

AMENDMENT TO
SETTLEMENT AGREEMENT
BETWEEN
THE CITY OF GALLUP
AND PUEBLO OF ZUNI
DATED JANUARY 5, 2017

WHEREAS, a Settlement Agreement ("Settlement Agreement") was entered into between the City of Gallup ("City" or "Gallup") and the Pueblo of Zuni ("Zuni") (collectively the "Parties") on January 5, 2017;

WHEREAS, Paragraph 1 of the Settlement Agreement requires the City to purchase the Krouth Property at a price acceptable to the City and in accordance with the laws of the State of New Mexico;

WHEREAS, Paragraph 2 of the Settlement Agreement requires: 1) the City to place a conservation easement on the Krouth Property within 30 days of the granting of the City's G-22 Application; 2) the Parties to agree on mutually acceptable language for the conservation easement prior to the closing date for Gallup's acquisition of the Krouth Property; and 3) for the City to retain the Krouth Property or transfer it in whole or in part to the New Mexico Department of Game and Fish or another agency of the State of New Mexico mutually acceptable to the Parties, subject to the conservation easement;

WHEREAS, Paragraph 7 of the Settlement Agreement requires Zuni to withdraw its protest to the G-22 Application within 10 days of Gallup's acquisition of the Krouth Property and waive impairment from G-22;

WHEREAS, the Parties have worked together to substantially meet the terms, conditions, intent, and purposes of the Settlement Agreement;

WHEREAS, Gallup purchased the Krouth Property on January 23, 2017, to satisfy its obligation under Paragraph 1 of the Settlement Agreement;

WHEREAS, the Parties have determined that instead of a conservation easement on the Krouth Property, a more suitable instrument would be a Special Warranty Deed with Covenants of Conservation and the Parties have agreed to specific language that is attached hereto as Exhibit No. 1;

WHEREAS, Gallup has not yet resolved whether the Krouth Property can be transferred, in whole or in part, to the New Mexico Department of Game and Fish subject to the Special Warranty Deed with Covenants of Conservation;

WHEREAS, the Parties have determined so long as the Krouth Property is transferred to a public entity, or retained by Gallup, subject to the Special Warranty Deed with Covenants of Conservation, the purposes of the Settlement Agreement will be satisfied; and

WHEREAS, the Parties believe that it is in their mutual interest to revise Paragraphs 2 and 7 of their Settlement Agreement to conform to the Parties' actions to date and disposition of the Krouth Property consistent with the intent of the Settlement Agreement.

NOW, THEREFORE, in exchange for the mutual covenants, agreement and consideration described herein, the Parties amend the Settlement Agreement as follows:

- 1. Paragraph 2 of the Settlement Agreement is replaced by the following:

The Parties have agreed on mutually acceptable language for a Special Warranty Deed with Covenants of Conservation to prevent development of the Krouth Property that may adversely affect the Rio Nutria. See Exhibit No. 1. If the Fourth Amended Application, or any successor Application ("G-22 Application"), is granted in whole or in part, the City will retain the Krouth Property or transfer it in whole or in part to the New Mexico Department of Game and Fish or another public agency mutually acceptable to the Parties, subject to the Special Warranty Deed with Covenants of Conservation as set forth in Exhibit No. 1.

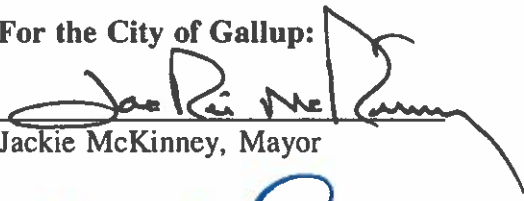
- 2. Paragraph 7 of the Settlement Agreement is replaced by the following:

Zuni agrees to withdraw its protest to the G-22 Application within 10 days of the execution of this Amendment to Settlement Agreement and waive impairment from G-22.

- 3. Except as specifically provided above, this Amendment shall not modify the Settlement Agreement between the City of Gallup and Pueblo of Zuni dated January 5, 2017, the terms of which shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment to Settlement Agreement between the City of Gallup and Pueblo of Zuni.

For the City of Gallup:

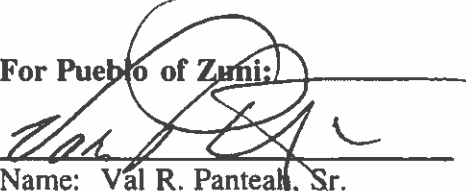

Jackie McKinney, Mayor

03/01/17
Date

ATTEST:


Alfred Abeita II, City Clerk

For Pueblo of Zuni:


Name: Val R. Panteak, Sr.
Title: Governor, Zuni Indian Tribe

2/23/17
Date