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**LEASE AGREEMENT  
NORTHEAST WYOMING REGIONAL AIRPORT BOARD  
AND FLIGHTLINE LFS, INC.  
(FIXED BASE OPERATIONS LEASE)**

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**THIS AGREEMENT** is made and entered into by and between the Northeast Wyoming Regional Airport Board, 2000 Airport Road, Suite 108, Gillette, Wyoming 82716, herein referred to as "The Board"; and Flightline LFS, Inc., 2000 Airport Road, No. 2 D, Gillette, Wyoming 82716, herein referred to as "Lessee". The words " The Board " and "Lessee" as used herein shall also include representatives and agents of the parties.

**In consideration of the mutual covenants contained herein, the parties agree as follows:**

- 1. Purpose.** The Board is the owner of the premises, property and buildings described in "Exhibit A"; as it is attached hereto and incorporated herein by this reference. Lessee is a Wyoming corporation authorized to do business in the State of Wyoming and desires to lease the premises and buildings described in Exhibit "A" from The Board, and to engage in business as a fixed base operator at the Northeast Wyoming Regional Airport. Such business includes use of facilities described in Exhibit A, and to maintain a base of operations at the airport. The parties desire to enter this Lease Agreement ("Agreement) which defines their respective rights, duties and liabilities relating to said premises.
- 2. Description of Premises.** The Board leases to Lessee the premises described in Exhibit "A" ("Premises"); as it is attached hereto and incorporated herein by this reference
- 3. Term.** This lease shall commence the 1st day of July 1, 2021 and continue for a one-year period until June 30, 2022. Lease shall be renewed automatically for succeeding terms of one (1) year, not to exceed five (5) annual terms, upon the same terms and conditions subject only to reasonable negotiated adjustments to rent based upon current economic conditions. Should Lessee elect not to renew this Agreement for any succeeding term, Lessee shall provide written notice of the same to the Board not less than thirty (30) days prior to the expiration of the current term.
- 4. Termination.** Termination of this agreement shall occur by the natural expiration of this Agreement or may be terminated early by written notice one hundred and twenty (120) days prior to the expiration of

the leased term. In the event of early termination Lessee will provide The Board with a transition team. The transition team shall consist of experienced personnel one of whom shall have completed an aviation fuel training course as required by the Federal Aviation Administration Regulation (FAR) Part §139.321 regarding the handling and storing of hazardous substances and material to ease the transition and to not disrupt the fueling services of the Northeast Wyoming Regional Airport. In either event, upon termination, the Lessee shall vacate the Premises and restore facilities and fixtures of the Premises to the same conditions as initially existing; subject only to normal wear and depreciation.

5. **Delivery of Possession of Premises.** Lessee accepts possession of the Premises in “as is” condition at the commencement of the term of this Lease.
  
6. **Rights of Ingress and Egress.** Lessee shall at all times have the right of ingress and egress from the Premises and facilities referred to herein for Lessee, its employees, customers, passengers, guests and other invitees. Such right shall also extend to persons or organizations supplying materials or furnishing services to Lessee; to include vehicles, machinery and equipment reasonably required by such persons or organizations. Rights under this Section are limited, however, by directives and demands of the FAA in furtherance of airport security.
  
7. **Security Deposit.** The Board shall not require the payment of a security deposit by Lessee.
  
8. **Insurance.** Lessee shall provide insurance with limits not less than those set out in the attached Exhibit “B” during the term of this lease. The general liability insurance policy shall name Campbell County as additional insured and shall waive rights of subrogation against Campbell County.
  
9. **Utilities.** Lessee shall pay for all utilities furnished to the Premises for the term of this Lease, including but not necessarily limited to electricity, gas, specialized garbage removal, and telephone service. Utilities billed to The Board will be invoiced to Lessee, in addition to rental requirements.
  
10. **Payment.** Lessee agrees to pay The Board and The Board agrees to accept as rent for the Premises during the term of this Lease rental amounts according to the following schedule:
  - a. For use of all Premises as described and rights, services and privileges granted herein, Lessee

shall pay the sum of Two Thousand Dollars (\$2,000) per month beginning July 1, 2021 and continuing thereafter, on or before the first day of each succeeding month, for a period of twelve (12) months. Any monthly payment not received by the 10th day of the month shall require a late fee of One Hundred Dollars (\$100.00) and an additional One Hundred Dollars (\$100.00) shall accumulate for any succeeding month without payment of the earlier payment missed. In no event shall the Lease payment be less than Two Thousand Dollars (\$2,000) per month.

- b. Lessee shall pay to The Board as rental for the "fuel farm" facilities a flowage fee of \$0.10 for gross fuel delivered to airport facilities (the fuel farm). Flowage will be based upon bill of lading received from vendor and reported no later than thirty (30) days after delivery by the Lessee and the Board shall calculate the flowage fee and submit an invoice to Lessee. All flowage fees shall be paid in full no later than thirty (30) days from the date of the invoice.
- c. In addition, it is specifically agreed by Lessee that it will not charge either tie-down fees or ramp fees for aircraft utilizing the airport. This subparagraph shall not be construed to prohibit Lessee from charging a reasonable and customary fee for use of its facilities and services.

**11. Fuel Farm Maintenance and Self-Service Fuel Station.** The Lessee and The Board agree that the Lessee and The Board shall be responsible for maintenance of the Fuel Farm except as set forth herein and described in Exhibit "C". Specific obligations regarding the Fuel Farm include, but are not limited to, the following:

- a. The Board shall be solely responsible for all operation, maintenance and utility costs associated with the self-fueling station; except as specifically set forth herein and Exhibit "C".
- b. The Board shall be responsible for filing and payment of the registration of the fuel storage tank with the State of Wyoming Department of Environmental Quality and all required inspections.
- c. The Board shall assume all responsibility for liability and security issues pertaining to the use and operation of the self-fueling station.
- d. Lessee shall be responsible for fuel quality issues which may occur from the use of said

facility,

- e. Lessee shall be liable for any fuel spills at the Fuel Farm, while conducting fueling and de-fueling operations of aircraft, and fuel leaks from mobile re-fuelers,
- f. Lessee shall supply fuel to the self-fueling station and assume responsibility for all fuel quality issues.
- g. Lessee shall handle all fuel sales from the use of the self-fueling station and agrees to fuel rates charged at the self-fueling station shall be at a rate of at least \$.50 below the regular rate charged for retail.
- h. Lessee shall escort their customers and customer vehicles (other than aircraft), that are purchasing fuel at the self-fueling station into and off the Premises

**12. Use of Premises.** Lessee covenants and agrees to use said Premises for the purpose of a fixed base service operation and such other business purposes as may be compatible therewith. All activities of Lessee on the Premises are subject to the authorizations and restrictions incorporated in the document designated as Minimum Standards and Guidelines for Campbell County Airport Aeronautical Activities (“Standards”); this document is on file at the offices for The Board. Additional insurance requirements may be included in the Standards and Lessee agrees to comply with any such additional insurance requirements. Lessee agrees that it will provide aircraft fueling services to the public over the term of this Lease, subject only to Acts of God, disablement and matters beyond Lessee’s control. Lessee shall at its own expense comply with all applicable laws, statutes, ordinances and governmental rules, regulations or requirements relating to its special use or occupancy of the premises. The Board shall provide physical facilities which comply with all governmental rules, regulations and requirements. Lessee shall provide The Board with copies of records and monitoring data relating to any facilities subject to Federal regulations specifically including fuel storage information.

Lessee agrees to operate its fixed base service operations, at a minimum, during the following hours:

- a. Monday-Friday            6 a.m. to 8 p.m.
- b. Saturday                    7 a.m. to 5 p.m.
- c. Sunday                        8 a.m. to 5 p.m.

**13. Signage.** Lessee may install signs and advertisements promoting brands and services offered. Signage

installation, implementation, and use are subject to The Board's approval.

**14. Non-Discrimination.** The Premises are to be operated for the use and benefit of the public. To ensure the public is serviced:

- a. Lessee will furnish good, prompt, and efficient services adequate to meet the demands for its service at the Airport.
- b. Lessee will furnish services on a fair, equal, and non-discriminatory basis to all users thereof.

**15. Maintenance and Utilities.** During the term of this Agreement, The Board shall maintain and keep in good repair the airport Premises that are not under the exclusive control of individual Lessee; including but not limited to, the terminal building and control tower, vehicle parking areas, and all roadways, runways, aprons and taxiways, including snow removal. The Board shall also maintain and operate all sewage and water facilities, all electrical and electronic facilities, and all such other appurtenances and services as are now or hereafter connected with operation of the airport.

**16. Restrictions on Use.** Lessee shall not use or permit the premises, or any part thereof, for any purposes other than those related to the purposes set forth in this Agreement. Lessee shall prohibit the use of the Premises for any act, sale, or storage that may be prohibited under standard forms of insurance.

In addition, no use shall be made or permitted that might result in:

- a. waste on the premises,
- b. a public or private nuisance that may disturb the quiet enjoyment of other tenants at the airport,
- c. improper, unlawful, or objectionable use, including sale, storage, preparation of food, alcoholic beverages, or material generating an odor on the Premises excepting odors normal to conducting aircraft service and maintenance.

**17. Abandonment of Premises or Personal Property.** Lessee shall not vacate or abandon the Premises at any time during the term hereof. If Lessee vacates or abandons the Premises or is dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the Premises for more than thirty (30) days shall be deemed abandoned and, at the option of The Board, shall become the property of The Board.

**18. Destruction of Premises.** In the event of a partial destruction of the Premises during the

term of this lease from any cause, The Board shall forthwith repair the same; provided the repairs can be made within ten (10) days under the laws and regulations of applicable governmental authorities. Any partial destruction shall neither annul nor void this Lease, except that Lessee shall be entitled to a proportionate reduction based on the extent to which the making of repairs shall interfere with the business carried on by Lessee in the premises. In case of substantial loss or damage by fire or other natural causes, The Board shall determine in its discretion whether repair or reconstruction is appropriate. If the Premises are to remain un-tenantable, this Lease is then terminated as of the date of loss. Under no circumstances will The Board be liable for loss of income or personal property or effects.

**19. Alterations, Modification, and/or Repairs.** The Board shall repair and maintain the physical structure of the premises. Lessee shall repair and maintain all interior improvements and all damage to the Premises occasioned by Lessee's want of ordinary care or negligence; at Lessee's expense. Lessee shall also repair at its expense, all damage to the Premises occasioned by Lessee's want of ordinary care or negligence. Lessee shall permit The Board and its agents to enter upon the Premises at all reasonable times for purposes of inspection. The Board will provide five (5) days' notice to Lessee before making major repairs or alterations; as may be required.

**20. Janitorial Service.** The Lessee is responsible for janitorial services within the leased Premises and for the common areas located within the General Aviation Services building; at no charge to The Board. Maintenance of the facility shall be in such manner as to be neat in appearance, and Lessee shall not allow accumulation of debris or junk on or around said leased Premises. Janitorial services include, but are not limited to, carpet vacuuming, dusting, window cleaning, cleaning restroom toilets, mopping floors, sinks, and restocking paper product dispensers. Lessee shall provide the equipment necessary to perform such cleaning services. Should Lessee fail to comply with the provisions of this section, The Board may at its own expense, provide such services and any expense will be invoiced back to Lessee in addition to rental requirements. The Board expressly agrees to allow the Lessee to hire janitorial services to be performed by independent contractors; subject to appropriate liability insurance coverage to be provided to cover independent contractors, as set out in Exhibit B.

**21. Premises Improvements.** No significant alterations or improvements to the existing structure on the leased property, either internally or externally, are to be made by Lessee without the express written permission from The Board. Any fixture installed by Lessee, including those

installations made with permission of The Board, which cannot be removed from the improvements or the facility without diminishing the value of the premises, are to become a permanent part of the Premises and will become the property of The Board upon the termination of the lease. Electrical or electronic devices and/or appliances installed by Lessee may remain the property of Lessee and be removed from Premises, so long as Lessee makes any repairs or alterations as necessary to remove the item and place the Premises in the same condition it was prior to Lessee taking possession of this leasehold interest.

22. **Savings Clause.** In the event that the FAA shall fail to approve any conditions or terms of this lease, the parties agree that they shall negotiate between themselves and the FAA to bring the lease into compliance with FAA specifications.

23. **Agreement Amendments.** This Agreement may be amended by written agreement signed by authorized representatives of both parties. Said document shall clearly reference the paragraph or terminology subject to change and identify the "Lease Agreement Northeast Wyoming Regional Airport Board and Flightline LFS, Inc. (Fixed Base Operations Lease)" as the subject matter of the document.

24. **Indemnity.** Lessee shall indemnify, defend and hold The Board harmless on account of any damage or injury to any person or to the goods of any person, arising from the negligent use of the Premises by Lessee, or arising from the failure of the Lessee to keep the Premises in good condition as provided herein. The Board shall not be liable to Lessee for any damage by or from any act or negligence of any third-party owner or occupant of adjoining or contiguous property. Lessee shall indemnify, defend, and hold harmless The Board and their officers, agents, employees, successors, and assignees from any and all claims, lawsuits, losses, and liability arising out of Lessee failure to perform any of Lessee duties and obligations hereunder or in connection with the negligent performance of Lessee duties or obligations, including but not limited to any claims, lawsuits, losses, or liability arising out of Lessee actions.

25. **Governmental Immunity.** The Board does not waive governmental immunity by entering into this Agreement and specifically retains all immunities and defenses available pursuant to

Wyoming Statutes §§ 1-39-101 through -121 and all other applicable law. Designations of venue, choice of law, enforcement actions, and similar provisions should not be construed as a waiver of governmental immunity. The parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to governmental immunity shall be construed in favor of governmental immunity.

**26. Jurisdiction/Venue.** The construction, interpretation, and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties, and the venue shall be the Sixth Judicial District, Campbell County, Wyoming. The parties intend and agree that the City and County do not waive governmental immunity by entering into this Agreement and specifically retain governmental immunity and all defenses available pursuant to Wyoming Statutes §§ 1-39-101 through -121 and all other applicable law.

**27. Third Party Beneficiary.** The parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties, and obligations contained in this Agreement shall operate only between the parties to this Agreement and shall inure solely to the benefit of the parties to this Agreement. The provisions of this Agreement are intended only to assist the parties in determining and performing their obligations under this Agreement.

**28. Assignment and Sublease.** Lessee shall not assign any rights or duties under the Agreement nor sublet the Premises or any part thereof without written consent of The Board. Consent to an assignment, sublease, or occupation or use by any other person shall not be consent to any subsequent assignment, sublease, or occupation or use by another person. Any assignment or subletting without consent shall be void. Prior to granting consent, The Board may require Lessee to provide evidence of the financial responsibility of the intended assignee or sub lessee.

Lessee may not assign this Lease or any balance of the term thereof to any purchaser including a purchaser at a foreclosure sale without the prior written consent of The Board. Such consent may be



granted if such purchase or assignee shall meet the qualifications then established by The Board for the leasing of similar facilities.

This Section does not restrict the use of the Premises for keeping aircraft in exchange for contractual consideration or otherwise.

**29. Assignment to Obtain Funds for a Fixed Base Operation.** Should Lessee borrow, from a legitimate lending institution, funds necessary for the operation and maintenance of a fixed base operation on the Premises, The Board agrees that this Agreement and interest of Lessee herein may be assigned to said lender as security for such indebtedness. The Board hereby covenants and agrees that upon receipt of a copy of any mortgage, pledge, or other security agreement or other instrument given or granted by Lessee to any lending institution or agency, that it will consent to the assignment of this Lease to such lender or lenders for the purposes of such security; that it shall promptly notify such lenders of any default which may thereafter occur or which may be default by Lessee in any covenant or condition of this Lease, and if such default shall also cause a default in any covenant or condition of said mortgage, pledge or security agreement granted by Lessee to such lenders, then any such lender shall have ninety (90) days thereafter within which to cure such default or with which to foreclose upon and sell such property and improvements at legal foreclosure sale.

**30. Breach or Default.** In addition to the default and forfeiture for nonpayment of rent set out in Section Ten of this Agreement. Lessee will be considered in default and to have breached this Agreement if Lessee fails to perform or fulfill any of the obligations or conditions of this Agreement and such failure continues for a period of thirty (30) days after receipt of written notice from The Board of said breach. Lessee is also in default if Lessee declares insolvency or reorganizes debt under any provisions of the United States Bankruptcy Law. The Board shall be found in default and Lessee may terminate this Agreement, if The Board fails to perform substantially under the terms of this Agreement and such failure continues for a period of thirty (30) days after receipt of written notice from Lessee regarding said failure.

**31. Effect of Breach.** In the event of a breach or default by Lessee, the rights of The Board shall

be as follows:

- a. The Board shall have the right to cancel or terminate this Lease, as well as all of the right, title and interest of Lessee hereunder, by giving Lessee thirty (30) days' written notice of the cancellation and/or termination of this Agreement. Upon expiration of the time fixed said the notice, this Lease and the right, title and interest of Lessee hereunder will terminate, and The Board may re-enter and take possession of personal property and/or remove or store property of the Lessee. Storage of property shall be at Lessee's expense.
- b. Upon termination, The Board may recover from Lessee all damages proximately resulting from the breach, including but not limited to, costs of recovering the Premises and the worth of the monetary balance of this Agreement; measured by rental value of the Premises for the remainder of the lease term, sum of which would become immediately due The Board from Lessee. The amount recovered under this Paragraph is to be reduced or refunded by net amounts received by The Board in re-letting. The net amount is understood to mean the payments made by a substitute Lessee less amounts necessary for repair, physical alterations and expenses associated with the re-letting process.
- c. Upon termination, The Board may apply the rent received from re-letting the Premises to:
  - i. reduce Lessee's indebtedness to The Board under this Agreement; not including indebtedness for rent;
  - ii. pay for expenses of the re-letting and alterations and any needed repairs;
  - iii. rent and/or late payment charges due under this Lease, and
  - iv. payment of future rent entitlement under this Lease as it becomes due.

**32. Remedies of The Board Cumulative.** The remedies herein given to The Board may be cumulative and the exercise of any one remedy by The Board shall not be to the exclusion of any other remedy available under law.

**33. Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given when personally delivered or mailed by United States mail, return receipt requested, postage prepaid, addressed to the party for whom it is intended Both parties are obligated to provide the other with up-to-date contact information. Any changes to

contact information must be provided in writing to the other party ten (10) days' before said information is to change. Notice provided by hand delivery is effective when such delivery is admitted or sufficiently documented.

**34. Non-Competition.** The Board shall not engage directly in any of the activities as set forth in the Campbell County Airport Minimum Standards for a Fixed Base Operator, except The Board may provide hangar storage or ground space for based aircraft. The Board will make a good faith effort not to enter into any agreement which grants other providers of aeronautical services similar to those provided by a Fixed Base Operator at the Northeast Wyoming Regional Airport with more favorable terms than are provided herein.

**35. Abandonment of Airport.** The Board may in its sole discretion, during the term of this Agreement, abandon said airport at its present location or determine new construction is needed to replace any part of the Premises. Should these events occur, The Board will offer to Lessee an Agreement substantially similar term, covenants, conditions and obligations, upon equal and/or comparable facilities on or within this airport. New facilities may include any airport established by The Board within the same service area within Campbell County, Wyoming.

**36. Severability.** This agreement shall be construed under the laws of the State of Wyoming. Any covenant, condition or provision herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this agreement, but such deletion shall in no way affect any other covenant, condition or provision herein contained so long as such deletion does not materially prejudice The Board or Lessee in their respective rights and obligations contained in the valid covenants, conditions or provisions of this agreement.

**37. Waiver.** The waiver of any breach of any term or condition in this Agreement shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.

38. **Authorities.** This agreement represents the entire agreement between the parties, and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties pertaining to the subject matter of this agreement. Any modification to this agreement must be in writing.

39. **Signatures.** The parties to this Agreement, either personally or through their duly authorized representatives, have executed this Agreement on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement.

The effective date of this Agreement is the date of the signature last affixed to this page.

**Flightline LFS, Inc.**

**Northeast Wyoming Regional Airport**

BY: \_\_\_\_\_  
Deborah G. Steward, Corporate Secretary  
Flightline LFS, Inc.; Lessee  
Date: \_\_\_\_\_

BY: \_\_\_\_\_  
Luke Malyurek, President  
Northeast Wyoming Regional Airport; The Board  
Date: \_\_\_\_\_

COUNTY OF CAMPBELL     )  
  )     §  
STATE OF WYOMING        )

The foregoing Lease Agreement was acknowledged before me by Luke Malyurek (name), as President (title) of Northeast Wyoming Regional Airport on this \_\_\_\_\_ day of June 2021.

\_\_\_\_\_  
Notarial Officer

My commission expires:

COUNTY OF CAMPBELL     )  
  )     §  
STATE OF WYOMING        )

The foregoing Lease Agreement was acknowledged before me by Deborah G. Steward (name), as Corporate Secretary (title) of Flightline LFS, Inc. on this \_\_\_\_\_ day of June 2021.

\_\_\_\_\_  
Notarial Officer

My commission expires: