

Crown Pastoral Land Tenure Review

Lease name : GLEN LYON

Lease number : PT 007

Due Diligence Report (including Status Report) - Part 2

This report and attachments results from a pre-Tenure Review assessment of the pastoral lease for the purpose of confirming land available for Tenure Review and any issues, rights or obligations attaching to it. The information is gathered from files and other sources available to the LINZ contractor.

Part of the information relates to research on the status of the land, resulting in a Status Report that is signed off by a LINZ approving officer. The remainder of the information is not analysed for relevancy or possible action until required, and LINZ does not guarantee its accuracy or completeness as presented.

The report attached is released under the Official Information Act 1982.

April 09

APPENDIX 1

529/12
LAW TRANSFER ACT

Issued as a Renewal of [sic in Exchange for] Lease
Pastoral License No. 347
registered in Vol. [] fol. []

NEW ZEALAND
CANTERBURY
LAND DISTRICT

Entered in the Register-book, Vol. 547 fol. 529
the 21st day of November 1951

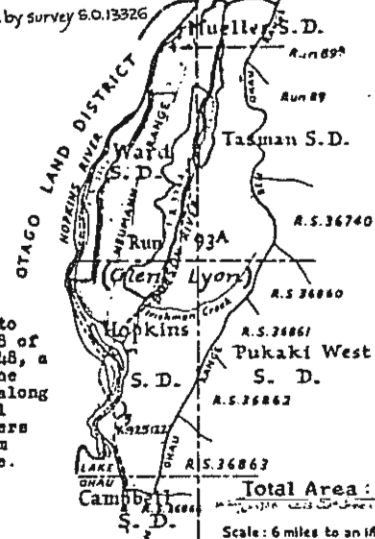


Pastoral Lease of Pastoral Land under the Land Act, 1948
P. No. 7.



This Deed, made the 1st day of March, one thousand nine hundred and fifty-one, between HIS MAJESTY THE KING (who, with his heirs and successors, is hereinafter referred to as "the Lessor"), of the one part, and OLE LYON LIMITED a duly incorporated company having its registered office at Dunedin in the Dominion of New Zealand, (who, with his executors, administrators, and permitted assigns, is hereinafter referred to as "the Lessee"), of the other part, WITNESSETH that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained or implied and on the part of the Lessee to be paid, observed, and performed, the Lessor doth hereby demise and lease unto the Lessee All those pieces or parcels of land containing by admeasurement 103,200 acres

Metric Area 34881.2921 ha.
Area reduced to 31800.0000 ha. by survey S.O. 13326



NOTE: Pursuant to Section 58 of the Land Act, 1948, a strip of land one chain in width along the banks of all streams and rivers is excluded from the within lease.

METRIC AREA

Total Area: 103,200 acs. (103,200 acs. by S.O. 13326)
Scale: 6 miles to an inch
by C/O 523684: 86,200 acs. and Less 9,25122: 6,132 acs. 1st day of July in each year in the same manner as rent.

situated in the Land District of Canterbury, and being Run 93A (Glen Lyon) situated in Ward, Hopkins, Campbell, Mueller, Tasman and Pukaki West Survey Districts

(hereinafter referred to as "the said land"), as the same is more particularly delineated in the plan drawn hereon and therein coloured red in outline; together with the rights, easements, and appurtenances thereto belonging. TO HOLD the said premises intended to be hereby demised unto the Lessee for the term of thirty-three years, commencing on the first day of July, one thousand nine hundred and fifty-one, together with the period between the date of this lease and the aforesaid first day of July, 1951

Yielding and paying therefor during the said term unto the Department of Lands and Survey at the Principal Land Office for the said Land District of Canterbury the clear annual rent of Four hundred and thirty pounds (£430. 0. 0) payable without demand by equal half-yearly payments in advance on the 1st day of January and the 1st day of July in each and every year during the said term. And also paying in respect of the improvements specified in the Schedule hereto the sum of (£) by a deposit of ()

(the receipt of which sum is hereby acknowledged) and thereafter () half-yearly instalments of () pounds () shillings () pence (£ : :) on the 1st day of January and the 1st day of July in each year in the same manner as rent.

- AND the Lessee doth hereby covenant with the Lessor as follows, that is to say:
1. THAT the Lessee will fully and punctually pay the rent hereinafter reserved at the times and in the manner hereinafter named in that behalf; and also will pay and discharge all rates, taxes, assessments, and outgoings whatsoever that now are or hereafter may be assessed, levied, or payable in respect of the said land or any part or parts thereof during the said term.
 2. THAT the Lessee will within one year after the date of this lease take up his residence on the said land, and thereafter throughout the term of the lease will reside continuously on the said land.
 3. THAT the Lessee will hold and use the said land *bona fide* for his own use and benefit and will not transfer, assign, sublet, mortgage, charge, or part with possession of the said land or any part thereof without the previous approval of the Land Settlement Board: Provided that such approval will not be necessary in the case of a mortgage to the Crown or to a Department of State.
 4. THAT the Lessee will at all times farm the said land diligently and in a husbandlike manner according to the rules of good husbandry and will not in any way commit waste.
 5. THAT the Lessee will throughout the term of his lease to the satisfaction of the Commissioner of Crown Lands for the Land District of Canterbury (hereinafter referred to as "the Commissioner") cut and trim all live fences and hedges, clear and keep clear the said land of all noxious weeds, and will comply strictly with the provisions of the Noxious Weeds Act, 1928.
 6. THAT the Lessee will keep the said land free from wild animals, rabbits, and other vermin, and generally comply with the provisions of the Rabbit Nuisance Act, 1928.
 7. THAT the Lessee will clean and clear from weeds and keep open all creeks, drains, ditches, and watercourses upon the said land, including any drains or ditches which may be constructed by the Commissioner after the commencement of the term of the lease; and will not at any time without the prior consent of the Commissioner alter the channel of any such creek or watercourse or stop or divert the water flowing therein.
 8. THAT the Lessee will at all times during the said term repair and maintain and keep in good substantial repair, order, and condition all improvements belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land, and will not, without the prior written consent of the Commissioner, pull down or remove them or any part of them.
 9. THAT the Lessee will insure all buildings belonging to the Crown (including those specified in the Schedule hereto which are being purchased by the Lessee) now or hereafter erected on the said land to their full insurable value in the name of the Commissioner in some insurance office approved by the Commissioner and will pay all premiums falling due under every such insurance policy and deposit with the Commissioner every such policy and, not later than the forenoon of the day on which any such premium becomes payable, the receipt for that premium.
 10. THAT the Lessee will not throughout the term of the lease without the prior consent of the Commissioner, which consent may be given on such terms and conditions (including the payment of royalty) as the Commissioner thinks fit, fell, sell, or remove any timber, tree, or bush growing, standing, or lying on the said land, and that he will throughout the term of the lease prevent the destruction of any such timber, tree, or bush unless the Commissioner otherwise approves: Provided that the consent of the Commissioner as aforesaid shall not be necessary where any such timber or tree is required for any agricultural, pastoral, household, roadmaking, or building purposes on the said land nor where the timber or tree has been planted by the Lessee.
 11. THAT the Lessee shall not, except for the purpose of complying with any of the provisions of the Noxious Weeds Act, 1928, burn any tussock, scrub, fern, or grass on the said land, nor permit any tussock, scrub, fern, or grass on the said land to be burned, unless in either case he shall have obtained the prior consent in writing of the Commissioner, which consent may be given subject to such terms and conditions as the Commissioner may deem necessary.
 12. THAT officers and employees of the Department of Internal Affairs shall at all times have a right of ingress, egress, and regress over the land comprised in this lease for the purpose of determining whether such land or any adjoining land is infested with deer, wild goats, wild pigs, opossums, or other animals which the said Department is charged with the duty of exterminating or controlling, or for the purpose of destroying any such animals: Provided that such officers and employees in the performance of the said duties shall at all times avoid undue disturbance of the Lessee's stock.
 13. THAT the Lessee shall exercise due care in stocking the said land and shall not overstock.

- AND it is hereby agreed and declared by and between the Lessor and the Lessee:—
- (a) THAT the Lessee shall have the exclusive right of pasturage over the said land, but shall have no right to the soil.
 - (b) THAT the Lessee shall have no right, title, or claim whatsoever to any minerals (within the meaning of the Land Act, 1918) on or under the surface of the soil of the said land, and all such minerals are reserved to His Majesty together with a free right of way over the said land in favour of the Commissioner or of any person authorized by him and of all persons lawfully engaged in the working, extraction, or removal of any mineral on or under the surface of the said land or any adjacent land of the Crown, subject to the payment to the Lessee of compensation for all damage done to improvements on the said land belonging to the Lessee in the working, extraction, or removal of any such minerals: Provided that there shall be no right of way over, or right to work, extract, or remove any mineral from, any part of the said land which is for the time being under crop or used or situated within 50 yards of a yard, garden, orchard, vineyard, nursery, or plantation, or within 100 yards of any building or dwelling-house: Provided also that the Lessee may, with the prior consent in writing of the Commissioner, which consent may be given subject to such conditions as the Commissioner thinks fit, use any such minerals for any agricultural, pastoral, household, roadmaking, or building purposes on the said land, but not otherwise.
 - (c) THAT upon the expiration by effluxion of time of the term hereby granted and thereafter at the expiration of each succeeding term to be granted to the Lessee the outgoing Lessee shall have a right to obtain, in accordance with the provisions of section 65 (3) of the Land Act, 1918, a new lease of the land hereby leased at a rent to be determined in the manner prescribed by Part VIII of the said Act for a term of thirty-three years computed from the expiration of the term hereby granted and subject to the same covenants and provisions as this lease, including this present provision for the renewal thereof and all provisions ancillary or in relation thereto.

529/12

Variation of Mortgage 357816/1-
23.1.1985 at 10.45am.

E. Fraser.
for A.L.R.

No. 838745/1 Variation of the within Lease
and extension of the term for 33 years
commencing on 1.7.1984 - 20.11.1989 at
11.47am

W. Maber.
for A.L.R.

Mortgage 843822/1 to Bank of New Zealand
- 14.12.1989 at 1.55pm

WITHDRAWN
17/10/96
X CAVEAT A80718/1 BY PACRIM FOREST PRODUCTS
(NZ) LIMITED - 10.11.1993 at 2.59pm
ALR

[Signature]
for A.L.R.

529/12

- (4) THAT the Lessee shall have no right of acquiring the fee-simple of the said land.
- (5) THAT the Lessee may, with the prior consent in writing of the Commissioner given subject to such conditions as the Commissioner may deem necessary,--
 - (i) Cultivate any portion of the said land for the purpose of growing winter feed for the stock depastured thereon;
 - (ii) Crop such area of the said land as is sufficient for the use of himself and family and his employees;
 - (iii) Plough and sow in grass any portion of the said land;
 - (iv) Clear any portion of the said land by felling and burning bush or scrub and sow the land so cleared in grain;
 - (v) Surface sow in grass any portion of the said land;

Provided that the lessee shall, on the termination of the lease, leave the whole of the area that has been ploughed or cultivated properly laid down in good permanent clovers and grasses to the satisfaction of the Commissioner.

- (6) THAT the Lessee shall... and for the purpose of this clause it is hereby mutually declared and agreed between the Land Settlement Board and the Lessee that the number of sheep to be depastured on the said land during the next month shall not, without the prior consent of the Commissioner, exceed...
 - (7) THAT if the Lessee shall leave New Zealand or abandon the said land or if he cannot be found or if he shall neglect or fail or refuse to comply with the covenants and conditions herein expressed or implied to the satisfaction of the Land Settlement Board or the Commissioner, as the case may be, or make default for not less than two months in the payment of rent, water levy, or other payments due to the Lessor, then the Land Settlement Board may, subject to the provisions of section 116 of the Land Act, 1916, declare this lease to be forfeit, and that without discharging or releasing the Lessee from liability for rent due or accruing due or for any prior breach of any covenant or condition of the lease.
 - (8) THAT these presents are intended to take effect as a pastoral lease under the Land Act, 1916, and the provisions of the said Act and of the regulations made thereunder applicable to such leases shall be binding in all respects upon the parties hereto in the same manner as if such provisions had been fully set out herein.

SCHEDULE

IMPROVEMENTS BELONGING TO THE CROWN AND BEING PURCHASED BY THE LESSEE

- (1) THAT pursuant to Section 8 of the Coal Mines Amendment Act, 1950, this lease is subject to the reservation to the lessor of all coal existing on or under the surface of the land, and subject also to the reservation to the lessor of the power to grant coal mining rights over the land under Part I of the Coal Mines Act, 1925.

In witness whereof the Commissioner of Crown Lands for the Land District of Canterbury, on behalf of the Lessor, hath hereunto set his hand, and these presents have also been executed by the said Lessee.

Signed by the said Commissioner, on behalf of the Lessor, in the presence of--

Witness: W. H. Taylor
 Occupation: Land Office Clerk
 Address: Christchurch

[Signature]
 Assistant Commissioner of Crown Lands.

Signed by the above named as Lessee, in the presence of--

Witness: W. O. Buckley
 Occupation: Public Accountant
 Address: 129 Port St. Christchurch

The Common Seal of Glen Lyon Limited was hereto affixed this... day of... 1951.



[Signature]
 Lessee.

(2) THAT the lessee shall be deemed not to have failed to use due care in stocking, or to have overstocked so long as the number of sheep depastured on the said land does not exceed 7920 (being an increase of ten per cent on the carrying capacity on which is based the rent hereinbefore reserved) and the number of cattle does not exceed 900 but the Commissioner may by notice in writing permit the lessee to depasture thereon any greater number should he deem it advisable or expedient so to do. Any permission so granted shall be subject to revocation or amendment by the Commissioner at any time and particularly in the event of a transfer. Any variation consented to by the Commissioner shall not affect the rent payable hereunder.

441851 Certificate of Alteration varying terms of within lease entered 17 July 1951 at 2.21 p.m.
 587118 Surrender of the within lease as a part contained green in plan enclosed hereto (18150 acres) entered 27/10/1960 at 9.25 a.m.
 * CT 529/213

Gazette Notice 925122 proclaiming Part Run 315 (6a. 23p.) as road which shall vest in The Chairman Councillors and Inhabitants of the County of MacKenzie - 24/8/1973 at 1.34 p.m.

587424 Change of description of the within land to Run 315 (6a. 23p.) produced this 17th day of August 1962 at 10.15 a.m.

No. 59263/1 Certificate of Alteration decreasing the area of the within lease to 31800 hectares by redefinition - 18.11.1975 at 9.27 a.m.

587627 Change of appellation whereby the description of the within land is changed to Run 315 (6a. 23p.) produced this 17th day of August 1962 at 10.15 a.m.

Mortgage 357816/1 to The Rural Banking and Finance Corporation - 1-12-1981 at 10.11a.m.

611509 Certificate of Alteration varying terms of within lease entered 24/10/1963 at 9.25 a.m.

Mortgage 463131/1 to The Rural Banking and Finance Corporation - 1-12-1981 at 10.43 a.m.

587627 Change of appellation whereby the description of the within land is changed to Run 315 (6a. 23p.) produced this 17th day of August 1962 at 10.15 a.m.

THIS REPRODUCTION (ON A REDUCED SCALE) CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL REGISTER FOR THE PURPOSES OF SECTION 215A LAND TRANSFER ACT 1952.

[Signature]
 A.L.R.

APPENDIX 2

L. & S.—F. RELEASED UNDER THE OFFICIAL INFORMATION ACT AND SURVEY

IN REPLY PLEASE REFER TO

OUR FILE: P. 7

YOUR FILE: P. 7

From L & S TIMARU



Date: 1 November 1985

To CCL CHRISTCHURCH

Ref.: Ours/Yours of

Person to consult:

SUBJECT: LAND RETIRED BY RUN PLAN : GLEN LYON STATION LIMITED

In my recent report on the above property for lease renewal, I indicated that under run plan, there was no adjustment to be made to boundaries from any such plans.

With the initiation of some new plan proposals recently, I became aware that there had been a retirement proposal done in the early 1970s. Perusal of our file revealed nothing whatsoever and I therefore followed up with the Catchment Commission to obtain details.

... These have just come to hand (copy enclosed) and reveal that an area of 9900 acres approximately were to be retired and taken under a POL with the possibility of cattle grazing after a 10 year spell. This inclusion appears to have slipped this Department's notice and I am not aware of either any action being taken in this respect, or that field staff were kept aware of this agreement. Certainly when it came to discussions for lease renewal, I would have activated the surrender had I known.

I am aware that you have not yet sent out a letter for lease renewal for Glen Lyon and whilst it is rather the last minute, it may be that you would care to include this action in the renewal letter.

I would suggest that a better arrangement is for this to be taken into account with the proposed rationalisation with the Forest Service (your memo - undated received 6 September 1985). I have coordinated a meeting between NZFS and a representative of the Otago Land District and will be reporting in due course. I hope in the near future to meet with the lessees of both Glen Lyon and Huxley to discuss, in general terms, exchanges.

It may be that you would care to discuss the phrasing of any paragraph associated with the above proposals in the lease renewal letter with me. In the interim I will proceed along the course outlined above and report in due course.

P.R. Washbourn
Senior Field Officer

... Enc.

*Agreed to see in light of your note at folio 694
Lease renewal submission at folio 686 still with H.O. - reminder sent at folio 694. Should we now be submitting an additional recommendation to H.O. as part of lease renewal to cover this situation*

*B
5/11*

No. This issue is tied in with the rationalisation ie. post-renewal.

28/11/85.

Glen Lyon. - Waitaki Catchment Commission - R. P. 36.

The first indication on file of a run plan agreement is the proposal below folio 507 although copies of applications for subsidies for conservation fencing and cattle proof fencing in advance of a run plan appear at folios 452 & 480. The subsidy applied for was agreed to by the then C.P.L.O.

Folio 528. - F70 report on proposed run plan and increase in cattle numbers - no mention of retirement or issue of P.O.L.

Folio 570 - SFO report on 2:3 subsidy on 200 chains of fencing (additional conservation fencing) as an amendment to Run plan

Folio 571. report to H.O. indicating and recommending Dept give support to proposal covered at folio 570.

Folio 583. Submission for application for stock increase. Under heading Run plan it is stated that no move by lessees to accept full run plan at this stage (19/4/1972)

Folio 627. pasture inspection report - mentions difficulty of excluding Class VII & VIII country amounting to 75% of property

Folio 653. SFO report dated 20/5/83. in which SFO believes no run plan has been drawn up!

NB. No other reference made on this file to a soil conservation plan until raised by SFO Tommas at folio 699. No mention of any Commission approval or comment on ~~23/4/75~~ Waitaki Catchment Commission file R.P. 36.

APPENDIX 3

Chief Draughting Officer Request For Work To ^{STATUTORY} Division

FILE: P.7 fol. 721 Warrant No. 108

FOR DRAUGHTING USE

UNDERLINE SPECIFIC REQUIREMENTS

- 1 DIAGRAMS Freehold | Lease | Licence | Court Order
- 2 GENERAL TRACINGS No. of prints required
- 3 LOCALITY MAPS No. required
- 4 LAND DEVELOPMENT TRACINGS Drawn | Updated
- 5 DESCRIPTIONS Certified | Verified | Technical | Draft
- 6 PLANS Compiled | From Field Notes | Redrawn
- 7 AMENDING of Plans | Plans touched up for Microfilm
- 8 CHANGE OF APPELLATION
- 9 COLOURING Photostats | Prints | Maps No.
- 10 SALE PLANS
- 11 AERIAL MOSAIC Photostats | Photograph No.....
- 12 TRANSPARENCIES No. of prints required
- 13 OTHER WORK Describe requirement in Remarks Panel.

PURPOSE OF JOB Renewal of a Pastoral lease

DESCRIPTION

AREA 31800.0000 hectares

Part Run 315 "Glen Lyon" and Rural Section 39779 situated in Ward, Hopkins, Campbell, Mueller, Tasman and Pukaki West Survey Districts.
S.O.s. 11288 & 13326

REMARKS

Financial Code : 66100485

RC 39779	0.4046 ha
" " "	31800.0000 ha
	31800.4046 ha

Requested by Section, Countersigned [Signature] Divisional Officer/
~~EOLM~~

NB URGENT Requests must be countersigned by EOLM

FOR DRAUGHTING USE ONLY

31800-4046 ha being Part Run 315 "Glen Lyon" and Rural Section 39779 situated in Ward, Hopkins, Campbell, Mueller, Tasman and Pukaki West and Strathely Survey Districts (S.O.s. 11288 & 13326)

Date entered in work book job no.

For Return Of Work [Signature] Division

[Signature] 18/11/86
Divisional Draughting Officer

L/A.

L/A

To enable lease to issue on 1.7.83, it will not be necessary for any survey or plan work to be undertaken. However care should be exercised to see that R.S. 39779 is included in the ~~plan~~ ^{lease} with the balance of Pt Plan 315. They are depicted on 2 plans, SO 11288 (RS 39779) and Pt Plan 315 (SO 13326)

See 58 to be included in new lease.

Jarvis
c/s

8.7.83

Area on lease is	RS 39779	-	0.40468	
	Part Plan 315	-	31800.00000	SO 11288
	Total Area	=	31800.40468 ha	

APPENDIX 4

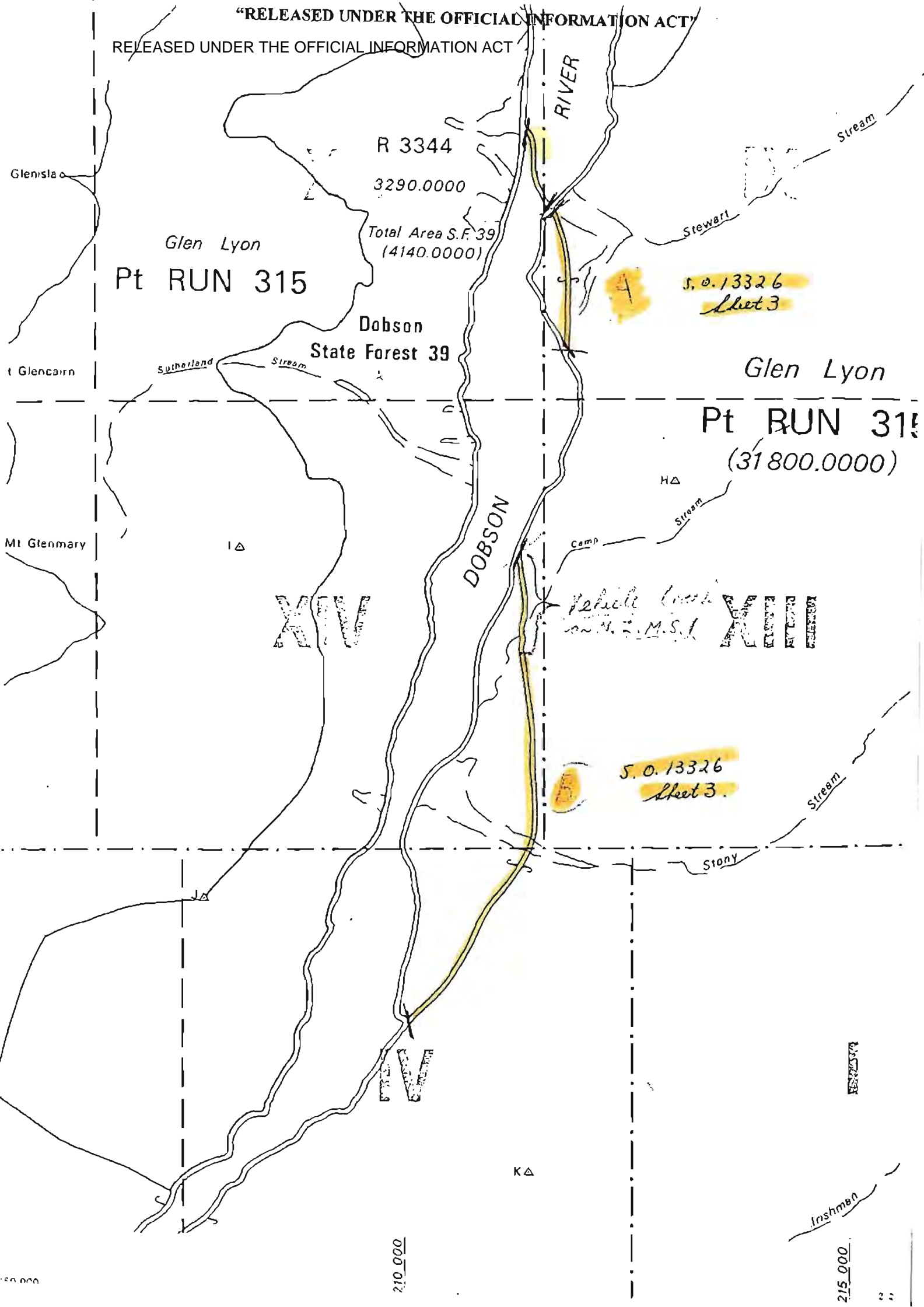
RELEASED UNDER THE OFFICIAL INFORMATION ACT

To: *Chief Surveyor*REPORT ON DEFINITION, PASTORAL LEASE 529/12
PT. RUN 315 and R.S. 39779.

1. R.S. 39779 is defined by survey on S.O. 11288. This land was defined for a special lease to H. Wigley for a holiday cottage, but the deal fell through - see fo. 588.
2. Pt. Run 315 appears to be acceptably defined for renewal of lease by S.O. 13326, subject to any deletions resulting from fo. 653. If any deletions are to be made, and a new plan produced, consideration could now be given to including R.S. 39779 back in the Run.

South bdy. of Run is surveyed on S.O. 5620.
3. No part of the formed Glen Lyon Road has been defined by survey except the ends of the deviation on S.O. 11236, & the E & W. bdys of R.S. 39779 on S.O. 11288.
4. Regarding fo. 653, para. (b) 1:- F.O. appears to be referring to the deviation shown on S.O. 11236, however the formed road as shown on N.Z.M.S. 1 is also legal.
5. Fo. 653, para (c) appears to be including all those 2 chain roads along the banks of the Hopkins & Dabeon Rivers.
The unformed legal roads other than along the rivers, which could be transferred & incorporated are shown coloured brown on the prints below.
6. Lease is subject to sec. 58, Land Act, 1948.

RELEASED UNDER THE OFFICIAL INFORMATION ACT



R 3344

3290.0000

Total Area S.F. 39
(4140.0000)

Glen Lyon
Pt RUN 315

Dobson
State Forest 39

S.O. 13326
Sheet 3

Glen Lyon

Pt RUN 315
(31800.0000)

XIV

Vehicle track
on N.S.M.S.I.

XIII

S.O. 13326
Sheet 3

210_000

215_000

orge
528. M
02

S.O. 13326
Sheet 2.

HOPKINS

RIVER

State Forest
Pt 3341

Public Recreation
Area

Glen L
PT RUN
31800.C

North
Branch
Branch
South

Ram Hill
△R

Huxley
Sub 3

△O (Destroyed)

△Q2

1294.9941

2
78.3279

S.O. 11236

S.O. 13326
Sheet 2

△T
5
829.6056

4
97.1246

Maitland
△

3
1416400
△S

W△

Stream

2
323.7485

1
256.9753

C.L.

ROAD

△QL

RELEASED UNDER THE OFFICIAL INFORMATION ACT

686

HEAD OFFICE COMMITTEE

LAND SETTLEMENT BOARD

RENEWAL OF PASTORAL LEASE

FILES: H.O. 8/8/5
D.O. P 7

CASE NO: 85/

CANTERBURY LAND DISTRICT

LESSEE

GLEN LYON LIMITED a duly incorporated company having its registered office at Dunedin.

LAND HELD IN LEASE

Part Run 315 (Glen Lyon) and Rural Section 39779 situated in Ward, Hopkins, Campbell, Mueller, Tasman and Pukaki West Survey Districts.

Area: 31800.40468 hectares.

NAME OF PASTORAL RUN

"Glen Lyon".

LOCATION

On Glen Lyon Road, 128.7 kilometres (approximately) from Fairlie.

PARTICULARS OF TENURE

Tenure: Pastoral Lease
Term: 33 years from 1 July 1951
Expires: 30 June 1984
Annual Rental: \$760.00

Stock Limit in Lease:

7220 sheep (including not more than 2500 breeding ewes) and 700 cattle or 7920 sheep and 900 cattle on the Run and Reserves 3344 and 3345 (Forestry lease) (set in 1963).

Present Stock Increase: Approved 11 April 1980.

Pastoral Lease only: 9800 sheep (including 3600 breeding ewes)
1300 cattle (including 900 breeding cows)
Combined Pastoral Lease and NZFS lease: 10,100 sheep (including 3900 breeding ewes)
1400 cattle (including 1000 breeding cows)

CROWN IMPROVEMENTS

Nil.

OTHER LAND HELD

Company leases grassed valley floors of "State forest" from New Zealand Forest Service.

PLANS

An illustrative plan is attached.

GENERAL DESCRIPTION

Lying at the head of Lake Ohau, this property comprises the easier valley floors of the Dobson River together with the steep valley sides on either side rising to over 2500 metres above sea level on the Ben Ohaus to the east and the Newmann Range to the west. Enclosed by this lease land is an area of State forest, some of which is in bush but the balance, in native pasture, is leased from the NZFS and run in conjunction with the pastoral lease.

The property has a sizeable area of easier country adjacent and east of the homestead on which development is slowly taking place. This area contains the bulk of the potential of the run. The Dobson River valley is some 40 kms to the top and with the Forestry lease land provides excellent summer grazing. Snow is not generally a problem on Glen Lyon but it does get it occasionally and it is generally a management slip on which stock losses, in times of heavy snow, can be attributed.

The best recreational access in this valley is on the other side of Lake Ohau, but the Dobson valley does provide some outlet for tramping, climbing etc.

LAND USE CAPABILITY

<u>Class</u>	<u>Area (approx.)</u>
Class IV	1070 ha
Class V	815 ha
Class VI	4420 ha
Class VII	3705 ha
Class VIII	<u>21790 ha</u>
Total Area	31800 ha

VALUATION

Roll Value as at 1 July 1984.

Improvements	\$ 298,000 (includes \$20,000 for trees)
Land Value	<u>\$1,382,000</u>
Capital Value	<u>\$1,680,000</u>

Valuation for renewal as at 9/10 March 1982 by District Valuer R.M. Donaldson, Timaru.

Improvements	\$ 624,500
LEI	<u>\$1,031,500</u>
Capital Value	<u>\$1,656,000</u>

FIELD OFFICER'S REPORT (Senior Field Officer Washbourn)

Variations to the present lease:

1. Basic Stock Limitation. No change necessary.
2. Boundary Adjustments
 - (a) Run Plan. Nil.
 - (b) Land Unsuitable for Grazing. As can be seen from the Land Use Capability above, a large proportion of this property is Class VIII with some Class VIIe as well. The lessee was approached (see below) to surrender

this land. Much of it is snow and ice, the balance is certainly under snow and ice during the winter months. The south-western end of the property does in fact have a fence at around the 1000 metre level but stock are in fact grazed above this at present. On other parts of the lease, stock are also put out above the bush line (State forest) and presumably obtain pickings from the sparse vegetation. Certainly, in all but the south-eastern end, it is inconceivable that anyone should have a grazing right over land with, in reality, no grazing value. All the land above 1000 m on the Newmann Range and that land above 1000 m or the existing fence from Irishman Stream should not be part of the lease. A lot of the balance of the land above 1000 m in the south-east corner should likewise be not part of the lease although it is acknowledged that there is some grazing land within this area.

(c) Public Works. Nil.

(d) Other.

- (i) A number of paper roads (see attached plan) are considered unnecessary and could be closed and incorporated in the lease.
- (ii) As mentioned above, this lease has an enclave of State forest and much of this State forest is in fact grassed valley floor. Under the NZFS/L&S rationalisation exercise, these areas were highlighted internally as areas which should be excluded from State forest and included in the pastoral lease. Thus the areas indicated on the attached plan should, if possible, be negotiated from the NZFS and incorporated in the lease. While not of significant importance to this lease, similar areas on the adjacent Huxley Station lease, run by in effect, the same lessees, contains areas of grassed State forest of critical importance to that run. It would be advisable to approach the NZFS regarding both these areas. See comments below under lessee's comments.
- (iii) The lessee has approached the department with the view to surrendering an area of land from the "Glen Lyon" lease so that it can be added to the adjoining pastoral lease "Huxley Gorge". At present "Huxley Gorge" is regarded as only sub-economic and the lessee feels that the area of land between the Dobson and Hopkins Rivers from the Bush of Australia (the present boundary) to the creek running from the Glen Lyon cattleyards to the junction of the two rivers and the islands on the Hopkins Riverbed would strengthen "Huxley Gorge" into a much better unit. The lessee is contemplating rationalising his land holdings amongst members of his family and he is keen to strengthen Huxley Gorge Station of which he is a major shareholder. He considers Huxley Gorge to be an uneconomic unit.

The proposal is illustrated on the attached plan.

The SFO supports the proposed boundary adjustment and recommends that it take place at renewal. Although the Huxley Gorge lease does not come up for renewal until 30 June 1993, it is considered that the boundary adjustment should be dealt with on the renewal of Glen Lyon.

3. Areas to be Excluded or Protected:

- (a) Wetlands. An earlier departmental report entitled "Lake Ohau Coastal Reserves Investigations", has outlined a number of areas that should be designated reserves.

At the head of Lake Ohau, within this pastoral lease, is an extensive area of wetland which is extensively, but at times intensively grazed by station cattle. This area has some areas of open water and would provide both important wildlife habitat as well as possible important vegetation areas. It is considered that a reserve should be acquired here and an area as indicated on the attached plan be inspected as a possible reserve. This area has also been identified by Wildlife Service as being an extremely valuable waterfowl hunting area, for Canada geese which should be reserved for wildlife management purposes.

- (b) Scientific. Nil.
- (c) Vegetation. "The Lake Ohau Coastal Reserve Investigation" Report identifies areas of beech remnants on Glen Lyon which require long term protection and these should be excluded from the lease at renewal. The areas should be added plus bush remnants, as outlined in blue on the attached plan, in the Irishman, Stony Creeks and just upstream of Camp Stream.
- (d) Access. As suggested above there are a number of unformed paper roads which could be closed. It is essential however that if not already laid off, a Section 58 strip be taken up the riversides on either side of the Dobson and at the mouth of the Hopkins.

LESSEE'S COMMENTS

Mr A.G. Wigley, half shareholder in the company owning this lease, was visited to discuss the points raised above.

He was not prepared to surrender all the ungrazable land outlined above. His main reasons for this was the grazing indicated above. He did however make a proposition that he would be prepared to surrender all that land above the fence with a 3000' contour from a leading ridge just south of Irishman Creek and including that land above the above line to the top of the Ben Ohaus northwards to the head of the Dobson River. This surrender proposition was subject to the department obtaining perpetual grazing rights to the Forestry grass areas and incorporating these in the pastoral lease.

In reply to this offer, the SFO considers the acquisition of this land back to public ownership is desirable in that the adjacent land to the east has recently been retired and thus with this land would give the whole of the Ben Ohau Range from the Irishman Stream north as one complete unit. However, for some time, it has been intended to endeavour to obtain the grassed areas from the NZFS under the rationalisation exercise but this is unlikely to be achieved prior to lease renewal. Further, a similar situation occurs in the adjoining Huxley Gorge pastoral lease and it is believed a better deal can be arranged, both for the Crown and for the lessees if the matter is held over and dealt with as a package deal. Much of the ungrazable land on both Huxley Gorge and Glen Lyon could be negotiated from a strong position in a package deal. Certainly the grassed Forest Service areas in the Huxley lease is much more critical to the viability of the Huxley lease than the same areas in the Glen Lyon lease, and from this point of view, a better deal can be worked out in the package situation. It is therefore recommended that this proposal, should it be able to obtain the release of the land from Forest Service prior to lease renewal, be deferred in anticipation of an overall package deal being worked out which will provide better gains for both parties.

Re 2(d) (i) Mr Wigley agrees to the closure of the paper roads.

Re 2(d) (ii) Mr Wigley is keen to have the State forest grassed areas included in his lease but considers the Huxley Gorge lease, of which he is also a major shareholder, to be more important than the Glen Lyon one.

Re 3(a) (i) Mr Wigley is not prepared to agree to the surrender of any of the wetland in spite of considerable discussion. He considers this wetland provides important cattle grazing and he is not relinquishing this.

Re 3(c) Mr Wigley is agreeable to the areas of bush as outlined in 3(c) above as well as those in Irishman, Stony and Camp Creeks being excluded from his lease, subject to any requirements that stock be excluded from the areas being at the full expense of the Crown.

CHIEF SURVEYOR'S COMMENTS

To enable lease to issue on 1 July 1984, it will not be necessary for any survey or plan work to be undertaken. However care should be exercised to see that Rural Section 39779 is included in the lease with the balance of part Run 315. They are depicted on two plans, SO 11288 (RS 39779) and part Run 315 (SO 13326).

Section 58 to be included in new lease.

DISTRICT FIELD OFFICER'S COMMENTS

This is a strong pastoral lease in remote high rainfall territory. Costs of transport are high and under present economic conditions it is doubtful whether development would be profitable. Viability is dependant on a low cost conservative style of pastoralism of which the famous cattle drive forms one part.

Most of the high country could be surrendered without seriously affecting the economic status of the leasehold and ideally this should be done. It seems clear from SFO's report that lessee is ~~not disposed to surrender without exchanges with NZPS~~. The suggestions made are very sensible from a physical point of view but lessee cannot be expected to understand the implications on the two departments. I consider it essential that the surrendered land on the eastern side of the Dobson River be incorporated into the proposed Ben Ohau Crown Land Management Area.

I endorse the SFO's comments but differ as follows:-

- (i) That the paper roads remain until the larger issues of surrender have been resolved and that Section 58 strips be provided on rivers and streams of consequence where they do not already exist.
- (ii) That the lease be renewed and that the Commissioner be authorised to negotiate the exchanges of land as suggested by SFO.
- (iii) That conservation covenants be negotiated for the preservation of the wetland at the head of Lake Ohau and for the protection of the defined bush areas.

CHIEF PASTORAL LANDS OFFICER'S COMMENTS

While it would be preferable to have boundary adjustments completed before renewal, because of the circumstances it is not possible in this case.

Comments on recommendations:

- 1 I strongly disagree. There are considerable areas of land in the previous lease which are not "...suitable or adaptable primarily for pastoral purposes only". It is meaningless and wrong to attempt to confirm classification of the land when this has not been specifically addressed in the field report.

- 3(b) I support retention of the existing stock limit in the lease.
- 4(a) I support the principle of the bush areas being excluded or covenanted. However, this in itself does little to protect the bush. It may put pressure on the lessee to keep stock out, and therefore on the Crown to fence.
- 4(b) I agree. I believe reference should be to "surrender of land considered unsuitable for sustained grazing..." instead of "ungrazable land".
- 5 I agree.

COMMISSIONER OF CROWN LANDS' COMMENTS

Renewal of the lease should proceed on the basis of the full area of the expired lease but excluding the remnant beach areas, as shown on the illustrated plan, that the lessee has agreed to surrender on condition that he is relieved of any obligation to fence the boundaries. This includes the Irishman Stream bush identified at page 50 of the PNA programme for the Mackenzie Ecological Region and it is significant in that report that there is little indication of animal browsing and trampling.

There would appear to be good prospects of achieving the surrender of at least part of the Class VII and VIII country if arrangements can be made for the grassed State forest areas to be released from that tenure for incorporation in the lease. A similar situation applies with respect to the adjoining Huxley Gorge leases (one of them in the Otago Land District) held by substantially the same lessee as for Glen Lyon. The lessees want part of Glen Lyon to be transferred to Huxley Gorge which does not expire until 31 December 1999 (Canterbury Lease) Otago lease expires 31/12/89. and I agree that this should be considered in the context of an overall package, that might very well include the protection of the wetlands. This is a post-renewal (Glen Lyon) matter. The Commissioner of Crown Lands (Dunedin) and I will enter into discussions shortly and we will also be including the Conservator of Forests as land tenure rationalisation discussions are involved. Whether or not the department ends up negotiating an exchange partially on behalf of New Zealand Forest Service or entirely on its own account is a matter still to be determined. The unformed roads suggested for closing and incorporation in the lease should be deferred for consideration in an overall package that looks at access requirements.

16/1/993

Some of the draft recommendations have been changed since the Chief Pastoral Lands Officer provided his comments.

RECOMMENDATIONS

1. That the classification be confirmed as pastoral pursuant to Section 51 of the Land Act.
2. That pursuant to Section 131 of the Land Act 1948 the values for renewal purposes - subject to any adjustments that may be required resulting from recommendation 4 below shall be as follows:-

(a) Value of Improvements	\$ 624,500
(b) Value of Improvements included in Rental Value	Nil
(c) Value of Land Exclusive of Improvements	\$1,031,500
3. That the lease be renewed pursuant to Section 66 Land Act 1948 on the following conditions subject to any adjustments that may be required resulting from recommendation 4 below:-
 - (a) The annual rent for the first 11 years of the new lease based on 1 1/2% of 2(c) above be fixed at \$15,472.50, the rental after the initial period

to be 2½% (less one-ninth rebate) of the then LEI and lease to be subject to 11 yearly reviews of rent.

(b) The stock limit to be shown in the lease document be set as follows:
not more than 7220 sheep and 700 cattle (including not more than 2500 breeding ewes)

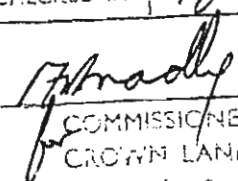
4. That the Commissioner of Crown Lands be authorised to pursue negotiations (post renewal) and initiate action as appropriate to effect the following:

(a) The areas of bush outlined in the attached plan be excluded from the lease and a clause inserted in the lease to the effect that the Crown acknowledges responsibility to meet the full cost of fencing all or any of these areas if the Crown in its discretion considers this is required to exclude stock.

(b) In association with Commissioner of Crown Lands (Dunedin) and Conservator of Forests, to formulate an agreement (agreements) with the lessees of Glen Lyon and Huxley Gorge for an exchange of areas or adjustment of boundaries embracing as far as possible surrender of ungrazable land, incorporation of grassed State forest land, protection of wetlands, closing and incorporation of roads and provision of public access, and such other like matters as may emerge in considering the Huxley Gorge runs.

5. That a general provision be included in the renewed lease to the effect that pursuant to Section 58 Land Act 1948, a strip of not less than 20 metres in width along both sides of all streams and rivers over 3 metres wide be excluded from the lease.

DECISION

PREPARED BY	'CW'
CHECKED BY	MB
	
COMMISSIONER OF CROWN LANDS.	
Date. 30 / 4 / 85.	

RELEASED UNDER THE OFFICIAL INFORMATION ACT
L. & S.—F. 14A DEPARTMENT OF LANDS AND SURVEY

OUR FILE: CL 14/11/2

YOUR FILE: P 7

From Head Office

Date: 11 March 1986

To CCL CHRISTCHURCH

Ref.: Ours/Yours of

Person to consult:

Lands and Survey
Department
14 MAR 1986
CHRISTCHURCH

SUBJECT: RENEWAL OF PASTORAL LEASE : GLEN LYON

I refer to your submission received in this office on 6 May 1985 seeking the renewal of Glen Lyon Pastoral Lease.

The HOC/LSB under Case No 85/230 of 28 January 1986 has approved renewal as follows:

- 1 That the classification be confirmed as pastoral pursuant to Section 51 of the Land Act
- 2 That pursuant to Section 131 of the Land Act 1948 the value for renewal purposes - subject to any adjustments that may be required resulting from recommendation 4 below shall be as follows:

(a)	Value of Improvements	\$ 624,500
(b)	Value of Improvements included in Rental Value	Nil
(c)	Value of Land Exclusive of Improvements	\$1,031,500
- 3 That the lease be renewed pursuant to Section 66 Land Act 1948 on the following conditions subject to any adjustments that may be required resulting from recommendation 4 below:
 - (a) The annual rent for the first 11 years of the new lease based on 1½% of 2(c) above be fixed at \$15,472.50, the rental after the initial period to be 2¼% (less one-ninth rebate) of the then LEI and lease to be subject to 11 yearly reviews of rent.
 - (b) The stock limit to be shown in the lease document be set as follows:

Not more than 7220 sheep and 700 cattle (including not more than 2500 breeding ewes).
- 4 That the Crown retain the right to apply the provisions of Section 58 of the Land Act 1948, in respect of all rivers and streams in excess of 3 metres in width traversing the property, subject to legal confirmation in that regard.
- 5 That the Commissioner of Crown Lands be authorised to pursue negotiations (post renewal) and initiate action as appropriate to effect the following:

- (a) The areas of bush outlined in the attached plan be excluded from the lease and a clause inserted in the lease to the effect that the Crown acknowledges responsibility to meet the full cost of fencing all or any of these areas if the Crown in its discretion considers this is required to exclude stock.
- (b) In association with Commissioner of Crown Lands (Dunedin) and Conservator of Forests, to formulate an agreement (agreements) with the lessees of Glen Lyon and Huxley Gorge for an exchange of areas or adjustment of boundaries embracing as far as possible surrender of land, unsuitable for sustained grazing incorporation of grassed State forest land, protection of wetlands, closing and incorporation of roads and provision of public access, and such other like matters as may emerge in considering the Huxley Gorge runs.

It is imperative to note that only (2-4) should be put to the lessee as part of the renewal offer. In respect of (5) he should be advised under separate cover of the intention to pursue negotiations.



D McGregor
for Director-General

NB: It is agreed further cases will not include Lee 1.

708

r Bradley

799 760

CF

*Sent Ah Register
22/4/86*

Private Bag
CHRISTCHURCH

22 April 1986

Messrs/K.W., A.G. & Mrs B.J. Wigley
Directors
Glen/Lyon Station Ltd
Private Bag/
FAIRLIE /

*B/4
L/A.
22/9/86*

Dear Sirs/Madam

RENEWAL OF PASTORAL LEASE (GLEN LYON) PT RUN 315
AREA: 31,800.40468 HECTARES

As you know your pastoral lease over the above land expired on 30 June 1984.

I am pleased to inform you that the Land Settlement Board has pursuant to Section 66 of the Land Act 1948 approved the renewal of your lease for a further term of 33 years from 1 July 1984.

The Board has pursuant to Section 131 of the Land Act 1948, determined the values for renewal as follows:

(a) Value of Improvements	\$624,500
(b) Value of Improvements included in the Rental Value	Nil
(c) Value of Land Exclusive of Improvements	\$1,031,500

The pastoral lease is to be renewed over an area of 31800.40468 hectares pursuant to Section 66 of the Land Act 1948 on the following conditions, subject to any adjustments that may be required resulting from (c) below.

- (a) The annual rental for the first 11 years of the new lease is based on one and a half percent of the value of land exclusive of improvements [(c) above] which is \$15,472.50 and the yearly rent after the initial period will be calculated at two and one-quarter percent (less one-ninth rebate) of the then land exclusive of improvements, and the lease is issued subject to 11 yearly reviews of rent.

(b) The stock limitation to be shown in the lease document be set as follows:

Not more than 7220 sheep and 700 cattle (including not more than 2500 breeding ewes)

Note: This limit will not however affect your existing personal stock limitation which can be varied from time to time with my consent.

(c) That the Crown retain the right to apply the provisions of Section 58 Land Act 1948, in respect of all rivers and streams in excess of 3 metres in width traversing or forming the boundary of the property subject to legal confirmation in that regard.

The Board has authorised me to continue my negotiations with you on the exchanges and other matters that you have already been approached on by Mr Washbourn of my Timaru office.

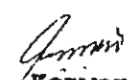
You will see that the enclosed notices set out full details of the renewal values. Section 132(1) of the Act requires that you notify me within six months of receipt of this letter as to which of the options set out in the notice of values you wish to pursue, an election form also being enclosed for this purpose. I would also point out that pursuant to Section 132(2) if you fail to notify me of which option you wish to elect within the prescribed period, you shall be deemed to have agreed to accept a renewable lease at the rental value and other values set out in the notice.

I would specify that although the term of your lease will commence from 1 July 1985 the former annual rental will apply until 1 March 1985. Any rental paid beyond this date at the old rate will be credited towards the new rental.

In relation to condition (c) of this offer it should be noted, in particular that the matter of the application of Section 58 of the Land Act 1948 as it relates to the renewal of pastoral leases is currently the subject of an investigation by the Department's legal advisers.

Section 58 requires the Crown to reserve from sale or other disposition which includes the renewal of any lease a strip of land not less than 20 metres in width, along (among other things) the banks of all rivers and streams which have an average width of not less than 3 metres. When I have been advised of the full legal implications of this investigation I will advise you further. In the interim however a new lease cannot be issued. If you require a guarantee as to security in order to raise finance, please contact me and I will arrange for an 'undertaking to issue a renewal lease' to be prepared.

Yours faithfully


L.M. Kenworthy
Commissioner of Crown Lands

SFO
TIMARU

Copy for your information together with a copy of the approved renewal submission for your files.

L.M. Kenworthy
Commissioner of Crown Lands

CPLO
OFFICE

Copy for your information.

L.M. Kenworthy
Commissioner of Crown Lands

OUR FILE: P 7

YOUR FILE: P 7 & P106

From Timaru

Date: 30.3.87

To Commissioner of Crown Lands, Christchurch

Job No 178.

Ref.: ~~Cuffs~~/Yours of 28.8.85

Person to consult:

SUBJECT: Land Rationalisation: Hopkins and Dobson Rivers

As requested in your abovementioned memo, I convened a meeting at Omarama comprising the Senior Field Officer, Alexandra, who was accompanied by one of his field officers; the District Ranger, NZFS, Timaru, who was accompanied by his Ranger in Omarama; Reserves Ranger Gould and myself. Prior to this, I did bring the matter up at a work meet but very little came out of this and I was left to follow the matters already suggested for consideration, which seemed to meet the approval of that meeting.

At the meeting in Omarama, the proposals I had drafted was discussed and again these appeared to meet with the approval of those present. No additional matters were raised, and subsequent to this, I therefore drafted out more detailed proposals which were sent to the lessees of both Huxley Gorge and Glen Lyon Stations for their comment.

Once the lessees had had a chance to read and consider the proposals, I contacted them and discussed any doubts with them. In the case of Glen Lyon, Mr Ken Wigley is very lukewarm to any suggestion put to him. He values the grazing of the forestry leases, but seems to prefer the status quo rather than obtaining perpetual grazing rights to the grass areas, particularly when it involves a quid pro quo, i.e. the release of some of the non-grazable land from his present lease. About the time I was discussing this with Mr Wigley, the joint NWASCO/LSB policy was put out and even pointing out to Mr Wigley that in light of this policy, the writing was on the wall that in fact much of the high altitude snow and ice would come out anyway, did not sway him. However, I did not press him but there does not appear to be any basic disagreement with what I had proposed. I felt it best, therefore, to leave the final decision to be made in response to a formal offer from you.

In the case of Huxley Gorge, Mr A.G. (Sandy) Wigley holds the shares in the company, and because of the small size of Huxley Gorge Station, the inclusion of the grassed forest areas are of vital importance to the economics of the run. Mr Wigley agreed with my proposals in all but two respects. This involved perpetual grazing in the Huxley River Valley and the loss of perpetual grazing above the bushline in the Dodger Stream area. Neither of these areas were considered by those at Omarama, to be included in any perpetual grazing lease. In view of Mr Wigley's interest in these two areas, I agreed to make a special inspection of them. However, I was unable to arrange these inspections within the time I had available and these matters may therefore still need to be resolved if Mr Wigley is so keen that they be included. It is not, as mentioned above, the feeling of the officers discussing the matter, that they should be included in the offer.

Detailed Proposals

Appendix 1 to this report lists the detailed proposal that was sent to Glen Lyon Station for comment. As you will see, the notations refer to

bla . circled numbers on the plan attached (Appendix 3). Appendix 2 lists the proposals in relation to Huxley Gorge Station, and again the numbered notations refer to circled numbers on Appendix 3, the plan which shows both Huxley Gorge and Glenlyon Stations. The area on Appendix 3 numbered 9 is the area that Mr Wigley would like to see retained within the pastoral lease. He values the grazing but it was thought by the meeting in Omarama that the area should not be included in the perpetual lease. A further inspection may be necessary of this to determine the matter. The area numbered 8, the Huxley River Valley, is the other area that Mr Wigley would like included in the perpetual lease. It is suggested that an inspection of this area could be made to determine this.

Waitaki Catchment Commission

During 1986, an inspection was made of the Dobson River Valley with the Soil Conservator for the area Mr Dave Pickens. A number of photographs were taken on that occasion and these are held in Timaru. Mr Pickens also provided a land management zone map of the Dobson River (held on the Timaru file) as a the result of this inspection Mr Pickens advised that he considered there would be no objection from the Commission to the proposals.

It was the intention to also visit the Hopkins River Valley but, as mentioned above, it was not possible to arrange this inspection. No comment has therefore been obtained from the Commission but I do not envisage any objection to what is proposed.

RECOMMENDATIONS

1. That an exchange be offered on the basis outlined in Appendix 1 to the lessees of Glen Lyon station.
2. That a formal offer along the lines of the proposal set out in Appendix 2, be made to the lessees of that pastoral lease.
3. That in view of the lessees of Huxley Gorge Station's objection to the exclusion of the Huxley River Valley and the area in the upper Dodger Stream being excluded from the lease, that a joint inspection with the Reserves Section (DOC) be made to consider these areas.



P.R. Washbourn

D. Fitz H Jones.
I agree with recommendation 1.
Please liaise with R.N.B. prior to
sending a letter to Glen Lyon.
As far as 2 & 3 are concerned, the
lease renewal is upon us. I have
asked R.N.B. to report on Huxley
see & I prefer that the proposals
contained in app 2 be pursued &
& negotiated with the manager during
that inspection.
P.F.H.

LEN LYON STATION

Suggested basis for exchange (refer plan attached).

Glen Lyon Station to surrender land hatched yellow.
Grass areas of presently gazetted State Forest (hatched red) to be incorporated in the pastoral lease.

These exchanges subject to (see notations on plan):-

1. ✓ (a) The boundary between land to be surrendered and land to be incorporated other than well defined bush edges (further subject to advice as to the Chief Surveyor as to definition in this latter case) to be the 1000 m contour.
- ✓ (b) A covenant to be included in the lease to be ^{the} effect that the lessee and lessor acknowledge that the contour open boundary is unfencable; that some stock drift over this is inevitable; that the lessee will not intentionally drive or have driven stock grazing on block adjoining an open boundary over and above that boundary; that it is agreed that if stock drift becomes unacceptably high, ^(? Landcorp) block limit to reduce this may be enforced.
- ✓ 2. Inclusion of a further covenant (clause) in the lease granting the public the right to wander on foot at will on the leased land upstream of the black lines dotted across the Dobson River.
3. Preservation of existing hut sites will need to be allowed for. Discussion with the Chief Surveyor (determining the best and easiest defined method) will be undertaken to finalise these.
- ✓ 4. The pastoral leases to be amended removing the lessee's right under Sec. 100 Land Act to take native timber for certain uses and further giving acknowledgement to the importance of the native bush on the leases and the need to preserve these from undue stock damage.
Comment: The inclusion of this amendment is for two reasons:
 - (a) As a conservation move for this important scenic area.
 - (b) As a method of simplifying the inclusion of State Forest areas which still have some small pockets of bush on them but for which the cost of definition to retain them as State Forest is not justified (this subject to advice as to definition from the Chief Surveyor).
5. The exchange currently under consideration for land in Glen Lyon Station lease to be surrendered incorporated in Huxley Gorge is separate to this exchange but would be subject to agreement along these lines and being made with Glen Lyon Station Ltd for those reasons.

HUXLEY GORGE STATION

Suggested basis for exchange (refer plan attached).

Huxley Gorge to surrender land hatched yellow.

Grassed areas of presently gazetted State Forest (hatched red) to be incorporated in the pastoral leases.

These exchanges subject to (see notations on plan).

- 1) Huxley Gorge to surrender small area of formed access to Temple State Forest to allow legal access to the forest. (The legal road does not at present run to the SF boundary).
- 2) Forest Service Ohau base to remain on Huxley Gorge lease as at present "at the pleasure of the lessee."
- 3) The boundary between land to be surrendered and land to be incorporated, other than well defined bush edges (further subject to advice as to the Chief Surveyor as to definition in this latter case) to be the 1000 m contour.

A covenant to be included in the leases to the effect that the lessee and lessor acknowledge that the contour open boundary is unfenceable; that some drift of stock over this is inevitable, that the lessee will not intentionally drive or have driven stock, grazing on blocks adjoining an open boundary over and above that boundary and that it is agreed that if stock drift becomes un-acceptably high, block limit to reduce this may be enforced.

- 4) The pastoral leases to be amended removing the lessees right under Sec. 100 Land Act to take native timber for certain uses and further giving acknowledgement to the importance of the native bush on the leases and the need to preserve these from undue stock damage.

The inclusion of this amendment is for two reasons -

- a) AS a conservation move for this important scenic area -
 - b) AS a method of simplifying inclusion of the state forest areas which still have some small pockets of bush on them but for which the cost of definition to retain them as State Forest is not justified (this subject to advice as to definition from the Chief Surveyor).
- 5) Inclusion of a further covenant (clause) in the lease granting the public the right to wander on foot at will on the leased land upstream of the black lines dotted across the Hopkins River.

This acknowledges the importance of the area currently as a recreation area - avoids any necessity to lay off accessway in important and well used trails.

- 6) The exchange currently under consideration for land in Glen Lyon Station lease to be surrendered and incorporated in Huxley Gorge is separate to this exchange but would be subject to agreement along these lines and being made with Glen Lyon Station Ltd for those reasons.

...

- 7) Preservation of existing hut sites will need to be allowed for. Discussion with the Chief Surveyor (determining the best and easiest defined method) will be undertaken to finalise these.
 - 8) Two areas of grass currently leased from the NZFS are not included in this exchange (Pt. Temple SF and Huxley River Flats of Huxley State Forest).
- It is considered appropriate to grant perpetual rights to this grazing. Any rights should be reviewed, as at present, at regular intervals.

Note for file (copy)

P 139 106

At 11-15 am on Friday 6 November 87 Ray Ward-Smith and I met with Mrs H & (Sandy) Wray major shore holder in Hurley Gorge Station. We discussed where we were at and how to proceed with the proposals for exchange between the FH and State Forest areas now under control of DOC. The report compiled by Peter Washburn (folio 62) was discussed at length and the problems/concerns and detail thought thru.

It was obvious from practicality and financial reasons that a change of tenure involving survey and expensive documentation was not practical. Not really necessary and the same objective could be achieved by a management agreement between DOC (Landcorp) lessee which provided for the grazing of the river flats within the forests subject to certain qualifications including the agreement of the lessee not to graze the land "identified for surrender" within the pastoral lease.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

It was left that an inspection with DOC would be made this summer to coincide with obtaining renewal valuation of P 139. Christchurch office to initiate action by making request to APM Ymanu to inspect Huxley Gorge Station for lease renewal (Expires 31.12.89) and to firm up the conditions that would form basis of a management agreement

H.C. / [Signature]
u/n.

"RELEASED UNDER THE OFFICIAL INFORMATION ACT"

RELEASED UNDER THE OFFICIAL INFORMATION ACT

APPENDIX 5



Our ref: 060 let - 2011

LAND RESOURCES DIVISION

30 September 1998

4th Floor, Knight Frank House
76 Cashel Street, Christchurch
Telephone: (03) 379 9787
Facsimile: (03) 379 8440

Mr D Gullen
Land Information New Zealand
National Office
Private Box 5501
WELLINGTON

- 2 OCT 1998

RECEIVED

Dear David

RE: SHORT-TERM TELECOM EASEMENTS

Telecom have been invoiced for the 6 month short-term telecom easements granted over pastoral leasehold land on 24 and 29 April 1998. The short-term are due to expire as follows:

Dunstan Downs	Omarama Upgrade	expire 24 October 1998
Ribbonwood	Omarama Upgrade	expire 24 October 1998
GlenLyon	Omarama Upgrade	expire 24 October 1998
Morven Hills	Omarama/Luggate fibre optic	expire 24 October 1998
Nine Mile	Omarama/Luggate fibre optic	expire 24 October 1998
Waitiri	Cromwell/Queenstown fibre optic	expire 24 October 1998
Eskhead	Lake Taylor CMAR	expire 29 October 1998
The Lakes	Lake Taylor CMAR	expire 29 October 1998

I understand the easement documentation is being developed.

Please advise in due course if there is any other action you wish Knight Frank to take regarding these easements

Yours faithfully
KNIGHT FRANK (NZ) LIMITED

Geoff Holgate
GEOFF HOLGATE
National Manager, Land Resources

Corporate Offices

Auckland
Wellington
Christchurch

13 Offices Nationwide

International

Australia
Belgium
Botswana
China
France
Germany

Hong Kong
India
Italy
Japan
Malawi
Monaco

Nigeria
Portugal
Singapore
South Africa
Spain
Sweden

Tanzania
The Netherlands
United Kingdom
United States
of America
Zimbabwe

Postal Address:

PO Box 142, Christchurch
New Zealand

Knight Frank (NZ) Limited
(An LPL Group Company)

INTERNATIONAL PROPERTY CONSULTANTS



RECEIVED

24 SEP 1998

Our ref: 001 let - 2011

21 September 1998

LAND RESOURCES DIVISION

Telecom NZ Limited
Property Acquisitions Group
Capability Management Division
PO Box 293
WELLINGTON

4th Floor, Knight Frank House
76 Cashel Street, Christchurch
Telephone: (03) 379 9787
Facsimile: (03) 379 8440

Attention: S Hough

RE: SHORT-TERM TELECOM EASEMENT INVOICES

The Commissioner of Crown Lands has approved a number of short-term easements over pastoral leasehold land, and I refer to the fax of 24 April 1998 and letter of 29 April 1998 both addressed to Mr Des Wishart, McVeagh Fleming.

The pastoral leases, the Telecom project, and the date of the Commissioner's approval are as follows;

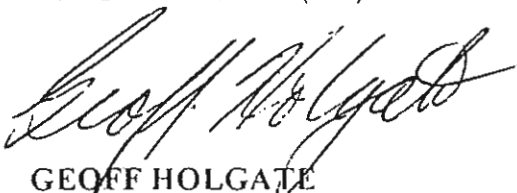
Dunstan Downs	Omarama Upgrade	approved 24 April 1998
Ribbonwood	Omarama Upgrade	approved 24 April 1998
Glen Lyon	Omarama Upgrade	approved 24 April 1998
Morven Hills	Omarama/Luggate fibre optic	approved 24 April 1998
Nine Mile	Omarama/Luggate fibre optic	approved 24 April 1998
Waitiri	Cromwell/Queenstown fibre optic	approved 24 April 1998
Eskhead	Lake Taylor CMAR	approved 29 April 1998
The Lakes	Lake Taylor CMAR	approved 29 April 1998

The terms of the short-term easements are six months from the date of approval i.e. they expire on 23 October 1998 or 28 October 1998.

Enclosed please find invoices for the above short-term easements.

If you have any questions regarding the invoices, please contact me.

Yours faithfully
KNIGHT FRANK (NZ) LIMITED


GEOFF HOLGATE
National Manager, Land Resources

Corporate Offices

Auckland
Wellington
Christchurch

13 Offices Nationwide

International

Australia
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Sweden

Tanzania
The Netherlands
United Kingdom
United States of America
Zimbabwe

Postal Address:

PO Box 142, Christchurch
New Zealand

Knight Frank (NZ) Limited
(An LPL Group Company)

INTERNATIONAL PROPERTY CONSULTANTS



TAX INVOICE/STATEMENT

GST NO. 52-479-460

KNIGHT FRANK (NZ) LIMITED

P.O. BOX 142
CHRISTCHURCH.

TELECOM NZ LIMITED
Capability Management Divsn
PO Box 293
WELLINGTON ATTN: S HOUGH

PHONE

INVOICE/STATEMENT DATE 17-09-98

CLIENT NO. TELECOMNZ
REFERENCE TC9017772
PAGE 1

DATE	DETAILS	CHARGES	PAYMENTS RECEIVED	BALANCE
17-09-98	Ec 003 - Easement - GLEN LYON RENT - OTHER for the period 24/04/98 To 23/10/98 Pt 007 Easement GST	500.00 62.50 <hr/> 562.50		
	TOTAL	562.50		

PAYMENTS RECEIVED AFTER
WILL APPEAR ON
YOUR NEXT INVOICE/STATEMENT.

OVERDUE OVER 2 MONTHS	OVERDUE OVER 1 MONTH	OVERDUE UP TO 1 MONTH	CURRENT	TOTAL AMOUNT DUE
				562.50

RETAIN THIS PORTION AND ENTER
THE DETAILS FOR YOUR RECORDS.

DATE PAID	CHEQUE NO.	AMOUNT PAID

REMITTANCE ADVICE

PLEASE DETACH THIS PORTION AND
PRESENT IT WITH YOUR PAYMENT.
CROSS ALL CHEQUES 'NOT NEGOTIABLE'.
MAKE CHEQUE PAYABLE TO:
KNIGHT FRANK (NZ) LIMITED



AMOUNT PAID \$
FORWARD TO:
KNIGHT FRANK (NZ) LIMITED

Telecom NZ Limited

[928533]
[TELECOMNZ]

P.O. BOX 142
CHRISTCHURCH.

ACROSS THE NATION • AROUND THE WORLD

if you pay by DIRECT CREDIT this INVOICE is for your INFORMATION only

Toitu te
Land whenua
Information
New Zealand



National Office
Lambton House
180 Lambton Quay
PO Box 5501
Wellington
New Zealand
Tel 64-4-480 0110
Fax 64-4-472 2244
Internet
<http://www.linz.govt.nz>

Facsimile

To: Geoff Holgate

Company: Knight Frank (NZ) Ltd
CHRISTCHURCH

Fax No: 03 - 379 - 8440

From: David Gullen
Manager Advisory Services

Date: 27 April 1998

Page 1 of: 2

Our Ref: _____

Your Ref: _____

Confidential

This facsimile message contains information which is confidential and may be subject to legal privilege. If you are not the intended recipient, you must not peruse, use, disseminate, distribute or copy this message. If you have received this message in error, please notify us immediately by facsimile or telephone and destroy the original message. Thank you.

Subject: Telecom Easements

I am about to sign off and file the various letters of 22 April concerning the Telecom easement applications.

I will not reply to each letter separately, so for the purposes of an audit trail I suggest a copy of my facsimile of 24 April to Des Wishart be copied to all your relevant files and hopefully that signs off action on the matters you have asked us to address including the following.

This office will organise the completion of easement documentation for long term easements with Des Wishart directly and that work will build on the analysis of documentation you have provided.

This office will work on developing the easement procedures using the draft you have provided.

I intend that the work will fully document procedural and policy matters and specifically address the following matters :-

- The form of application for easements.
- How compensation to the lessee is managed.
- Clarification of legal issues including the lessee's rights in the process.
- How we can minimise compliance costs for the applicant and the Crown.
- Easements granted to other Crown agencies in the form of a variation of lease.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

intend to have the work on the legal documentation and procedures co-ordinated by a private solicitor working under the oversight of a departmental solicitor. I expect that solicitor to consult with Knight Frank and this office as work progresses. The work obviously has a wider application than just pastoral leases.

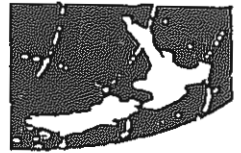
A handwritten signature in cursive script that reads "Gullen". The signature is written in dark ink and is positioned above the printed name.

David Gullen

FAXED

Facsimile

Toitu te
Land whenua
Information
New Zealand



To: Des Wishart

Company: McVeagh Fleming
Barristers & Solicitors
Auckland

Fax No: (09) 379-4230

From: S D Brown
Chief Crown Property Officer &
Commissioner of Crown Lands

Date: 24 April 1998

Page 1 of: 4

Our Ref:

Your Ref:

National Office
Lambton House
160 Lambton Quay
PO Box 5501
Wellington
New Zealand
Tel 84-4-460 0110
Fax 84-4-472 2244
Internet
<http://www.linz.govt.nz>

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Subject: Telecom Easements

I have reviewed the proposals for a number of applications by Telecom for easements over pastoral leasehold land submitted to my agent Knight Frank (NZ) Ltd and recent correspondence with my office to advance documentation and decision making.

Telecom has an imperative to carry out some work immediately and prior to the onset of winter conditions. I am not prepared to stand in the way of that by insisting on completion of the easement documentation before I grant an approval to the work on the ground.

I am also not prepared to put the Crown's commercial interests at long term risk by granting easements on indeterminate terms and conditions. I am committed to working with you and your client to have agreed easement documentation that may be used for long term easements. I also wish to develop guidelines for your client to use in the future to assist the easement process for both parties.

I have therefore decided to grant your client short term easements because there is no agreed documentation and six months is ample time for us to do this. I have set out the terms and conditions for grants of easement which will exist under my statutory authority and will be evidenced by your client's written acceptance of the terms and conditions set out as follows.

2 Omarama Upgrade

2a) Dunstan Downs

a) Specific Activities

- i) To lay and maintain fibre optic cables, and to erect and maintain 10 metre mast and aerial.
Location, GR Infomap - H39, 528291
- ii) To lay and maintain approximately 1000 metres of fibre optic cable, and to install and maintain a 3.42 square metres "Portacom" shed to house communication equipment, and a 3.25 metre aerial mast. Location GR Infomap - H39, 527281.

b) Term

The term of the easement is six months.

c) Fees

Telecom will pay the Commissioner \$500 (plus GST) for the easement, plus \$500 (plus GST) cable charge (ie 1000m @ 50c per metre), plus \$1000 (plus GST) site charge for the transmitter site.

d) Lessee's Compensation

Telecom is to provide evidence that the lessees have been compensated in full as to any entitlement they have under section 60 of the Land Act 1948 and their pastoral lease (it is the duty of the Commissioner under section 60 of the Land Act 1948 to satisfy the matter of compensation to a lessee).

e) Minimal Disturbance

Physical disturbance is to be minimised in carrying out the activity.

2b) Ribbonwood

a) Specific Activity

To install and maintain a cabinet box and a 8 metre aerial pole, and lay and maintain a short cable from the lease boundary to the cabinet box. Location, adjacent to the woolshed driveway.

b) Term

The term of the easement is six months.

c) Fees

Telecom will pay the Commissioner \$500 (plus GST) for the easement.

d) Lessee's Compensation

Telecom is to provide evidence that the lessees have been compensated in full as to any entitlement they have under section 60 of the Land Act 1948 and their pastoral lease (it is the duty of the Commissioner under section 60 of the Land Act 1948 to satisfy the matter of compensation to a lessee).

Grant of Easements Pursuant to Section 60 of the Land Act 1948

- 1) **Laying of fibre optic cables from Omarama to Luggate (Morven Hills and Nine Mile) and from Cromwell to Queenstown (Waitiri).**
 - a) **Specific Activity**
To lay and maintain fibre optic cable.
 - b) **Locations**
 - i **Morven Hills (Po359)**
approximately 19400 metres of cable on existing track from approximate map Grid Reference (GR). Infomap 260 - G40 443199 south to GR 411071.
 - ii **Nine Mile (Po 365)**
approximately 1800 metres of cable from approximate GR Infomap 260 - G40 329992 west to GR 326992, and from approximate GR G40 313988 south-west to GR 305979.
 - iii **Waitiri (Po 270)**
approximately 1000 metres of cable from approximate GR Infomap 260 - F41 982665 south-west to GR 975656.
 - c) **Term**
The term of each easement is six months.
 - d) **Fees**
Telecom will pay the Commissioner \$500 (plus GST) for each of the three easements plus 50 cents (plus GST) per metre of cable laid.

Telecom will advise the Commissioner if the actual length of cable varies from the above estimates.
 - e) **Lessee's Compensation**
Telecom is to provide evidence that the lessees have been compensated in full as to any entitlement they have under section 60 of the Land Act 1948 and their pastoral lease (it is the duty of the Commissioner under section 60 of the Land Act 1948 to satisfy the matter of compensation to a lessee).
 - f) **Minimal Disturbance**
The Commissioner's consent is subject to physical disturbance to the sites being minimised,
specifically that;
 - a) a mole plough be used to bury the cable to a depth of approximately one metre
 - b) the disturbed area will be compacted to as near to its original state as possible
 - c) where water run-off may cause erosion as a result of the laying of the cable or any maintenance work, additional drainage works are to be carried out

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- e) Minimal Disturbance
The Commissioner's consent is subject to physical disturbance to the sites being minimised.

- 2c) **Glen Lyon**
 - a) Specific Activity
To install and maintain a cabinet box and an 8 metre aerial pole, and lay and maintain a short cable from the lease boundary to the cabinet box. Location, adjacent to the homestead driveway.

 - b) Term
The term of the easement is six months.

 - c) Fees
Telecom will pay the Commissioner \$500 (plus GST) for the easement.

 - d) Lessee's Compensation
Telecom is to provide evidence that the lessees have been compensated in full as to any entitlement they have under section 60 of the Land Act 1948 and their pastoral lease (it is the duty of the Commissioner under section 60 of the Land Act 1948 to satisfy the matter of compensation to a lessee).

 - e) Minimal Disturbance
Physical disturbance to the sites is to be minimised in carrying out the activity.

Please advise your client that it has a right of rehearing under section 17 of the Land Act 1948 for all my decisions in granting the easements.

I will not be seeking any further payments for longer term easements in these cases.

I understand Telecom has carried out the new telephone infrastructure work in the Omarama Basin and I have not previously granted an easement for that work. I am prepared to grant an easement but will do so later when we have settled the matter of documentation.

Bullen
for S-D Brown
Chief Crown Property Officer &
Commissioner of Crown Lands

Kramer
24/4/98

P19/P247/P/TTM



17 June 1997

Knight Frank
Land Resources Division
PO Box 27
Alexandra

KNIGHT FRANK
ALEXANDRA
18 JUN 1997
RECEIVED

\$450.00

Attention: K R Taylor

ACTION BY: Caroline

JOB No: 8000

COMPLETION: 6/7/97

*Pse discuss Glen Lyon with
Ray Ward-Smith*

Dear Sir

Telecom New Zealand Limited - Omarama Party Line Upgrade

On behalf of Telecom New Zealand Limited we have recently been negotiating to obtain easements to secure access to pastoral land for the laying of fibre optic cable.

The purpose of the project has been to install a new telephone infrastructure in the Omarama Basin, replacing approximately 700km of aerial wire often prone to weather damage and breaks, to facilitate the removal of party lines and provide enhanced and more reliable telephone service to the district.

In consultation with Telecom and Kit Mouat of Landcorp in Christchurch a Crown Easement Deed has been prepared and executed by four of the five lessees involved and Mr Mouat has instructed us to forward the documents to you to arrange execution by the Commissioner.

Accordingly, we enclose Crown Easement Deeds and Lessees Consents for the following:

BOB DAVISON & ASSOCIATES LIMITED
LEVEL 17, CLARENDON TOWER, OXFORD TCE/WORCESTER ST
PO BOX 4576, CHRISTCHURCH, NEW ZEALAND
TELEPHONE (03) 377 2215, FACSIMILE (03) 377 2579

- (a) Mr K Wigley - Glen Lyon
- (b) Mr C C Mackay - Ribbonwood
- (c) Mr Tim Innes - Ahuriri Repeater Site (Trustees: Williamson & Milne)
- (d) Mr Tim Innes - Dunstan Downs (Trustees: Williamson & Milne)
- (e) Cheque for \$450.00 being the consideration for four sites as stated in the Deed (including GST).

The fifth set of documents from Mr Blackstock at Ribbonwood have been slightly delayed with his solicitors but we expect to be able to forward these to you shortly.

Should you have any queries or require any further information, please do not hesitate to contact us.

Yours sincerely



Brendon Hill

APPENDIX 6

LANDCORP - TIMARU
RECEIVED

22 MAR 1995

NOTICE BY LESSEE OF ELECTION UNDER SECTION 132A(3) OF THE LAND ACT 1948

The Manager
Landcorp Property Limited
PO Box 564
TIMARU

Date: 17/3/95

Description and Area:

Landcorp File Ref: PT 007

Run 315 Glen Lyon RS 39779
Ward Hopkins Campbell SD
Certificate of Title: 529/12
Area: 31800 hectares

COPY

In respect of the notice from the Commissioner of Crown Lands in pursuance of subsection (3) of Section 132A of the Land Act 1948, setting out the values placed upon the above land for rent review purposes, I hereby make the following election -

~~I accept the values set out in the said notice and the new rental payable.~~

~~(or I require the value of the lessee's improvements and the value of the land exclusive of improvements to be fixed by the Land Valuation Tribunal.)~~

~~(or I require the value of the lessee's improvements to be fixed by the Land Valuation Tribunal.)~~

(or I require the value of the land exclusive of improvements to be fixed by the Land Valuation Tribunal.)

Signature:

[Handwritten Signature]

Lessee
Glen Lyon Limited

Glen Lyon Limited
Glen Lyon Station
PO Box 11
TWIZEL

NB: THIS NOTICE MUST BE SIGNED BY ALL THE REGISTERED LESSEES

Knight Frank



LAND RESOURCES DIVISION

File Ref: PT007

1st Floor, Public Trust Building
Cnr Church & Sophia Streets
PO Box 564, Timaru
Telephone (03) 684-8340
Facsimile (03) 688-0407

30 October 1995

Mr K Wigley
P O Box 11
TWIZEL

Dear Ken

GLEN LYON STATION: RENT REVIEW

Further to our letter of 29 August 1995, we have not received a reply with regard to your rent review and would appreciate some correspondence as soon as possible to resolve this matter. If no valuation is received by 29 November 1995 I will report The Commissioner of Crown Lands that he should proceed to lodge the request for values to be set by the Land Valuation Tribunal.

Yours faithfully
Knight Frank (NZ) Ltd

R A Ward-Smith
Manager - Timaru
R2878

Corporate Offices

Auckland
Wellington
Christchurch

16 Offices Nationwide

International

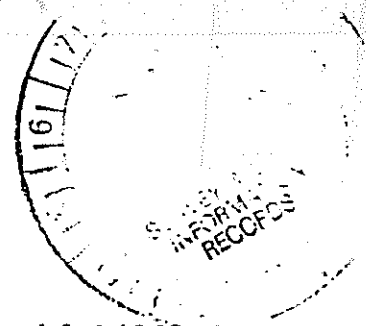
Australia
Belgium
Botswana
China
France

Germany
Hong Kong
India
Italy
Japan

Malawi
Nigeria
Singapore
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Sweden

Tanzania
United Kingdom
United States
of America
Zimbabwe

Knight Frank (NZ) Limited MREINZ
(An LPL Group Company)
INTERNATIONAL PROPERTY CONSULTANTS



SUBMISSION TO
COMMISSIONER OF CROWN LANDS

Review of Rental for Pastoral Lease in terms of Sections 66 and 132A Land Act 1948

LCP Ref: PT 007

OCL Ref: Ho*258

Case No: 95/215

Property Name: Glen Lyon Station Lessee: Glen Lyon Limited

Expiry Date: 30/6/2017 Annual Rent: \$15,472.50

Base Stock Limit:	7220 sheep	Personal Stock Limit:	9800 sheep
	2500 BE		3600 BE
	700 cattle		1300 cattle
			900 BC

Date of Valuation: 1/10/1994

Value of Lessee Improvements:	\$1,240,000.00
Value of Crown Improvements:	\$0.00
Value of Land Exclusive of Improvements:	\$560,000.00
Capital Value:	\$1,800,000.00
Rent @ 2.25% of LEI for next 11 years:	\$12,600.00

RECOMMENDATIONS

1. That pursuant to Sections 66 and 132A of the Land Act 1948 you approve the rental review for pastoral lease PT 007 with the values above.
2. That you sign the attached notification forms and return them to this office for dispatch to the lessee.

Signed for Landcorp Property Limited

.....
Consultant

[Signature]
.....
Manager 9/12/94

~~Approved/Declined~~

[Signature]
.....
Commissioner of Crown Lands 21/12/94

NOTICE BY LESSEE OF ELECTION UNDER SECTION 132A(3) OF THE LAND ACT 1948

The Manager
Landcorp Property Limited
PO Box 564
TIMARU

Date:

Description and Area:

Landcorp File Ref: PT 007

Run 315 Glen Lyon RS 39779
Ward Hopkins Campbell SD
Certificate of Title: 529/12
Area: 31800 hectares

In respect of the notice from the Commissioner of Crown Lands in pursuance of subsection (3) of Section 132A of the Land Act 1948, setting out the values placed upon the above land for rent review purposes, I hereby make the following election -

I accept the values set out in the said notice and the new rental payable.

(or I require the value of the lessee's improvements and the value of the land exclusive of improvements to be fixed by the Land Valuation Tribunal.)

(or I require the value of the lessee's improvements to be fixed by the Land Valuation Tribunal).

(or I require the value of the land exclusive of improvements to be fixed by the Land Valuation Tribunal.)

Signature:
Lessee
Glen Lyon Limited

NB: THIS NOTICE MUST BE SIGNED BY ALL THE REGISTERED LESSEES

RELEASED UNDER THE OFFICIAL INFORMATION ACT

LANDCORP
RECEIVED
23 DEC 1994
Job: Code:

NOTICE BY THE COMMISSIONER OF CROWN LANDS TO LESSEE, PURSUANT TO SECTION 132A(2) OF THE LAND ACT 1948 INFORMING THE LESSEE OF THE VALUES OF THE LAND IN A PASTORAL LEASE FOR RENTAL REVIEW

Address: Glen Lyon Limited
Glen Lyon Station
PO Box 11
TWIZEL

Date: 30 Sept 1994
File Ref: PT 007

Description and Area: Run 315 Glen Lyon RS 39779
Ward Hopkins Campbell SD
529/12
31800 hectares

The Pastoral Lease over the above land is due for review of rental on 30/6/1995 and in pursuance of Section 132A of the Land Act 1948, the following values of the land have been ascertained:

(a)	Lessees Improvements:	\$1,240,000.00
(b)	Crown Improvements:	\$0.00
(c)	Land Exclusive of Improvements:	\$560,000.00

Section 132A (2) of the Land Act 1948, requires you to notify me in writing, within three months after receipt of this notice, to the effect -

- (a) That you accept the values as set out in this notice; or
- (b) That you require the values (or any of them) to be fixed by the Land Valuation Tribunal.

Section 132A (3) provides that if you omit to notify me (via Landcorp Property) within the prescribed time you are deemed to have accepted the values and a rental calculated on the value of the land exclusive of improvements - that is \$12,600.00 being 2.25% on \$560,000.00

A copy of the prescribed form of notification is enclosed for your use.

Signature

Commissioner of Crown Lands

[Handwritten Signature]
2/12/94

A R REGISTER

RELEASED UNDER THE OFFICIAL INFORMATION ACT



P+007

LAND RESOURCES DIVISION,
4th FLOOR, 76 CASHEL STREET,
PO BOX 142, CHRISTCHURCH,
NEW ZEALAND
Phone: (03) 379 9787 Fax (03) 379-8440

FACSIMILE TRANSMISSION SHEET

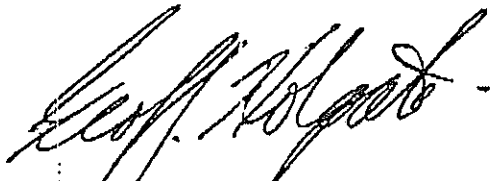
FAX NO:	auto	NO OF PAGES (Incl. cover sheet)	7
ATTENTION:	RAY WARD-SMITH	YOUR REF:	
COMPANY:	KF TIMARU		
FROM:	Geoff Holgate	OUR REF:	206/4
DATE:	28 October, 1998		
SUBJECT:	APPLICATIONS TO HAVE VALUES DETERMINED BY THE LVT		

PLEASE ADVISE IMMEDIATELY IF ANY PART OF THIS TRANSMISSION WAS NOT RECEIVED

Ray,

attached please find a copy of a letter sent to the identified lessees on 21 October.

Regards,



GEOFF HOLGATE

THIS FACSIMILE CONTAINS INFORMATION THAT IS CONFIDENTIAL AND WHICH MAY BE SUBJECT TO LEGAL PRIVILEGE. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU MUST NOT PERUSE, USE, DISSEMINATE, DISTRIBUTE OR COPY THIS MESSAGE. IF YOU HAVE RECEIVED THIS MESSAGE IN ERROR PLEASE NOTIFY US IMMEDIATELY BY FACSIMILE OR TELEPHONE (CALL US PERSON TO PERSON COLLECT) AND RETURN THE ORIGINAL MESSAGE BY MAIL. THANK YOU.



Our Ref: -

Your Ref: «File_Ref» «Case_name»

21 October 1998

«Lessee_name»
«Address_1»
«Address_2»
«Address_3»
«Address_4»

LVT

Application to have values determined by the Land Valuation Tribunal

In not accepting the revaluation for rent purposes that I offered to you, you have elected to have the values relating to your lease rental determined by the Land Valuation Tribunal (LVT).

I have recently undertaken a review of all cases where lessees have elected to have their values determined in this way.

The process for having the values determined is:

As soon as possible after receiving the notice of election from the lessee, I am required under section 133(1) of the Land Act 1948 to file the notice of election to have the values determined by the Land Valuation Tribunal. From this point on action is in the hands of the LVT and we are both guided by it in matters of timetabling etc. The Crown Law Office acts for me from the time the lessee's notice of election is received by me.

Prior to the case being heard, and in line with common practice there is usually the opportunity for us to exchange points of view to see if there is some common ground on values, but there is no obligation to do this.

If there is no common ground, or we decide not to exchange points of view, the case proceeds to a hearing and the decision is made by the LVT.

If common is reached, the hearing is still scheduled, but the LVT is advised by a joint memorandum from both of us that agreement has been reached. The LVT then makes a decision whether to hear the case or allow the case to be withdrawn.

I have recently undertaken a review of your application to have the values determined from two points:

National Office
Lambton House
160 Lambton Quay
Private Box 5501
Wellington
New Zealand
Tel 64-4-480 0100
Fax 64-4-480 0111
Internet
<http://www.lvt.govt.nz>

28/10/98 21:07 03 3798440
28 OCT 1998 20:17 64-4-4780912
28/10/1998 20:17 64-4-4780912
OFFICIAL INFORMATION ACT COLLEN

- 1 I wanted to check that all the necessary processes had been met in terms of Section 133(1) of the Land Act 1948 in relation to the LVT.
- 2 Federated Farmers has recently written to me asking for clarification of issues in relation to the Forest Range /Breast Hill case and in particular an indication that where there were similar cases in the pipeline they would be held over until the decision on these cases were known. I attach a copy of my facsimile message to the Chairperson of the High Country Committee of Federated Farmers on the subject for your information.

This review for your case has shown:

- a) the notification to the LVT that is required under section 133(1) has not been undertaken. I am doing this now as a matter of urgency.
- b) because of this we have not reached the step in the process where we can exchange points of view and I have no indication from you of the exact reasons that you believe there are similarities between your lease and the Forest Range/Breast Hill case. Without this I am not able to determine whether the issues are similar. A review of the information that I do have has shown that there are no common threads or similar issues between your case and that of Forest Range/Breast Hill.

For this reason I will not delay action in processing your case.

I trust that you will recognise that in terms of the Land Act 1948 I am bound to lodge the notice of election and to then be guided by the processes set down by the LVT. I am confident that working through this framework will provide greater clarity for myself and lessees alike, and more effectively allow the arguments about how the values are to be fixed.

Yours sincerely

Sam Brown
Commissioner of Crown Lands &
Chief Crown Property Officer

28/10/98 21:07 03 3798440
28 OCT 1998 20:17 64-4-4780912
28/10/1998 20:17 64-4-4780912
KNIGHT FRANK
OFFICIAL INFORMATION ACT

64 4 4780912

FAXED

Our Ref:

Your Ref:

7 October 1998

Mr John Aspinall
Chairman
South Island High Country Committee of Federated Farmers
PO Box 665
TIMARU

Dear John

Pastoral Lessees and Applications to have Rent Fixed by the Land Valuation Tribunal (LVT)

Thank you for your letter of 15 September 1998 in which you asked about the Forest Range case and sought advice on what I intended to do about the cases of other lessees who have sought to have new rents determined by the Land Valuation Tribunal (LVT).

I have made further enquiries since I spoke to the gathering at Cromwell and I set out my position below.

As you know, I commission re-valuations for each pastoral lease at the end of each lease period. These re-valuations set the new rents for the renewed period of lease. These re-valuations and the new rentals are offered to the lessees who may elect to accept or object to them.

In the past my agent Knight Frank Ltd has negotiated with the lessees where there have been objections to these re-valuations. This seemed to be a sensible and practical approach. The majority of these negotiations were successful, resulting in very few cases going to the Land Valuation Tribunal in the last 8 years. In the cases that did go to the Tribunal it was only after negotiations had failed that a notice of election was filed and court proceedings were initiated.

However, the legal advice that I have now received is that this process is not in accordance with the Act as an objection to a re-valuation is an election by the lessee to have the Land Valuation Tribunal determine the new valuation. The correct process is that upon receiving a lessee's objection to a re-valuation, I am obliged to file an application pursuant to section 133 (1) of the Land Act 1948, to have the LVT determine the new valuation.

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The process of litigation is initiated by my application. The LVT process is managed for me by the Crown Law Office from the time that filing is carried out. During this process the Crown is normally willing to exchange points of view with the lessee, but there is no obligation for the Crown to do so. One of the advantages of exchanging information prior to a Tribunal hearing is that it enables the lessee to present arguments, and for the Crown to respond. If such an exchange of views leads to an acceptable compromise then it is possible to withdraw cases before the Tribunal considers them formally.

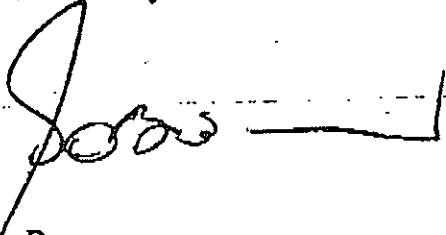
I have undertaken a review of the objections that I have received and have made the following findings;

- a) I have received a number of objections where negotiations have failed to resolve the differences. In some cases the new rents should have been implemented two years ago. I had not originally lodged applications with the LVT for these cases in an expectation that these could be resolved by negotiation. That does not appear to be likely now as in some instances my agent has been turned away after approaching lessees to exchange points of view.
- b) Although the objectors have said that they do not agree with my valuations, they have generally not offered independent valuations of their own in support of their positions. The only reasonable way to move these cases along and to obtain resolution that is fair to both parties, is to proceed to the LVT. This has cost implications for both parties should the matter go to a hearing.
- c) I have undertaken an evaluation of the objections received to see whether there are elements common to them and to the Forest Range case. I have concluded that only one is similar (Brest Hill). In light of this I will not delay the other cases, as there would be no point. I will therefore lodge applications with the LVT where I have not already done so. The advantage is that this will move matters along and give the objectors a formal opportunity to provide their own independent valuations and arguments in rebuttal.

In conclusion, I regret having to take the formal route to settle objections as this is costly both in terms of time and money. However, the Act does not allow me an alternative. If after the formal exchange of information based on independent valuations produced by a registered valuer for the objectors, we jointly agree to amend my valuations (or confirm them) then we are still able to advise the Tribunal by joint memorandum that agreement has been reached and seek leave of the Tribunal to withdraw the case.

I trust that this advice will be of assistance to your members.

Yours sincerely



Sam Brown
Chief Crown Property Officer &
Commissioner of Crown Lands

File Ref.	Lease name	Lessee name	Address 1	Address 2	Address 3	Address 4
Pc 039	✓ Mt Algidus	HG & PM Innes & Family Trust	Mt Algidus Station	RD 2	DARFIELD	
Pc 050	✓ Mt Olympus	Rylon Station Limited	C/- Mike & Karen Meares	Rylon Station	No 2 RD	DARFIELD
Po 020	✓ Longslip Station	Longslip Station Limited	C/- Rodney Patterson	Private Bag	OMARAMA	
Po 022	✓ The Dasher	J D Kane, L S Kane & J R Kane	The Dasher	13 B RD	OMARU	
Po 020	✓ Mt Dasher	Rosebank Farm Limited	C/- Wayne & Rebyn J Sim	Mt Dasher	RD	OMARU
Po 036	✓ Deep Creek	D P Nyhon	Tarras	R D 3	CROMWELL	
Po 073	✓ Mt Burke Station	C M & T C Burdon	Mt Burke	RD 2	WANAKA	
Po 076	✓ Birchwood	Birchwood Run Limited	C/- RM & JM Williamson	Private Bag	OMARAMA	
Po 150	✓ Motatapu Station	DR & SE MacKay Farm Limited	Motatapu	Box 7	WANAKA	
Po 216 and Po 216	✓ Forest Range and Breast Hill	RS & J Emmerson	Forest Range	Private Bag	TARRAS	
Po 368	✓ Bargour	RS & J Emmerson	Forest Range	Private Bag	TARRAS	
Po 311	✓ Rees Valley Station	G C, & I Scott	Rees Valley Station	GLENORCHY		
Po 354	✓ Little Valley	AJ, NM & LA Sanders	C/- Little Valley	RD 5	ALEXANDRA	
Po 371	✓ Matangi	Matangi Station Limited	Little Valley	R D 2	ALEXANDRA	
Ps 008	✓ Glenaray	W Pinckney Limited	RD	Waikaia	SOUTHLAND	
Ps 017	✓ Whitecomb	W Pinckney Limited	RD	Waikaia	SOUTHLAND	
Pt 007	✓ Glenlyon	Glenlyon Limited	Mr Ken Wigley	Glenlyon Station	P.O. Box 11	ITWIZEL

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