

KERN RIVER GAS TRANSMISSION COMPANY  
**EXCLUSIVE RIGHT-OF-WAY AND EASEMENT**

STATE OF UTAH

COUNTY OF DAVIS

**RETURNED**

MAY 15 1991

E# 927190 BK 1412 PG 615  
 CAROL DEAN PAGE, DAVIS CNTY RECORDER  
 1991 MAY 15 3:22 PM FEE 10.00 DEP REC  
 REC'D FOR KERN RIVER GAS TRANSMISSION CO

nw 13 10-1w

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, hereinafter referred to as Grantor, for and in consideration of the sum of TEN DOLLARS AND OTHER CONSIDERATIONS, to the Grantor in hand paid by KERN RIVER GAS TRANSMISSION COMPANY, P.O. Box 58900, Salt Lake City, Utah 84168-0900, hereinafter referred to as Grantee, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, sell and convey unto said Grantee, its successors and assigns, an exclusive right-of-way and easement to locate, survey a route, construct, enfranch, maintain, protect, inspect and operate a pipeline and/or communications cable with appurtenances including but not limited to valves, metering equipment, electrical cable, cathodic equipment, underground conduit, cables, splicing boxes and roads (said pipeline, communications cable, appurtenances, valves, metering equipment, cathodic equipment, underground conduits, cables, splicing boxes and roads being hereinafter sometimes collectively called the "facilities") over, under and through the hereinafter described land, approximately along the line designated by survey heretofore made or hereafter to be made by Grantee, through and over the said land on a right-of-way 50 feet in width being 25 feet on the Easterly side and 25 feet on the Westerly side of the centerline of the first pipeline and/or communications cable constructed hereunder, situated in Davis County, State of Utah described below:

| Subdivision | Section | Township | Range  | P.M.  |
|-------------|---------|----------|--------|-------|
| N1/2NW1/4   | 13      | 1 North  | 1 West | SLB&M |

Refer to Exhibit "A" attached hereto and made a part hereof for additional provisions applicable to this Easement Agreement.

01-120-0001

This right-of-way and easement shall carry with it the right of ingress and egress to and from, and access on and along said right-of-way, with the right to use existing roads, for the purpose of constructing, inspecting, repairing, protecting and maintaining the facilities and the removal or replacement of same at will, either in whole or in part, and the replacement of said pipeline with either like or different size pipe. During temporary periods Grantee may use such portions of the property along and adjacent to said right-of-way as may be reasonably necessary in connection with construction, maintenance, repair, removal or replacement of the facilities.

TO HAVE AND TO HOLD the above described rights and easements, together with all rights necessary to operate, protect and maintain the facilities over the right-of-way hereby granted unto the said Grantee, its successors and assigns, and the Grantee may assign the rights and easements herein granted, either in whole or in part, subject to the terms of this grant, and such rights and easements shall be covenants running with the land and be binding upon Grantor, his heirs, legal representatives and successors in title.

Grantee may at any time permanently abandon said right-of-way and at its discretion may remove or abandon in place improvements constructed thereon and upon such abandonment action, Grantee may at its discretion execute and record a reconveyance and release hereof, whereupon this right-of-way and easement and all rights and privileges herein mutually granted shall be fully cancelled and terminated.

Grantee shall compensate the Grantor for all damages to Grantor's growing crops, pasture, fences, livestock and other real or personal property improvements caused by the construction, maintenance, repair, replacement or removal of the facilities. Grantee shall compensate the Grantor for all damages to Grantor's timber caused by the initial construction of the facilities; thereafter, Grantee shall have the right to cut and keep clear without payment of damages all trees, brush and other obstructions that may in the Grantee's opinion endanger, hinder or conflict with the construction, operation, inspection, protection, maintenance and use of said facilities.

Grantee further agrees that within a reasonable time following the completion of construction, Grantee shall restore said right-of-way. Restoration shall include, where necessary, final grading, reseeding and installation of erosion control structures.

Grantor reserves the right to use and enjoy said property except for the purposes herein granted, but such use shall not hinder, conflict or interfere with Grantee's surface or subsurface rights hereunder or disturb its facilities and no road, reservoir, excavation, change in surface grade, obstruction or structure shall be constructed, created or maintained on, over, along or within said right-of-way without Grantee's prior written consent. Grantee shall, during initial construction in cultivated lands, bury said pipeline and/or communications cable to a minimum depth of 30 inches.

Grantor represents and warrants that he is the owner in fee simple of the said described land. Grantee shall have the right to discharge or redeem for Grantor, in whole or in part, any mortgage, tax or other lien on said land and thereupon be subrogated to such lien and rights incident thereto.

It is hereby understood that the parties securing this grant in behalf of the Grantee are without authority to make any covenant or agreement not herein expressed.

WITNESS THE EXECUTION HEREOF THE 3rd DAY OF May, 1991

By \_\_\_\_\_  
 Witness to Signature(s)

B & E PACE INVESTMENT CO., LTD.,  
 a Limited Partnership  
 By: W. Earl Pace  
 W. Earl Pace, General Partner

Project Name \_\_\_\_\_  
 Land No. 113.03W Dwg. No. \_\_\_\_\_

By: Beverly G. Pace  
 Beverly G. Pace, General Partner

RESERVING, however, to Grantor, its successors and assigns, the right to construct at any time and all times to maintain roads, highways, pipelines and telephone, telegraph and electric power pole and wire lines, over, under and across (but in such a way as will not unreasonably interfere with) said pipeline of Grantee on the premises described herein; it being understood that the right so reserved by Grantor, its successors and assigns, is retained along with the general right of Grantor, its successors and assigns, to the use of said premises for any purposes herein defined.

Regardless of the preceding paragraph, Grantor shall not build, or permit to be built, any permanent building or other permanent structure requiring a foundation, on the fifty (50) foot easement described herein.

This easement is made subject to all outstanding leases of record and other outstanding rights of record, including, but not limited to, those for highways and other roadways and rights-of-way, for irrigation ditches, pipelines, pole and wire lines and the right of renewals and extensions of the same and subject also to all conditions, limitations, restrictions, encumbrances, reservations or interests of any person which may affect the said land, which are duly recorded in the public records of Davis County, Utah.

Grantee, for itself, its successors and assigns, by the acceptance of this easement, agrees to indemnify and hold harmless Grantor, its officers, agents, employees, successors and assigns, against and from any and all liability, loss, damage, claims, demand actions, causes of action, costs and expenses of whatsoever nature, including court costs and attorneys's fees, which may result from property damage and personal injury to or death to persons whomsoever, including the pipeline of Grantee, when such personal injury, death, loss, destruction, or damage, howsoever caused, grows out of or arises from the construction, operation, maintenance, repair, renewal, reconstruction, removal or use of said pipeline or any part thereof, or to the contents, therein and therefrom; provided however that such liability, loss, damage claim, injury or death does not arise out of or result from the negligence and/or misconduct of the Grantor his agents, assigns or employees.

Grantee will surrender this easement if the pipeline construction is not completed within five years from the execution of this Right-of-Way Agreement.

It is expressly made a condition of this easement that if Grantee, its successors and assigns, shall abandon the premises of Grantor in the locations described herein, or any portion of said premises, for the purposes of this easement, then and in that event all the rights herein granted shall cease and desist with respect to the premises so abandoned, and the title to said premises shall be freed from the burden of said easement.

If the facilities or any portion thereof are abandoned, and Grantee fails to commence good faith efforts to remove the facilities, excepting the pipeline, so abandoned and restore the portion of said land described herein to which the abandoned facilities are appurtenant to its original condition within ninety (90) days after the receipt of written notice from Grantor to Grantee, Grantor may remove the facilities for the account of Grantee, and Grantee shall reimburse the Grantor for all reasonable expenses incurred in the removal of the facilities within thirty (30) days from the receipt of the proper amount thereof.

Grantee acknowledges the existence of other improvements and pipelines located within or adjacent to this right-of-way and easement and Grantee agrees that it will be solely responsible for, and will repair or replace at its own expense, any and all damage to these structures, improvements or pipelines resulting from Grantee's construction or maintenance operations.

Grantee will, at its sole cost, use methods necessary to control thistle and other noxious weeds on lands disturbed by Grantee's pipeline construction including spraying to a width 25 feet on each side of the disturbed areas.

Grantee shall not act nor omit to take any action which could result in encumbrances or liens of any kind or nature whatsoever to be asserted against the described property superior to or outside the permanent easement granted herein. Grantee will discharge or pay the same within ninety (90) days of the receipt of

written notice of any lien or encumbrance or provide a bond in the amount of such encumbrance or lien. If Grantee fails to discharge or pay or provide satisfactory surety for said lien or encumbrances Grantor may, after thirty (30) days written notice to the Grantee, pay or discharge the same and Grantee will reimburse Grantor for the amount thereof. After obtaining satisfactory surety as to such encumbrance or lien amount, Grantee may litigate and contest such a lien fully.

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Grantor reserves the right to use and enjoy said property except for the purposes herein granted but such use shall not hinder, conflict or interfere with Grantee's surface or subsurface rights hereunder or disturb the facilities and except for fences with appropriate gates or gaps on the right-of-way no reservoir, excavation, change of surface grade, obstruction or structure shall be constructed, created or maintained on over, along or within said right-of-way without Grantee's prior written consent.

The Grantee retains the right to assign or convey this easement in whole or in part. Grantee shall not transfer or assign this easement or any interest therein without giving prior written notice thereof to grantor. Under no circumstances shall the uses as described in the first paragraph of this Right-of-Way and Easement Agreement be altered by any transfer or assignment.

Grantee shall comply with applicable federal, state and local laws, rules and regulations concerning the design, construction, operation maintenance, safety and environmental considerations as they deal with or affect pipelines of the type and nature intended to be placed in the easement.

It is mutually understood and agreed that this right-of-way grant as written covers and includes all of the agreements and stipulations between the parties and that no representations or statements, have been made notifying adding to or changing the terms hereof.

Grantor reserves the right to cross the pipeline right-of-way with roads and/or other utility lines provided that all such crossings are made with the prior written consent of the Grantee, which consent shall not be unreasonably withheld and shall be subject to the safety and encroachment standards of Kern River Gas Transmission Company.

ACKNOWLEDGEMENT---LIMITED PARTNERSHIP

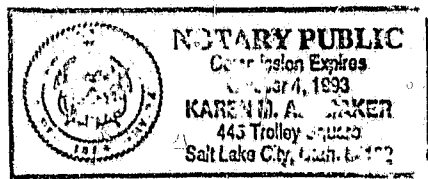
STATE OF Utah }  
COUNTY OF Salt Lake }

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On the 3rd day of May, 1991, personally appeared before me W. Earl Pace who, being by me duly sworn, did say that he is (a/~~was~~) General Partner of B & E Pace Investment Co., Ltd., a Limited Partnership and that the Exclusive Right-of-Way and Easement was signed on behalf of said Limited Partnership and said W. Earl Pace acknowledged to me that he as such General Partner executed the same.

My Commission Expires:  
10-4-93

Karen M. Ashbaker  
Notary Public  
Residing at:  
445 Trolley Square  
Salt Lake City, Utah



ACKNOWLEDGEMENT---LIMITED PARTNERSHIP

STATE OF Utah }  
COUNTY OF Salt Lake }

On the 3rd day of May, 1991, personally appeared before me Beverly G. Pace who, being by me duly sworn, did say that she is (a/~~was~~) General Partner of B & E Pace Investment Co., Ltd., a Limited Partnership and that the Exclusive Right-of-Way and Easement was signed on behalf of said Limited Partnership and said Beverly G. Pace acknowledged to me that she as such General Partner executed the same.

My Commission Expires:  
10-4-93

Karen M. Ashbaker  
Notary Public  
Residing at:  
445 Trolley Square  
Salt Lake City, Utah

