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GM2791AGR



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EXPIRED  
9-30-99  
EXPIRED  
JLK 10-8-2000  
MS-8-16-2000

NEW MEXICO STATE LAND OFFICE  
COMMISSIONER OF PUBLIC LANDS  
NEW MEXICO STATE LAND OFFICE BUILDING  
P.O. BOX 1148, SANTA FE, NM 87504-1148

AGRICULTURAL LEASE

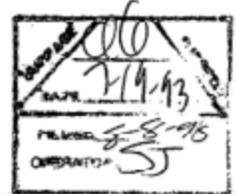
LEASE NO. GM2791

THIS LEASE, DATED FEBRUARY 22, 1993, IS ENTERED INTO BY AND BETWEEN THE COMMISSIONER OF PUBLIC LANDS, NEW MEXICO STATE LAND OFFICE, STATE OF NEW MEXICO, HEREINAFTER CALLED "LESSOR" AND:

ZORRO TRUST JEFFREY E. EPSTEIN - TRUSTEE

HEREINAFTER CALLED "LESSEE(S)", WHOSE ADDRESS OF RECORD IS:

457 MADISON AVENUE  
NEW YORK NY 10022-0000



LESSOR AND LESSEE AGREE AND COVENANT AS FOLLOWS:

1. LEASE.

FOR AND IN CONSIDERATION OF AND SUBJECT TO THE RENTALS AND THE TERMS, COVENANTS, CONDITIONS, AGREEMENTS, OBLIGATIONS, AND RESERVATIONS CONTAINED IN THIS LEASE AND ALL OTHER EXISTING RIGHTS, LESSOR GRANTS AND LEASES TO LESSEE AND LESSEE TAKES FROM LESSOR THE TRACT(S) OF LAND DESCRIBED IN EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

2. TERM.

THE TERM OF THIS LEASE SHALL BEGIN ON FEBRUARY 22, 1993 AND SHALL EXPIRE AT MIDNIGHT SEPTEMBER 30, 1994.

3. RENT.

THE ANNUAL RENTAL SHALL NOT BE LESS THAN THE MINIMUM RENTAL ESTABLISHED BY SECTION 19-7-29 NMSA 1978 AND SHALL BE PAID IN ADVANCE FOR EACH LEASE YEAR AND RECEIVED IN THE STATE LAND OFFICE ON OR BEFORE OCTOBER 1. THE ANNUAL RENTAL FOR GRAZING LAND SHALL BE DETERMINED AS FOLLOWS: ANNUAL RENTAL = BASE VALUE X CARRYING CAPACITY X ACREAGE X ECONOMIC VARIABLE INDEX (EVI), AS DEFINED BY STATE LAND OFFICE RULE 8.022(B). IN NO EVENT SHALL THE PRODUCT OF THE APPLICATION OF THE EVI, FOR EACH SUCCESSIVE YEAR OF THE LEASE TERM, BE DECREASED OR INCREASED BY MORE THAN THIRTY-THREE AND ONE-THIRD PERCENT. IN THE CASE OF GRAZING RENTAL OFFERS ON OPEN ACREAGE OR PURSUANT TO COMPETITIVE BID, LESSOR MAY ACCEPT GREATER RENTAL AMOUNTS THAN THOSE DETERMINED BY THE FOREGOING FORMULA, BUT THE ANNUAL GRAZING RENTAL DUE IN ANY LEASE YEAR SHALL NOT BE LESS THAN THE FORMULA AMOUNT. THE ANNUAL RENTAL FOR CULTIVATED LAND, ASSOCIATED LAND AND CONSERVATION RESERVE PROGRAM LAND SHALL BE DETERMINED BY LESSOR AND SHALL REMAIN UNCHANGED DURING THE TERM OF THE LEASE. THE TYPE OF LAND HEREBY LEASED AND THE ANNUAL RENTAL AMOUNT FOR THIS LEASE SHALL BE AS SET OUT IN EXHIBIT A HEREIN.

4. PERMITTED USE.

LESSEE MAY USE THE LEASED PREMISES ONLY FOR SUCH OPERATIONS AND ACTIVITIES AS ARE NECESSARY TO CARRY OUT THE PURPOSES FOR WHICH THE LEASE IS GRANTED AS SPECIFIED IN EXHIBIT A, AND IN ORDER TO COMPLY WITH ALL APPLICABLE PROVISIONS OF LAW REGARDING THE CARE AND PROTECTION OF THE LEASED PREMISES.

*Handwritten signature/initials*

5. LIEN.

AS SECURITY FOR THE PAYMENT OF ANY RENT THAT IS OR MAY BECOME DUE AND UNPAID, LESSEE GRANTS TO LESSOR A FIRST AND PRIOR LIEN UPON ANY AND ALL IMPROVEMENTS AND CROPS ON THE LEASED PREMISES.

6. IMPROVEMENTS.

NO IMPROVEMENTS, EXCEPT AS OTHERWISE PROVIDED BY LAW, SHALL BE PLACED ON THE LEASED PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR. ALL IMPROVEMENTS PLACED ON THE LEASED PREMISES IN VIOLATION OF THIS PARAGRAPH SHALL BE CONSIDERED AND TREATED AS UNAUTHORIZED IMPROVEMENTS IN ACCORDANCE WITH THE APPLICABLE LAWS AND RULES.

7. ASSIGNMENT, SUBLEASE AND RELINQUISHMENT.

LESSEE SHALL NOT ASSIGN OR SUBLEASE THE LEASED PREMISES OR THE IMPROVEMENTS ON SAID PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR AND SUCH OTHER REQUIREMENTS AS PRESCRIBED BY LAW OR RULE. AS PROVIDED BY LAW AND RULE ANY LEASE, IN GOOD STANDING, MAY BE RELINQUISHED TO THE STATE. UPON RELINQUISHMENT HOWEVER, THE LESSEE SHALL NOT BE ENTITLED TO A REFUND OF RENTALS PREVIOUSLY OWING AND PAID.

8. COLLATERAL ASSIGNMENTS.

ANY AGRICULTURAL LEASE MAY BE ASSIGNED AS COLLATERAL SECURITY SUBJECT TO THE EXPRESS WRITTEN CONSENT OF THE LESSOR AND SUCH OTHER TERMS AND CONDITIONS AS PRESCRIBED BY LAW OR RULE. THE APPROVAL OF A COLLATERAL ASSIGNMENT, HOWEVER, SHALL NOT PREVENT THE CANCELLATION OF THE LEASE AND TERMINATION OF THE COLLATERAL ASSIGNMENT FOR THE NONPAYMENT OF RENTALS OR OTHER VIOLATIONS OF THE LEASE TERMS.

9. DEFAULT AND CANCELLATION.

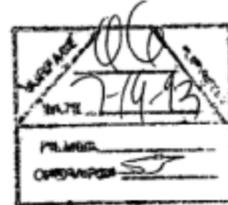
THE VIOLATION BY LESSEE OF ANY OF THE TERMS, CONDITIONS, OR COVENANTS OF THIS LEASE OR THE NONPAYMENT BY LESSEE OF THE RENT DUE UNDER THIS LEASE SHALL AT THE OPTION OF THE COMMISSIONER BE CONSIDERED A DEFAULT AND SHALL CAUSE THE CANCELLATION OF THIS LEASE 30 DAYS AFTER LESSOR HAS SENT WRITTEN NOTICE OF SUCH DEFAULT TO THE LESSEE AND TO ANY HOLDERS OF COLLATERAL ASSIGNMENTS BY REGISTERED MAIL, ADDRESSED TO THE POST OFFICE ADDRESS OF RECORD, PROVIDED, HOWEVER, IF WITHIN THE THIRTY DAYS THE LESSEE OR HOLDERS OF ANY COLLATERAL ASSIGNMENTS SHALL COMPLY WITH THE DEMAND MADE IN THE NOTICE, CANCELLATION SHALL NOT BE MADE.

10. RENEWAL.

ANY LESSEE WHO DESIRES TO SECURE A NEW LEASE SHALL MAKE AND FILE AN APPLICATION WITH THE LESSOR ON OR BEFORE AUGUST 1 NEXT PRECEDING THE EXPIRATION OF THIS LEASE. THE RIGHT OF RENEWAL SHALL BE SUBJECT TO SUCH TERMS AND CONDITIONS AS PROVIDED FOR BY LAW AND RULE.

11. RESERVATIONS.

A. LESSOR RESERVES THE RIGHT TO EXECUTE LEASES ON THE LAND GRANTED BY THIS LEASE FOR MINING PURPOSES AND FOR THE EXTRACTION OF OIL, GAS, SALT, GEOTHERMAL RESOURCES, AND OTHER MINERAL DEPOSITS THEREFROM AND THE RIGHT TO GO UPON, EXPLORE FOR, MINE, REMOVE AND SELL SAME. LESSOR FURTHER RESERVES THE RIGHT TO SELL OR DISPOSE OF NATURAL SURFACE PRODUCTS OF SAID LANDS OTHER THAN GRAZING, AGRICULTURAL OR HORTICULTURAL PRODUCTS AND TO GRANT SUCH OTHER RIGHTS-OF-WAY AND EASEMENTS AS PROVIDED



BY LAW.

B. LESSOR RESERVES THE RIGHT TO WITHDRAW PURSUANT TO RULE, UP TO 640 ACRES, BUT IN NO CASE MORE THAN HALF, OF THE LAND HELD BY THIS LEASE.

12. COMPLIANCE WITH LAWS.

LESSEE SHALL AT ITS OWN EXPENSE FULLY COMPLY WITH AND BE SUBJECT TO ALL LAWS, REGULATIONS, RULES, ORDINANCES, AND REQUIREMENTS OF LESSOR AND APPLICABLE CITY, COUNTY, STATE AND FEDERAL AUTHORITIES AND AGENCIES WHICH HAVE BEEN OR MAY BE ENACTED OR PROMULGATED, IN ALL MATTERS AND THINGS AFFECTING THE LEASED PREMISES AND OPERATIONS THEREON. SUCH OTHER AGENCIES SHALL NOT BE DEEMED THIRD PARTY BENEFICIARIES UNDER THIS LEASE.

13. HOLD HARMLESS.

LESSEE SHALL SAVE AND HOLD HARMLESS, INDEMNIFY AND DEFEND LESSOR AND THE STATE OF NEW MEXICO, AND THEIR AGENT OR AGENTS, IN THEIR OFFICIAL AND INDIVIDUAL CAPACITIES, OF AND FROM ANY AND ALL LIABILITY CLAIMS, LOSSES, OR DAMAGES ARISING OUT OF OR ALLEGED TO ARISE OUT OF OR INDIRECTLY CONNECTED WITH THE OPERATIONS OF LESSEE UNDER THIS LEASE, OFF OR ON THE LEASED PREMISES OR ARISING OUT OF THE PRESENCE ON THE LEASED PREMISES OF ANY AGENT, CONTRACTOR OR SUBCONTRACTOR OF LESSEE.

14. AMENDMENT.

THIS LEASE SHALL NOT BE ALTERED, CHANGED OR AMENDED EXCEPT BY INSTRUMENT IN WRITING EXECUTED BY LESSOR AND LESSEE.

15. WAIVER.

NO WAIVER OF ANY BREACH OR DEFAULT BY LESSEE OF ANY OF THE TERMS, CONDITIONS OR COVENANTS OF THIS LEASE SHALL BE HELD TO BE A WAIVER OF ANY SUBSEQUENT BREACH. NO WAIVER SHALL BE VALID OR BINDING UNLESS THE SAME IS IN WRITING AND SIGNED BY LESSOR.

16. DELINQUENT RENTAL.

ALL RENTAL PAYMENTS RECEIVED AFTER OCTOBER 1 OF EACH YEAR SHALL BE CONSIDERED DELINQUENT AND SHALL BE SUBJECT TO THE PAYMENT OF INTEREST AT A RATE OF ONE PERCENT (1%) A MONTH FOR ANY FRACTION OF A MONTH. INTEREST SHALL ACCRUE FROM THE DATE THE PAYMENT BECOMES DUE.

17. APPLICABLE LAW.

THIS LEASE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW MEXICO.

18. SUCCESSORS IN INTEREST.

ALL TERMS, CONDITIONS AND COVENANTS IN THIS LEASE SHALL EXTEND TO AND BIND THE HEIRS, ASSIGNS, AGENTS, ATTORNEYS, CONTRACTORS AND SUCCESSORS IN INTEREST OF LESSOR AND LESSEE.

19. CARRYING CAPACITY REEVALUATION.

THE LESSOR RESERVES THE RIGHT DURING THE TERM OF THIS LEASE, AND UPON THE LESSOR'S DISCRETION, TO CONDUCT CARRYING CAPACITY REEVALUATIONS AND MAKE THE NECESSARY ADJUSTMENTS TO THE LEASE AND RENTAL AS MAY BE REQUIRED.

06  
DATE 7-19-93  
FILE NO.  
OFFICIAL USE SJ

WITNESS THE HANDS AND SEALS OF LESSOR AND LESSEE ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

ZORRO TRUST, *John J. Kelly attorney in fact*  
LESSEE *for Jeffrey E. Epstein, Trustee*



LESSEE

COMMISSIONER OF PUBLIC LANDS

ACKNOWLEDGMENTS  
NATURAL PERSON(S)

STATE OF NEW MEXICO )  
COUNTY OF Bernalillo )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 15th DAY OF March, 1993,

BY John J. Kelly attorney in fact for Jeffrey E. Epstein, Trustee  
(NAME OF PERSON ACKNOWLEDGED)

MY COMMISSION EXPIRES:  
August 14, 1994

Norma J. Krauer  
NOTARY PUBLIC

PARTNERSHIP

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_,

BY \_\_\_\_\_  
(NAME OF PERSON ACKNOWLEDGED)

PARTNER(S) ON BEHALF OF \_\_\_\_\_, A PARTNERSHIP.

MY COMMISSION EXPIRES:  
\_\_\_\_\_

NOTARY PUBLIC

CORPORATION

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_,

BY \_\_\_\_\_, \_\_\_\_\_ OF  
(NAME OF OFFICER) (TITLE OF OFFICER)

\_\_\_\_\_ A \_\_\_\_\_ CORPORATION, ON BEHALF  
(CORPORATION NAME)

OF SAID CORPORATION.

MY COMMISSION EXPIRES:  
\_\_\_\_\_

NOTARY PUBLIC



*Handwritten initials*

EXHIBIT A

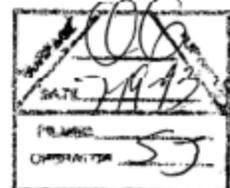
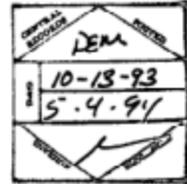
GM2791

SUBDIVISION

LOTS 1,2,3,4,7,SW4NE4,S2NW4,SW4  
ALL

SEC	-TWN-	-RNG-	ACREAGE	AUTHORIZED USE	PRICE CC PER AA UNIT RP	1ST YEAR CHARGE
02	12.0N	09.0E	518.97	GRAZING	12	383.75
16	12.0N	09.0E	640.00	GRAZING	12	473.24
TOTAL ACRES:			1,158.97	TOTAL CHARGE:	\$856.99	

PARTIAL RELINQUISHMENT OF GM-2583



RECEIVED

'93 MAR 16 AM 10 28

STATE LAND OFFICE  
SANTA FE, N.M.

LEASE NO. GM-2791

MISCELLANEOUS INSTRUMENT PAGE

UNDER COLLATERAL ASSIGNMENT

TO:

DATE FILED: NO.

DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:

DATE FILED NO.

DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:

DATE FILED: NO.

DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:

DATE FILED: NO.

DATE RELEASED:

MISCELLANEOUS INSTRUMENT: Power-of-Attorney, John J. Kelly; Affidavit, Jeffrey E.  
FILE NO: #8793 Epstein, Trustee for Zorro Trust.

MISCELLANEOUS INSTRUMENT:  
FILE NO:

MISCELLANEOUS INSTRUMENT:  
FILE NO:

MISCELLANEOUS INSTRUMENT:  
FILE NO:

COMMENTS:  
\_\_\_\_\_  
\_\_\_\_\_

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2993  
FILED  
55

NEW MEXICO STATE LAND OFFICE

PARTIAL ASSIGNMENT OF AGRICULTURAL LEASE

(I/We), the undersigned lessee(s), hereby assign to Jeffrey E. Epstein (Trustee) <sup>ml</sup>  
457 Madison Ave., New York, NY 10022 mk  
of Zorro Trust, a New York Trust Telephone [REDACTED]

as it relates to the lands described below  
all (my/our) right, title and interest/in State Agricultural Lease No. GM 2583  
and all rights to compensation for the improvements located on the leased land, for which  
improvements (I/We) hereby either waive payment or acknowledge receipt of payment of  
full improvement value. (I/we) understand and agree that any outstanding sublease of all or a  
portion of the leased lands is hereby terminated. The lands covered by said lease are described  
as follows:

Township 12 North Range 9 East section 2: Lots 1,2,3,4,7, SW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$  for 518.97 acre  
Township 12 North Range 9 East section 16: All - 640.00 acres  
Total - 1,158.97 acres

THIS LEASE ASSIGNMENT SHALL NOT BE EFFECTIVE UNLESS APPROVED IN WRITING BY THE COMMISSIONER OF PUBLIC LANDS.

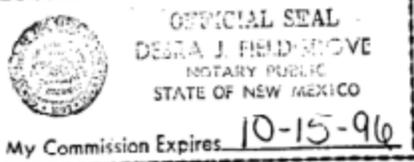
Don King  
Lessee  
Jam King  
Lessee

Bruce King  
Lessee  
\_\_\_\_\_  
Lessee

County of Santa Fe  
State of Santa Fe



Subscribed and sworn to before me this 22nd day of February, 19 93  
by Don King, Jam King & Bruce King  
MY COMMISSION EXPIRES: 10-15-96 Debra J. Hiddgrove  
Notary Public

Approved in favor of the above named Purchaser this 8th day of March,  
19 93  
  
Jim Baca  
Commissioner of Public Lands

ASSIGNMENT FEE - \$50.00 (fifty dollars)

LESSEE NAME ID  
11760 53212 ZORRO TRUST  
JEFFREY E. EPSTEIN - TRUSTEE

INTX BILL ATE TELEPHONE  
Y T 2

CONTACT ERROR INDICATOR

5

BILLING ADDRESS: 457 MADISON AVENUE  
NEW YORK NY 10022-0000

LEASE SEQ NR TYPE  
GM2791 000 RENEWAL

-----CONSOLIDATED FROM-----

LEASE SEQ NR	SEC	TWN	RNG	SUBDIVISION(S)	ACREAGE	TYPE	IRRIGATED	DRY	ASSOCIATED	CRP	IMPROVEMENT
GM2791 001	02	12.0N	09.0E	LOTS 1,2,3,4,7,SW4NE4,S2NW4,SW4	518.97	GRAZING				12	383.75 01
GM2791 002	16	12.0N	09.0E	ALL	640.00	GRAZING				12	473.24 01
LEASE TOTALS					1,158.97						\$856.99

TYPE: --RANGELAND--  
ACREAGE: 1,158.97  
CHARGES: \$856.99

---(CULTIVATED)---  
ACREAGE: .00  
CHARGES: \$0.00

---(IRRIGATED)---  
ACREAGE: .00  
CHARGES: \$0.00

---(ASSOCIATED)---  
ACREAGE: .00  
CHARGES: \$0.00

---(CRP)---  
ACREAGE: .00  
CHARGES: \$0.00

---(IMPROVEMENT)---  
ACREAGE: .00  
CHARGES: \$0.00

-----DISTRIBUTION SUMMARY-----

LEASE	ACREAGE	CHARGES
INST %		
01 1.000	1,158.97	\$856.99
TOT	1,158.97	\$856.99

<<ERROR>>  
<<ERROR>>

Winkler Law Firm  
[Redacted] NW

Suite 808

Alb.  
87102

(New York)

attn:

[Redacted]

[Redacted]

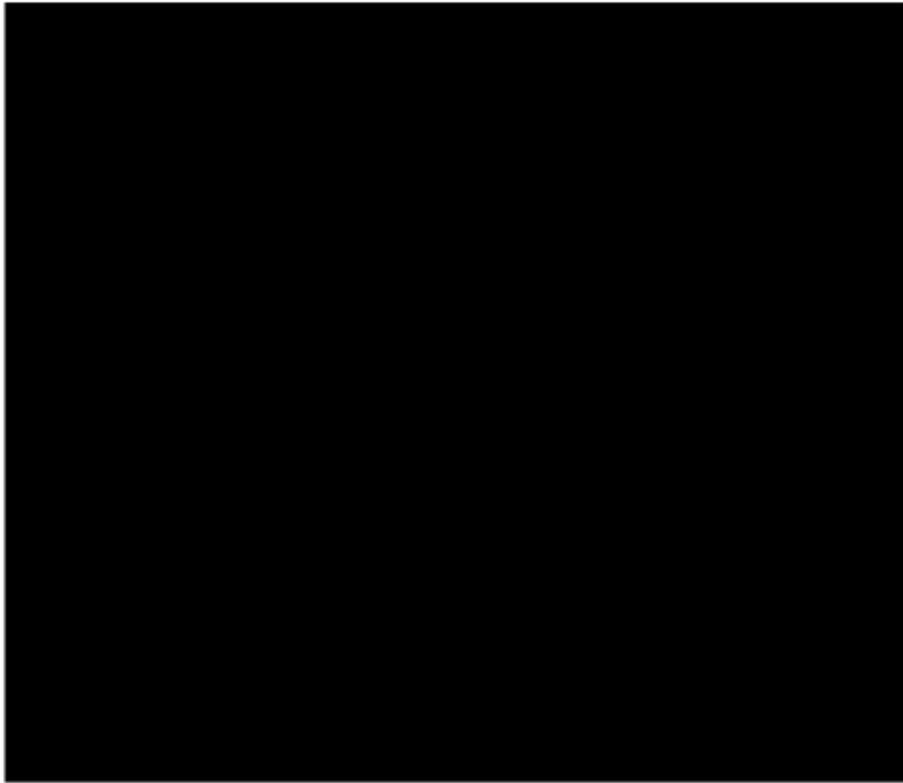
Epstein -

Jenny -  
Please be sure to request  
certified copy of the Trust Agreement  
and they will also need to  
file a P-of-Atty. Send the  
leases to Winkler Law Firm

attn:  
suite 808

[Redacted]

[Validat Cut-off date - 10-31-91]





JIM BACA  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

March 11, 1993

Hinkle Law Firm (for Zorro Trust)

RE: GRAZING LEASE NO. GM-2791

Dear Lessee(s):

Enclosed for your execution is a copy of the above mentioned grazing lease for 1,158.97 acres due to a partial relinquishment of GM-2583. The lease needs to be executed on the enclosed signature pages before a Notary Public. Please be sure and sign your name(s) as it/they read on the face page of the lease. BOTH COPIES of the signed and notarized lease MUST BE RETURNED TO THIS OFFICE FOR THE COMMISSIONER'S APPROVAL. Once the lease is approved, a copy will be returned to you for your records.

Please be advised that we need an original or certified copy of a Trust Agreement or Affidavit for Jeffrey E. Epstein, Trustee for Zorro Trust. Please submit a \$10.00 fee to record the document in our office.

If you have any questions regarding this matter, you can contact me at

Sincerely,

Surface Division  
New Mexico State Land Office



JIM BACA  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

MEMORANDUM

March 11, 1993

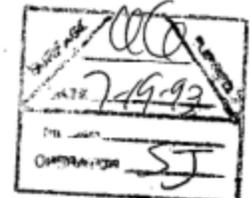
TO: Grazing Lease No. GM-2583  
FROM: Surface Division/JV *JV*  
SUBJECT: Partial Relinquishment from GM-2583 to GM-2791

This lease contains 21,334.74 acres but a partial relinquishment was approved by the Commissioner on February 22, 1993 in favor of Zorro Trust for 1,158.97 acres. The land description being relinquished is as follows:

GT-2791 - Zorro Trust

<u>SUBDIVISION</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>	<u>ACRES</u>
Lots 1,2,3,4,7, SW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$	02	12 North	9 East	518.97
All	16	12 North	9 East	<u>640.00</u>
				1,158.97

The acreage remaining on this lease is 20,175.77. Attached is a copy of an adjusted Exhibit A. A worksheet will be prepared to amend the ledger maintenance file.



Rec'd 3/29/93  
MAG

NEW MEXICO STATE LAND OFFICE  
REQUEST FOR FIELD ASSIGNMENT

608  
100

DATE TO FIELD DIVISION: 3/25/93 FIELD DIVISION CONTROL NO. MAG-100  
REQUESTING DIVISION SURFACE DIVISION BY: ANDREW FRESQUEZ  
LEASE NUMBER: GM-2791 TYPE OF REQUEST: Checklist  
NAME OF LESSEE/APPLICANT: ZORRO TRUST - Jeffrey Epstein - Trustee  
ADDRESS 457 MADISON AVE. New York, New York 10022  
DESIGNATED CONTACT John Kelly: Attorney in fact for Jeffrey Epstein  
ADDRESS [REDACTED] PHONE NO. [REDACTED]

LEGAL DESCRIPTION SECTION: TWP. RGE. COUNTY: Hinkle Law Firm  
[REDACTED] 02 12N 09E SAN JUAN Co  
"SEE Attached"

REMARKS: Contact phone call 3/30/93. Left message secretary.  
" " " 4/8/93. Left message of secretary.  
" " " 4/13/93. Left message of secretary.  
attached in your approval of agricultural lease  
along with checklist, copy of Rule 8, pamphlet  
& copy of letter from June 10th

DATE RETURNED TO REQUESTING DIVISION/BUREAU: 4/22/93  
LAND USE SPECIALIST RECOMMENDATION: Completed

RECOMMENDATION APPROVAL: FIELD DIVISION | REQUESTING DIVISION  
[Signature] - 4-22-93 | umd 4-22-93  
DO NOT APPROVE RECOMMENDATION: (PLEASE STATE REASONS)

ACTION TAKEN BY REQUESTING DIVISION: \_\_\_\_\_

DATE RETURNED TO LAND USE SPECIALIST: \_\_\_\_\_

Final billing sent to same  
address but in name of  
Q. E. Epstein Company

MS  
10/26/93

# AGRICULTURE LESSEE ORIENTATION

Lease No. GM-2791

Field Assign. No. MJG-606

- 1.  General discussion of State Land Office and its mission. (pamphlet)

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- 2.  General discussion of agricultural lease terms and conditions. (Copy of Lease)
  - a. Term left.
  - b. Fluctuations in annual rental (EVI).
  - c. Permitted use.
  - d. Multiple use concept.
  - e. Improvements.
  - f. Subleasing.
  - g. Renewal process.
  - h. Reservations.
  - i. One percent interest on unpaid balances.
  - j. Carrying capacity reevaluations.

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- 3.  General discussion of Range Stewardship Incentive Program.

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- 4.  General discussion of Rule 8. (Copy of Rule)

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- 5.  Transfer/Assignment of lease to new lessee.
  - a. Withdrawals. \$<sup>0.00</sup>
  - b. Conversion to cultivated land.
  - c. Filing fees.

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- 6.  Letter from Commissioner to lessees.

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- 7.  Hunter access.

I certify that the Land Use Specialist has given me the documents required and has instructed me on the terms and conditions of my lease.

Lessee *J. Kelly*



Date 4/21/93

# HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 800

POST OFFICE BOX 2043

ALBUQUERQUE, NEW MEXICO 87103



CLARENCE E. HINKLE 1904-1989  
W. C. BONDURANT, JR. 1903-1973  
ROY C. SNOODGRASS, JR. 1914-1987

OF COUNSEL  
D. W. CASH  
MACK EASLEY  
JOE W. WOOD  
RICHARD S. MORRIS

WASHINGTON, D.C.  
SPECIAL COUNSEL  
ALAN J. STATMAN

March 15, 1993

LEWIS C. COX  
PAUL W. EATON  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.  
STUART D. SHANDR  
ERIC B. LAFFERTY  
C. D. MARTIN  
PAUL J. KELLY, JR.  
YUSUKI M. IININ, JR.  
MARSHALL G. MARTIN  
OWEN M. LOPEZ  
DOUGLAS L. LUNSFORD  
JOHN J. KELLY  
NICHOLAS J. NOEDING  
T. CALDER EZZELL, JR.  
WILLIAM B. BURFORD  
RICHARD E. OLSON  
RICHARD R. WILFONG  
THOMAS J. MCBRIDE  
STEVEN D. ARNOLD  
JAMES J. WECHSLER  
NANCY S. CUSACK  
JEFFREY L. FORNACIARI  
JEFFREY D. HEWETT  
JAMES BIBLITZ  
JERRY F. SHACKELFORD  
JEFFREY W. HELLBERG  
ALBERT L. PHTS  
THOMAS M. HNASHO  
JOHN C. CHAMBERS  
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MICHAEL A. GROSS  
THOMAS D. HAINES, JR.  
GREGORY J. NIBERT  
DAVID T. MARKETTE  
MARK C. DOW

KAREN M. RICHARDSON  
FRED W. SCHWENDIMANN  
JAMES M. HUDSON  
JEFFREY S. BAIRD  
MACDONNELL GORDON  
REBECCA HIGGINS JOHNSON  
WILLIAM P. JOHNSON  
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M. H. THOMAS  
NARA L. KELLOGG

BETTY H. LITTLE  
RUTH S. MUSGRAVE  
ELLEN S. CASEY  
S. BARRY PUSHER  
MARGARET CARTER LUDWIG  
STEPHEN M. CRAMPTON  
MARTIN MEYERS

GREGORY S. WHEELER  
ANDREW J. CLOUTIER  
JAMES A. GILLESPIE  
GARY W. LARSON  
STEPHANIE LAUREY  
JOHN R. KULSETH, JR.  
MARGARET R. MCNETT  
BRIAN T. CARTWRIGHT  
LISA K. SMITH

JAMES KENT SCHUSTER  
ROBERT H. BETHEN  
BRADLEY W. HOWARD  
CHARLES A. SUTTON  
NORMAN D. EWART  
DARRIN T. GROCE  
MOLLY MCINTOSH

\*NOT LICENSED IN NEW MEXICO

Ms. Jenny Valdez  
Surface Division  
NM State Land Office  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

RE: Grazing Lease No. GM-2791

Dear Ms. Valdez:

Enclosed are two original leases, numbered GM-2791, signed by John Kelly as Attorney-in-Fact for Jeffrey Epstein, Trustee for the Zorro Trust, along with two original Affidavits signed by Mr. Epstein and a certified copy of the Power of Attorney between Mr. Epstein and John Kelly. I am also enclosing a check for \$10.00. Please have the leases signed and approved and return a copy to me, or our runner if possible, at your earliest convenience.

Thank you. Should you have any questions, please do not hesitate to call me at [REDACTED].

Sincerely yours,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY



Paralegal

Enclosures

700 UNITED BANK PLAZA  
POST OFFICE BOX 10  
ROSWELL, NEW MEXICO 88202

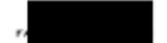


2800 CLAYDESTA CENTER

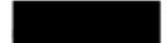
POST OFFICE BOX 3580  
MIDLAND, TEXAS 79702



1700 TEAM BANK BUILDING  
POST OFFICE BOX 9238  
AMARILLO, TEXAS 79109



POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87504



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STATE LAND OFFICE  
SANTA FE, N.M.

# HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 800

POST OFFICE BOX 2043

ALBUQUERQUE, NEW MEXICO 87103

CLARENCE E. HINKLE (90-1985)  
W. E. BONDURANT, JR. (90-1973)  
MUT. L. DIFULAVIAGO, JR. (94-1981)

OF COUNSEL  
O. M. CALHOUN\*  
MACK EASLEY  
JOE W. WOOD

RICHARD S. MORRIS  
WASHINGTON, D.C.  
SPECIAL COUNSEL  
ALAN J. STATMAN\*

LEWIS C. COX	FRED W. SCHWENDIMANN
PAUL W. EATON	JAMES M. HUDSON
CONRAD E. COFFIELD	JEFFREY S. BAIRD*
HAROLD L. HENSLEY, JR.	REBECCA NICHOLS JOHNSON
STUART D. SHANOR	WILLIAM R. JOHNSON
ERIC D. LANPHERE	STANLEY H. KOTOVSKY, JR.
C. D. MARTIN	H. R. THOMAS
ROBERT F. THININ, JR.	ELLEN D. CASEY
MARSHALL G. MARTIN	MARGARET CARTER LUDEWIG
OWEN M. LOPEZ	
DOUGLAS L. LUMSPORD	S. BARRY PASKNER
JOHN J. KELLY	STEPHEN M. CRAMPTON
NICHOLAS J. NOEDING	MARTIN MEYERS
T. CALDER EZZELL, JR.	GREGORY S. WHEELER
WILLIAM B. BURFORD*	ANDREW J. CLOUTIER
RICHARD R. WILFONG*	GARY W. LARSON
THOMAS J. McBRIDE	STEPHANIE LANDRY
JAMES J. WEDIGLER	JOHN R. HALSEY, JR.
NANCY S. CUSACK	MARGARET R. McNETT
JEFFREY L. FORNACIARI	BRIAN T. CARTWRIGHT*
JEFFREY D. HEWITT	LISA K. SMITH*
JAMES BRUCE	ROBERT H. BETHEA*
JERRY F. SHACKELFORD*	BRADLEY W. HOWARD
JEFFREY W. HELLBERG*	CHARLES A. SUTTON
ALBERT L. PITTS	NORMAN D. ENART
JOHN C. CHAMBERS*	NOLLY MCINTOSH
GARY D. COMPTON*	MARCIA R. LINCOLN
MICHAEL A. GROSS	SCOTT A. SHANIT*
THOMAS D. HAINES, JR.	DARREN L. BROOKS
GREGORY J. NIBERT	CHRISTINE E. LALE
DAVID T. MANKILL*	PAUL G. MAGUIR
MARK C. DOW	DARLA M. SILVA

\*NOT LICENSED IN NEW MEXICO

November 3, 1993

POST OFFICE BOX 10  
ROSWELL, NEW MEXICO 88202

POST OFFICE BOX 3580  
MIDLAND, TEXAS 79702

POST OFFICE BOX 9238  
AMARILLO, TEXAS 79105

POST OFFICE BOX 2068  
SANTA FE, NEW MEXICO 87505

COMMISSIONER OF PUBLIC LANDS  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

ATTENTION: Jenny Valdez  
Surface Division

Re: Zorro Trust, Lease No. GM 2791

Dear Ms. Valdez:

Enclosed please find Hinkle, Cox check number 2502 in the amount of \$872.22 for the annual rental payment due on the above-referenced lease. I understand the lease term covered by this payment runs from October 1, 1993 to September 30, 1994. A copy of the rental notice is attached for your reference.

Our client, Jeffrey Epstein, the Trustee of Zorro Trust, advises me that your notices are being delayed in reaching him. The address on your records is correct, but Mr. Epstein asks that you add his name as Trustee of Zorro Trust to the address to insure that it is properly delivered. The complete address should now be:

Jeffrey E. Epstein, Trustee  
Zorro Trust  
457 Madison Avenue  
New York, NY 10022

0094 11/08/93 A 11:17

\$872.22 + 40 Top

RECEIVED

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STATE LAND OFFICE  
SANTA FE, N.M.

HINKLE, COX, EATON, COFFIELD & HENSLEY

Page 2  
November 3, 1993

Please contact me if you have questions.

Sincerely yours,

HINKLE, COX, EATON,  
[REDACTED] & [REDACTED]  
[REDACTED]

JJK:ch  
Enclosure

cc: Cie Marinese

RECEIVED

'93 NOV 8 AM 10 08

STATE LAND OFFICE  
SANTA FE, N.M.



RAY B. POWELL  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

November 10, 1993

Zorro Trust c/o Jeffrey E. Epstein - Trustee  
457 Madison Avenue  
New York, NY 10022

RE: State Grazing Lease GM-2791

Dear Lessee(s):

A review of our files indicates that the annual rental on your grazing lease which was due October 1, 1993, remains unpaid at this time.

An interest fee of 1% per month will be assessed for each month the payment remains outstanding. Therefore, if you return your payment in November, you will need to submit \$880.86 which includes a 2% interest fee. If you return your payment in December, you will need to submit \$889.50 which includes a 3% interest fee.

If your payment including interest has been submitted, please disregard this letter.

If you do not intend to continue to lease, please notify me accordingly. If you have any questions regarding this matter, please feel free to contact me at [redacted]

Sincerely,

*Mary DuBose*

Mary DuBose  
Surface Resources Division  
N.M. State Land Office

[redacted]  
Please add to address  
c/o Jeffrey E. Epstein  
The-  
umd  
10/26/93  
Done  
10-26-93  
[signature]



# NEW MEXICO STATE LAND OFFICE

APPLICATION FOR PERMISSION TO MAKE IMPROVEMENTS

I, JEFFREY E. EPSTEIN of (address) ZORRO RANCH P.O. BOX 567, STANLEY, NM 87056

herewith make application for the written consent of the Commissioner of Public Lands to make improvements on the lands in Lease No. GM 2583, described as follows:

Gm-2791

SUBDIVISION \_\_\_\_\_ SEC. 16 TWP. 12N RGE. 9E ACRES 640

*\*Cancelled.*

If any or all proposed improvements are to be built under a federal cost-share program, please check which program or programs are involved and give actual cost of each item.

Great Plains Program (SCS) ( ) - ASCS ( ) - OTHER ( ) - NONE ( )

Barns, stables and corrals \_\_\_\_\_ Value \$ N/A

Well (give depth and description) \_\_\_\_\_ Value \$ N/A

Fences (give length, i.e., miles or footage and kind) \_\_\_\_\_ Value \$ N/A

Windmill \_\_\_\_\_ Value \$ N/A

Other improvements Grass strip runway for private plane.

TOTAL VALUE OF IMPROVEMENTS \$ 6,000.00

Amount to be defrayed by federal cost-share program, if any . . . . . Value \$ 0.00

Total economic cost expended by LESSEE . . . . . Value \$ 6,000.00

Estimated time of completion: JULY 1, 1994

LESSEE Jeffrey E. Epstein

LESSEE

I, \_\_\_\_\_, Commissioner of Public Lands, hereby give my consent to the above lessee(s) to make improvements as listed above, conditioned upon the completion of construction and installation of such improvements on or before \_\_\_\_\_, 19\_\_\_\_, and further conditioned upon receipt of copy of federal cost-share agreement (when applicable) and evidence of actual costs.

APPROVAL DATE \_\_\_\_\_

**CANCELLED**  
5/23/94 AS per  
May 12, 1994  
Letter to Jeffrey E. Epstein  
JEP

COMMISSIONER OF PUBLIC LANDS

(On plat on reverse side indicate approximate location of proposed improvements.)

000 SLO 4-25-94#111

\$30.00 APPLICATION FEE \$30.00



Rec'd 5/11/94  
MAY

NEW MEXICO STATE LAND OFFICE  
REQUEST FOR FIELD ASSIGNMENT

DATE TO FIELD DIVISION: 5/6/94 FIELD DIVISION CONTROL NO. MG-684  
REQUESTING DIVISION Surface BY: Darlene Maestas  
LEASE NUMBER: GM-2791 TYPE OF REQUEST: Improvement  
NAME OF LESSEE/APPLICANT: Zorro Trust  
ADDRESS 1/0 Jeffrey E. Epstein, 457 Madison Ave. New York, NY 10022  
DESIGNATED CONTACT Same  
ADDRESS same PHONE NO. [REDACTED]  
LEGAL DESCRIPTION SECTION: 16 TWP. 12N RGE. 9E COUNTY: Santa Fe.

3/11 Contact phone call. Left message of Sylvia 3/11. Thompson Pritchard @ Zorro Ranch. Said airstrip will be moved to fee land. Asked for letter to be sent to SLO to that effect.

REMARKS: Please check for any active subleases.  
Can these improvements be placed on private land.  
Please inspect and make your recommendations

Ranch Address: P.O. Box 567  
Stanley, NM 87056

DATE RETURNED TO REQUESTING DIVISION/BUREAU: 5/23/94  
LAND USE SPECIALIST RECOMMENDATION: Per lessee request, withdrawn application

RECOMMENDATION APPROVAL: FIELD DIVISION | REQUESTING DIVISION  
XN 5-23-94 |

DO NOT APPROVE RECOMMENDATION: (PLEASE STATE REASONS)

ACTION TAKEN BY REQUESTING DIVISION: Cancelled as per May 12, 1994  
letter from Jeffrey E. Epstein (5/23/94 DM)  
DATE RETURNED TO LAND USE SPECIALIST:



State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

FAX (505) [REDACTED] 5766

MAY 18, 1994

MJG-684

TO: RAY POWELL, M.S., D.V.M.,  
COMMISSIONER OF PUBLIC LANDS  
FROM: [REDACTED]  
LAND USE SPECIALIST  
SUBJECT: GM-2791. APPLICATION FOR IMPROVEMENTS. ZORRO  
TRUST. ASSIGNMENT RECEIVED MAY 11, 1994.

REMARKS

As per the attached correspondence, the lessee requests that the subject application for improvements be withdrawn, and so it is recommended.

LEGAL DESCRIPTION

Within section 16 of township 12 north, range 9 east, N.M.P.M., Santa Fe County, New Mexico.

MJG

Z

# Zorro Ranch

P.O. Box 567  
Stanley, New Mexico 87056



## FAX TRANSMISSION COVER SHEET

**Date:** May 18, 1994

**To:** **Marcus Garcia**  
**New Mexico State Land Office**

**Fax:**

**Subject:**

**Sender:** **Shannon Pritchard**

**YOU SHOULD RECEIVE 2 PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL**

THIS facsimile is intended only for the use of the individual to which it is address and may contain information that is privileged and confidential. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, to arrange for its return. Thank you.

# ZORRO RANCH

---

May 12, 1994

Mr. Marcus Garcia  
New Mexico State Land Office  
Field Division  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

RE: ZORRO RANCH

Dear Mr. Garcia,

This letter is to inform you and your office that Zorro Ranch is no longer pursuing the permitting process for the construction of a grass landing strip on New Mexico state land. Please stop all permitting action on this file.

Thank you,

*Matt Grippi*  
Matt Grippi

cc: Jeffrey Epstein ✓

---

P.O. Box 567, Stanley, New Mexico 87056 ★

TOTAL P.02

NEW MEXICO STATE LAND OFFICE  
REQUEST FOR FIELD ASSIGNMENT

DATE TO FIELD DIVISION: 5/6/94 FIELD DIVISION CONTROL NO. \_\_\_\_\_  
REQUESTING DIVISION Surface BY: \_\_\_\_\_  
LEASE NUMBER: GM-2791 TYPE OF REQUEST: Improvement  
NAME OF LESSEE/APPLICANT: Zorro Trust  
ADDRESS c/o Jeffrey E. Epstein, 457 Madison Ave. New York, NY 10022  
DESIGNATED CONTACT Same  
ADDRESS Same PHONE NO. \_\_\_\_\_

LEGAL DESCRIPTION SECTION: 16 TWP. 12N RGE. 9E COUNTY: Santa Fe.

REMARKS: Please check for any active subleases.  
Can these improvements be placed on Private land.  
Please inspect and make your recommendations

Ranch Address: P.O. Box 567  
Stanley, Nm 87056

DATE RETURNED TO REQUESTING DIVISION/BUREAU: \_\_\_\_\_  
LAND USE SPECIALIST RECOMMENDATION: \_\_\_\_\_

RECOMMENDATION APPROVAL: FIELD DIVISION \_\_\_\_\_ | REQUESTING DIVISION \_\_\_\_\_

DO NOT APPROVE RECOMMENDATION: (PLEASE STATE REASONS) \_\_\_\_\_

ACTION TAKEN BY REQUESTING DIVISION: \_\_\_\_\_

DATE RETURNED TO LAND USE SPECIALIST: \_\_\_\_\_

# State of New Mexico



**RAY B. POWELL**  
COMMISSIONER

## Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Zorro Ranch  
P.O. Box 567  
Stanley, NM 87056

*457 Madison Ave.  
New York, NY 10022*

Reference Agricultural Lease No. GM-2791  
Improvement Application

Attn: Jeffrey E. Epstein

Date May 23, 1994

**SUBJECT: THE ATTACHED DOCUMENT IS FOR YOUR COMPLIANCE WITH THE REQUIREMENTS INDICATED WITH CHECK MARKS.**

1.  Please sign enclosed copy(ies) on referenced Lease(s) before a Notary Public and return in order to complete the Lease(s).
2.  Enclosed referenced assignment(s) transferred by \_\_\_\_\_ and approved by Commissioner on \_\_\_\_\_.
3.  Assignment(s) will not be accepted due to:  Erasures in description,  Strikeover(s) in description,  Executed on improper forms,  Incomplete description,  Acknowledgement is incomplete. Please re issue a new assignment.
4.  Please furnish this office with \$500.00 Single Damage Bond or \$2,500.00 Blanket Damage Bond, as required by Statute so Lease can be approved.
5.  Lands applied for are under Purchase Contract. You must obtain written consent from \_\_\_\_\_. Your application will be held in abeyance awaiting this consent.
6.  Approved copy(ies) of your \_\_\_\_\_ (is/are) enclosed for your files.
7. ~~XXX~~ Other: As per your letter dated May 12, 1994, the improvement application has been cancelled. If you have any questions regarding this matter, please contact me at [REDACTED].

Sincerely,

[REDACTED]  
[REDACTED] Grazing Section  
Surface Resources Division

G-76 (February 15, 1984)

NEW MEXICO STATE LAND OFFICE  
COMMISSIONER OF PUBLIC LANDS  
NEW MEXICO STATE LAND OFFICE BUILDING  
P.O. BOX 1148, SANTA FE, NM 87504-1148

AGRICULTURAL LEASE

LEASE NO. GM2791

THIS LEASE, DATED OCTOBER 1, 1994, IS ENTERED INTO BY AND BETWEEN THE COMMISSIONER OF PUBLIC LANDS, NEW MEXICO STATE LAND OFFICE, STATE OF NEW MEXICO, HEREINAFTER CALLED "LESSOR", AND:

ZORRO TRUST

HEREINAFTER CALLED "LESSEE(S)", WHOSE ADDRESS OF RECORD IS

C/O JEFFREY E. EPSTEIN  
457 MADISON AVE  
NEW YORK NY 10022-0000

NEW MEXICO STATE LAND OFFICE  
RECEIVED  
6-8-2000  
9-16-00

**EXPIRED**  
9-30-99 J.A.  
**EXPIRED**

LESSOR AND LESSEE AGREE AND COVENANT AS FOLLOWS:

1. LEASE.

FOR AND IN CONSIDERATION OF AND SUBJECT TO THE RENTALS AND THE TERMS, COVENANTS, CONDITIONS, AGREEMENTS, OBLIGATIONS, AND RESERVATIONS CONTAINED IN THIS LEASE AND ALL OTHER EXISTING RIGHTS, LESSOR GRANTS AND LEASES TO LESSEE AND LESSEE TAKES FROM LESSOR THE TRACT(S) OF LAND DESCRIBED IN EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

2. TERM.

THE TERM OF THIS LEASE SHALL BEGIN ON OCTOBER 1, 1994 AND SHALL EXPIRE AT MIDNIGHT SEPTEMBER 30, 1999.

3. RENT.

THE ANNUAL RENTAL SHALL NOT BE LESS THAN THE MINIMUM RENTAL ESTABLISHED BY SECTION 19-7-29 NMSA 1978 AND SHALL BE PAID IN ADVANCE FOR EACH LEASE YEAR AND RECEIVED IN THE STATE LAND OFFICE ON OR BEFORE OCTOBER 1. THE ANNUAL RENTAL FOR GRAZING LAND SHALL BE DETERMINED AS FOLLOWS: ANNUAL RENTAL = BASE VALUE X CARRYING CAPACITY X ACREAGE X ECONOMIC VARIABLE INDEX (EVI), AS DEFINED BY STATE LAND OFFICE RULE 8.022(B). IN NO EVENT SHALL THE PRODUCT OF THE APPLICATION OF THE EVI, FOR EACH SUCCESSIVE YEAR OF THE LEASE TERM, BE DECREASED OR INCREASED BY MORE THAN THIRTY-THREE AND ONE-THIRD PERCENT. IN THE CASE OF GRAZING RENTAL OFFERS ON OPEN ACREAGE OR PURSUANT TO COMPETITIVE BID, LESSOR MAY ACCEPT GREATER RENTAL AMOUNTS THAN THOSE DETERMINED BY THE FOREGOING FORMULA, BUT THE ANNUAL GRAZING RENTAL DUE IN ANY LEASE YEAR SHALL NOT BE LESS THAN THE FORMULA AMOUNT. THE ANNUAL RENTAL FOR CULTIVATED LAND, ASSOCIATED LAND AND CONSERVATION RESERVE PROGRAM LAND SHALL BE DETERMINED BY LESSOR AND SHALL REMAIN UNCHANGED DURING THE TERM OF THE LEASE. THE TYPE OF LAND HEREBY LEASED AND THE ANNUAL RENTAL AMOUNT FOR THIS LEASE SHALL BE AS SET OUT IN EXHIBIT A HEREIN.

4. PERMITTED USE.

LESSEE MAY USE THE LEASED PREMISES ONLY FOR SUCH OPERATIONS AND ACTIVITIES AS ARE NECESSARY TO CARRY OUT THE PURPOSES FOR WHICH THE LEASE IS GRANTED AS SPECIFIED IN EXHIBIT A, AND IN ORDER TO COMPLY WITH ALL APPLICABLE PROVISIONS OF LAW REGARDING THE

000 SLO 7/14/94#134	\$916.31F4	000 SLO 7/14/94#135	\$50.00F4
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*MJ*

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SANTA FE, N. M.

CARE AND PROTECTION OF THE LEASED PREMISES.

5. LIEN.

AS SECURITY FOR THE PAYMENT OF ANY RENT THAT IS OR MAY BECOME DUE AND UNPAID, LESSEE GRANTS TO LESSOR A FIRST AND PRIOR LIEN UPON ANY AND ALL IMPROVEMENTS AND CROPS ON THE LEASED PREMISES.

6. IMPROVEMENTS.

NO IMPROVEMENTS, EXCEPT AS OTHERWISE PROVIDED BY LAW, SHALL BE PLACED ON THE LEASED PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR. ALL IMPROVEMENTS PLACED ON THE LEASED PREMISES IN VIOLATION OF THIS PARAGRAPH SHALL BE CONSIDERED AND TREATED AS UNAUTHORIZED IMPROVEMENTS IN ACCORDANCE WITH THE APPLICABLE LAWS AND RULES.

7. ASSIGNMENT, SUBLEASE AND RELINQUISHMENT.

LESSEE SHALL NOT ASSIGN OR SUBLEASE THE LEASED PREMISES OR THE IMPROVEMENTS ON SAID PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR AND SUCH OTHER REQUIREMENTS AS PRESCRIBED BY LAW OR RULE. AS PROVIDED BY LAW AND RULE ANY LEASE, IN GOOD STANDING, MAY BE RELINQUISHED TO THE STATE. UPON RELINQUISHMENT HOWEVER, THE LESSEE SHALL NOT BE ENTITLED TO A REFUND OF RENTALS PREVIOUSLY OWING AND PAID.

8. COLLATERAL ASSIGNMENTS.

ANY AGRICULTURAL LEASE MAY BE ASSIGNED AS COLLATERAL SECURITY SUBJECT TO THE EXPRESS WRITTEN CONSENT OF THE LESSOR AND SUCH OTHER TERMS AND CONDITIONS AS PRESCRIBED BY LAW OR RULE. THE APPROVAL OF A COLLATERAL ASSIGNMENT, HOWEVER, SHALL NOT PREVENT THE CANCELLATION OF THE LEASE AND TERMINATION OF THE COLLATERAL ASSIGNMENT FOR THE NONPAYMENT OF RENTALS OR OTHER VIOLATIONS OF THE LEASE TERMS.

9. DEFAULT AND CANCELLATION.

THE VIOLATION BY LESSEE OF ANY OF THE TERMS, CONDITIONS, OR COVENANTS OF THIS LEASE OR THE NONPAYMENT BY LESSEE OF THE RENT DUE UNDER THIS LEASE SHALL AT THE OPTION OF THE COMMISSIONER BE CONSIDERED A DEFAULT AND SHALL CAUSE THE CANCELLATION OF THIS LEASE 30 DAYS AFTER LESSOR HAS SENT WRITTEN NOTICE OF SUCH DEFAULT TO THE LESSEE AND TO ANY HOLDERS OF COLLATERAL ASSIGNMENTS BY REGISTERED MAIL, ADDRESSED TO THE POST OFFICE ADDRESS OF RECORD, PROVIDED, HOWEVER, IF WITHIN THE THIRTY DAYS THE LESSEE OR HOLDERS OF ANY COLLATERAL ASSIGNMENTS SHALL COMPLY WITH THE DEMAND MADE IN THE NOTICE, CANCELLATION SHALL NOT BE MADE.

10. RENEWAL.

ANY LESSEE WHO DESIRES TO SECURE A NEW LEASE SHALL MAKE AND FILE AN APPLICATION WITH THE LESSOR ON OR BEFORE AUGUST 1 NEXT PRECEDING THE EXPIRATION OF THIS LEASE. THE RIGHT OF RENEWAL SHALL BE SUBJECT TO SUCH TERMS AND CONDITIONS AS PROVIDED FOR BY LAW AND RULE.

11. RESERVATIONS.

A. LESSOR RESERVES THE RIGHT TO EXECUTE LEASES ON THE LAND GRANTED BY THIS LEASE FOR MINING PURPOSES AND FOR THE EXTRACTION OF OIL, GAS, SALT, GEOTHERMAL RESOURCES, AND OTHER MINERAL DEPOSITS THEREFROM AND THE RIGHT TO GO UPON, EXPLORE FOR, MINE, REMOVE AND SELL SAME. LESSOR FURTHER RESERVES THE RIGHT TO SELL OR DISPOSE OF NATURAL SURFACE PRODUCTS OF SAID LANDS OTHER THAN GRAZING, AGRICULTURAL OR HORTI-

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27 JUL 17 PM 12 04  
POST OFFICE  
SANTA FE, N.M.

CULTURAL PRODUCTS AND TO GRANT SUCH OTHER RIGHTS-OF-WAY AND EASEMENTS AS PROVIDED BY LAW.

B. LESSOR RESERVES THE RIGHT TO WITHDRAW PURSUANT TO RULE, UP TO 640 ACRES, BUT IN NO CASE MORE THAN HALF, OF THE LAND HELD BY THIS LEASE.

12. COMPLIANCE WITH LAWS.

LESSEE SHALL AT ITS OWN EXPENSE FULLY COMPLY WITH AND BE SUBJECT TO ALL LAWS, REGULATIONS, RULES, ORDINANCES, AND REQUIREMENTS OF LESSOR AND APPLICABLE CITY, COUNTY, STATE AND FEDERAL AUTHORITIES AND AGENCIES WHICH HAVE BEEN OR MAY BE ENACTED OR PROMULGATED, IN ALL MATTERS AND THINGS AFFECTING THE LEASED PREMISES AND OPERATIONS THEREON. SUCH OTHER AGENCIES SHALL NOT BE DEEMED THIRD PARTY BENEFICIARIES UNDER THIS LEASE.

13. HOLD HARMLESS.

LESSEE SHALL SAVE AND HOLD HARMLESS, INDEMNIFY AND DEFEND LESSOR AND THE STATE OF NEW MEXICO, AND THEIR AGENT OR AGENTS, IN THEIR OFFICIAL AND INDIVIDUAL CAPACITIES, OF AND FROM ANY AND ALL LIABILITY CLAIMS, LOSSES, OR DAMAGES ARISING OUT OF OR ALLEGED TO ARISE OUT OF OR INDIRECTLY CONNECTED WITH THE OPERATIONS OF LESSEE UNDER THIS LEASE, OFF OR ON THE LEASED PREMISES OR ARISING OUT OF THE PRESENCE ON THE LEASED PREMISES OF ANY AGENT, CONTRACTOR OR SUBCONTRACTOR OF LESSEE.

14. AMENDMENT.

THIS LEASE SHALL NOT BE ALTERED, CHANGED OR AMENDED EXCEPT BY INSTRUMENT IN WRITING EXECUTED BY LESSOR AND LESSEE.

15. WAIVER.

NO WAIVER OF ANY BREACH OR DEFAULT BY LESSEE OF ANY OF THE TERMS, CONDITIONS OR COVENANTS OF THIS LEASE SHALL BE HELD TO BE A WAIVER OF ANY SUBSEQUENT BREACH. NO WAIVER SHALL BE VALID OR BINDING UNLESS THE SAME IS IN WRITING AND SIGNED BY LESSOR.

16. DELINQUENT RENTAL.

ALL RENTAL PAYMENTS RECEIVED AFTER OCTOBER 1 OF EACH YEAR SHALL BE CONSIDERED DELINQUENT AND SHALL BE SUBJECT TO THE PAYMENT OF INTEREST AT A RATE OF ONE PERCENT (1%) A MONTH FOR ANY FRACTION OF A MONTH. INTEREST SHALL ACCRUE FROM THE DATE THE PAYMENT BECOMES DUE.

17. APPLICABLE LAW.

THIS LEASE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW MEXICO.

18. SUCCESSORS IN INTEREST.

ALL TERMS, CONDITIONS AND COVENANTS IN THIS LEASE SHALL EXTEND TO AND BIND THE HEIRS, ASSIGNS, AGENTS, ATTORNEYS, CONTRACTORS AND SUCCESSORS IN INTEREST OF LESSOR AND LESSEE.

19. CARRYING CAPACITY REEVALUATION.

THE LESSOR RESERVES THE RIGHT DURING THE TERM OF THIS LEASE, AND UPON THE LESSOR'S DISCRETION, TO CONDUCT CARRYING CAPACITY REEVALUATIONS AND MAKE THE NECESSARY ADJUSTMENTS TO THE LEASE AND RENTAL AS MAY BE REQUIRED.

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JUL 14 11 12 04  
POST OFFICE  
SANTA FE, N. M.

WITNESS THE HANDS AND SEALS OF LESSOR AND LESSEE ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

LESSEE  
JEFFREY EPSTEIN TRUSTEE

TELEPHONE

LESSEE

TELEPHONE

COMMISSIONER OF PUBLIC LANDS



ACKNOWLEDGMENTS  
NATURAL PERSON(S)

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_,

BY \_\_\_\_\_  
(NAME OF PERSON ACKNOWLEDGED)

MY COMMISSION EXPIRES:

NOTARY PUBLIC

PARTNERSHIP

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_,

BY \_\_\_\_\_  
(NAME OF PERSON ACKNOWLEDGED)

PARTNER(S) ON BEHALF OF \_\_\_\_\_, A PARTNERSHIP.

MY COMMISSION EXPIRES:

NOTARY PUBLIC

~~CORPORATION~~  
TRUST

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 5 DAY OF July, 1994.

BY Jeffrey Epstein OF \_\_\_\_\_ OF  
(NAME OF OFFICER) (TITLE OF OFFICER)

Eric Trust A TRUST CORPORATION, ON BEHALF  
(CORPORATION NAME)  
OF SAID CORPORATION. TRUSTS  
TRUST

MY COMMISSION EXPIRES:

HARRY I. RELLER  
Notary Public, State of New York  
No. 24-4853924  
Qualified in Kings County  
Commission Expires Feb. 17, 19\_\_\_\_



*Med*

RECEIVED  
27 JUN 14 PM 12 04  
POST OFFICE  
SANTA FE, N.M.

NEW MEXICO STATE LAND OFFICE

APPRAISEMENT OF GRAZING AND AGRICULTURAL LANDS

COMMISSIONER OF PUBLIC LANDS  
NEW MEXICO STATE LAND OFFICE BUILDING  
PO BOX 1148, SANTA FE, NEW MEXICO 87504-1148

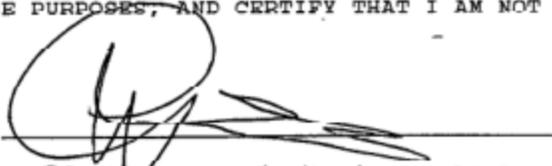
LESSEE: SECTION 10 OF THE NEW MEXICO ENABLING ACT SPECIFICALLY REQUIRES THAT ALL STATE LAND TO BE LEASED BE APPRAISED AT ITS TRUE VALUE. STATE LAW, UNDER SECTION 19-7-1 NMSA 1978, FURTHER PRESCRIBES THAT SUCH APPRAISEMENT BE SECURED BY THE LESSEE WHEN ACQUIRING A LEASE AND THAT SUCH APPRAISEMENT BE COMPLETED BY A DISINTERESTED PERSON. THE INSTRUCTIONS FOR THE COMPLETION OF THIS FORM ARE SET OUT BELOW.

APPRAISEMENT

INSTRUCTIONS: THIS INFORMATION MUST BE COMPLETED BY A DISINTERESTED PERSON AND BASED ON THAT INDIVIDUAL'S INFORMATION AND BELIEF. THE LAND MUST BE APPRAISED AS VACANT, I.E. WITHOUT IMPROVEMENTS, FOR BOTH SALE AND LEASE PURPOSES. IT MUST ALSO BE SIGNED BEFORE A NOTARY PUBLIC.

I, GHISLAINE MAXWELL, DO SOLEMNLY SWEAR (OR AFFIRM), UNDER THE PENALTIES OF PERJURY, THAT AFTER HAVING PERSONALLY INSPECTED THE TRACT OF LAND(S) CONTAINED IN LEASE NO. CM 2791 AND DESCRIBED IN EXHIBIT A OF SAID LEASE, THAT MY OPINION OF THE APPRAISED CASH VALUE OF SAME (WITHOUT IMPROVEMENTS) IS \$ 300.00 PER ACRE, IF SOLD, AND \$ 400.00 PER ACRE, FOR LEASE PURPOSES, AND CERTIFY THAT I AM NOT INTERESTED IN SAID LAND FOR LEASING OR SALE THEREOF.

SIGNED



ADDRESS 457 MADISON AVE, NY NY 10022

CITY/STATE NEW YORK NY

SUBSCRIBED AND SWORN TO BEFORE ME THIS 20 DAY OF July 19 94.

MY COMMISSION EXPIRES:

Henry I. Beller  
NOTARY PUBLIC

HARRY I. BELLER  
Notary Public, State of New York  
No. 24-4853924  
Qualified in Kings County  
Commission Expires Feb. 17, 2000



*Mal*

1-27-77  
18-09

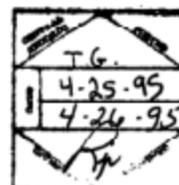
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OFFICE  
SANTA FE, N. M.

EXHIBIT A

GM2791

SUBDIVISION	SEC	-TWN-	-RNG-	ACREAGE	AUTHORIZED USE	PRICE CC R	1ST
						PER AA S	YEAR
						UNIT RP P	CHARGE
LOTS 1,2,3,4,7,SW4NE4,S2NW4,SW4	02	12.0N	09.0E	518.97	GRAZING	12	410.31
ALL	16	12.0N	09.0E	640.00	GRAZING	12	506.00
TOTAL ACRES:				1,158.97	TOTAL CHARGE:		\$916.31

RENEWAL LEASE



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'04 JUN 14 PM 12 04  
SANTA FE, N. M.



# State of New Mexico



RAY B. POWELL  
COMMISSIONER

## Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

. Zorro Trust  
c/o Jeffrey E. Epstein  
457 Madison Ave.  
New York, NY 10022

Reference Agricultural Lease No. GM-2791

Date July 15, 1994

SUBJECT: THE ATTACHED DOCUMENT IS FOR YOUR COMPLIANCE WITH THE REQUIREMENTS INDICATED WITH CHECK MARKS.

1.  Please sign enclosed copy(ies) on referenced Lease(s) before a Notary Public and return in order to complete the Lease(s).
2.  Enclosed referenced assignment(s) transferred by \_\_\_\_\_ and approved by Commissioner on \_\_\_\_\_.
3.  Assignment(s) will not be accepted due to:  Erasures in description,  Strikeover(s) in description,  Executed on improper forms,  Incomplete description.  Acknowledgement is incomplete. Please re-issue a new assignment.
4.  Please furnish this office with \$500.00 Single Damage Bond or \$2,500.00 Blanket Damage Bond, as required by Statute so Lease can be approved.
5.  Lands applied for are under Purchase Contract. You must obtain written consent from \_\_\_\_\_. Your application will be held in abeyance awaiting this consent.
6.  Approved copy(ies) of your \_\_\_\_\_ (is/are) enclosed for your files.
7.  Other: Be advised that your renewal package was received incomplete. The enclosed "Appraisalment" form needs to be completed, please follow the instructions (#5) highlighted on the next page, and return to this office as soon as possible. If you have any questions regarding this matter, please contact me at \_\_\_\_\_.

Sincerely,  
  
\_\_\_\_\_, Grazing Section

Post-it* Fax Note	7671	Date	18 JULY	# of pages	1
To	PEG LUDWIG	From	RAY B. POWELL		
Co./Dept.		Co.	J. EPSTEIN & CO		
Phone #		Phone #			
Fax #		Fax #			

G-76 (February 15, 1984)

LEASE NO. GM-2791

MISCELLANEOUS INSTRUMENT PAGE

UNDER COLLATERAL ASSIGNMENT

TO:  
DATE FILED: NO.  
DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:  
DATE FILED NO.  
DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:  
DATE FILED: NO.  
DATE RELEASED:

UNDER COLLATERAL ASSIGNMENT

TO:  
DATE FILED: NO.  
DATE RELEASED:

MISCELLANEOUS INSTRUMENT: Power-of-Attorney, John J. Kelly; Affidavit, Jeffrey E.  
FILE NO: #8793 Epstein, Trustee for Zorro Trust.

MISCELLANEOUS INSTRUMENT:  
FILE NO:

MISCELLANEOUS INSTRUMENT:  
FILE NO:

MISCELLANEOUS INSTRUMENT:  
FILE NO:

COMMENTS:

00  
7-9-93  
8-2-95  
53

[Redacted]

Jeffrey E. Epstein

enclose both copies of the appraisal. Please call me [Redacted] if you require anything else.

Many thanks,

[Redacted]

RECEIVED

27 JUL 27 10 18 16

SAN DIEGO, N.M.

STATE OF NEW MEXICO  
COMMISSIONER OF PUBLIC LANDS  
Ray Powell, M.S., D.V.M.

GM 2791

ZORRO TRUST  
C/O JEFFREY E. EPSTEIN 457 MADISON AVE  
NEW YORK, NY 10022

April 26, 1999

Dear Lessee(s):

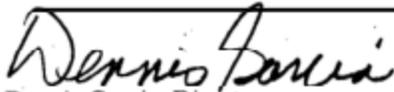
Please be aware that the above referenced Agricultural Lease is due to expire on September 30, 1999. The renewal contracts will be sent to you on July 1, 1999 for your execution. Therefore, now is the time to notify our office of any address changes or other corrections needed prior to the renewal of your Agricultural Lease. The name(s) listed above are the name(s) as they are given on your contract. Each individual listed above will be required to sign the contract unless a proper Power-of-Attorney is filed with this office.

Please take a few minutes to review your Agricultural Lease with regards to the lease ownership, address, or description of acreage. Any information you can provide us with now relative to any changes or corrections needed to your lease will assist us in preparing your renewal contract. If any changes of ownership are needed; it is recommended that you contact Jenny Valdez as soon as possible at the address below or by calling [REDACTED] in order to receive the necessary forms for the lease transaction.

Please be aware that processing any lease transfer between the dates of June 1, 1999 and September 1, 1999 may jeopardize the opportunity to match any rental offer submitted by a competing applicant.

If you have any questions regarding your lease renewal or need further assistance, please contact Fernando Roybal at [REDACTED].

Sincerely,



Dennis Garcia, Director  
Surface Resources Division

N.M. State Land Office, P. O. Box 1148, Santa Fe, NM 87504-1148



# RECEIPT

OFFICE OF THE COMMISSIONER OF PUBLIC LANDS  
P.O. BOX 1148 • SANTA FE, NEW MEXICO • 87504

LEASE OR CONTRACT NO.	ACCOUNT NO.	SOURCE	DATE PAID	DUE DATE	PENALTY	INTEREST	AMOUNT PAID	BALANCE
GM2791		GRAZING & AGRI.	071494	100194	00	00	91631	

COMMENTS: STATEMENT OF RECEIPT

BATCH NO. J DATE PROCESSED 07/14/94

PAID BY

ZORRO TRUST



THANK YOU

TO BE FILED IN LESSEES FOLDER COMMISSIONER OF PUBLIC LANDS