rebuild or repair any furniture, fixtures, equipment or other personal property belonging to Lessee or used in Lessee's business. Notwithstanding the foregoing, if Lessor is unable, or will be unable to complete repairs or construction as required herein, Lessee may terminate this Lease with written notice to Lessor and all further obligations shall cease as of the date of Landlord's receipt of such notice.

12. Force Majeure.

Whenever a period of time is herein prescribed for action to be taken by Lessor, Lessor shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, war, restrictive governmental laws or regulations or any other causes of any kind whatsoever which are beyond the control of the Lessor.

13. Notices.

A. Each provision and requirement of this Lease Agreement or of any applicable governmental laws, ordinances, or regulations, for the giving of notice shall be deemed to be complied with when and if the following steps were taken:

B. All rent and other payments required to be made by the Lessee, to the Lessor, hereunder shall be payable to the Lessor at the following address or at such other address as the Lessor may specify from time to time by written notice delivered in accordance herewith:

(Physical Address)	(Mailing Address)
Plains Eagle Corporation	PO Box 5798
1221 Mercantile Road	Santa Fe, NM 87502
Santa Fe, NM 87507	

C. All notices to the Lessee provided for in this Lease Agreement shall be sent to the Lessee at the following address:

Santa Fe County
County Attorney's Office
PO Box 276
Santa Fe, NM 87504

D. Any notice required to be delivered hereunder shall be deemed to be delivered when deposited in the United States Mail postage prepaid, certified or registered mail (with or without return receipt requested) addressed to the parties hereto at the addresses set forth above or at such other address as either of said parties have theretofore specified by written notice delivered in accordance herewith.

14. Appropriations.

This Agreement is contingent upon sufficient appropriations and authorizations being made for performance of this Agreement by the Board of County Commissioners of the County and/or, if state and/or federal funds are involved, the Legislature of the State of New Mexico and/or the appropriate federal agency(ies). If sufficient appropriations and authorizations are not made in this or future fiscal years, this Agreement shall terminate upon written notice by the Lessee to the Lessor. Such termination shall be without penalty to the Lessee. The Lessee's decision as to whether sufficient appropriations and authorizations have been made for the fulfillment of this Agreement shall be final and not subject to challenge by the Lessor in any way or forum, including a lawsuit.

15. Assigns.

All covenants, promises, conditions, representations and agreements herein contained shall be binding upon, apply and inure to the parties hereto and their respective heirs, executors, administrators, successors and assigns.

16. Severability.

If any clause or provision of this Lease Agreement is illegal, invalid or unenforceable under present or future laws effective during the Lease Term, then and in that event, the remainder of this Lease Agreement shall not be affected thereby, and that in lieu of each clause or provision of this Lease Agreement that is illegal, invalid or unenforceable, there shall be added as a part of this Lease Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

17. Amendments; Binding Effect.

This Lease Agreement may not be altered, changed or amended, except by instrument in writing signed by both parties hereto. No provision of the Lease Agreement shall be deemed to have been waived by the Lessor unless such waiver be in writing signed by the Lessor and addressed to the Lessee, nor shall any custom or practice which might evolve between the parties in the administration of the terms hereof be construed to waive or lessen the right of the Lessor to insist upon the performance by the Lessee in strict accordance with the terms hereof. The terms and conditions contained in this Lease Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided.

18. Choice of Law.

This Property Lease Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. The parties agree that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be federal and state district courts of New Mexico, located in Santa Fe County.

19. Estoppel Certificates.

Each party (as "responding party") shall within ten (10) days after written notice to the other party (the "requesting party") execute, acknowledge and deliver to the requesting party a statement in writing that is in the form of a standard "estoppel certificate" that the lease is in full force and effect, without modification, except as may be provided by law, and that there is no default under the terms of the lease.

20. Holdover.

Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration date or termination of the Lease.

21. Use.

Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste, or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties.

22. Breach/default.

A "default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions, or Rules and Regulations under this Lease. A"Breach" is defined as the occurrence of one of more of the following: the abandonment of the Premises, the failure of Lessee to make any payment due, or the failure of Lessee to provide requested documentation the Lessor may reasonably require of Lessee under the terms of this Lease.

23. Remedies. The rights of the Lessor include:

A. If Lessee fails to perform any of its affirmative duties or obligations, within ten (10) days after a written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including, but not limited to, the obtaining of reasonably required bonds, insurance policies, or government licenses, permits, or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon receipt of invoice therefore.

B. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option may require all future payments to be made by Lessee to be by cashiers check.

C. In the event of a breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such breach terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor.

1. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which would have been earned after termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the premises, reasonable attorney's fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease.

2. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent.

3. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages.

4. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required. In such case the applicable grace period and the unlawful detainer statue shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or said statute.

D. Lessor may continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

E. Lessor may pursue any other remedy now or hereafter available under the laws or judicial decision of the state wherein the Premises are located. The expiration or termination of this Lease and/ or the termination of Lessee's right to possession shall not relieve Lessee from liability under any provision of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

24. Lessee, by signing this lease, acknowledges that the have received a copy of the Covenants and Restriction of the Richards Avenue Business Park and agrees to comply with said covenants and restrictions.

PLAINS EAGLE CORPORATION

JAMES ELLEGOOD, VICE PRESIDENT

5/10/10
Date

SANTA FE COUNTY

HARRY MONTOYA, CHAIRMAN
BOARD OF COUNTY COMMISSIONERS

5/25/10
Date

Attest:

VALERIE ESPINOZA, COUNTY CLERK

5/25/10
Date

Approved as to form:

STEPHEN C. ROSS, COUNTY ATTORNEY

5-12-10
Date