

Account No. 41097

Contract D-1

PETITION TO WEBER BASIN WATER CONSERVANCY DISTRICT  
FOR THE ALLOTMENT OF WATER

Lazy H, Ranch LLC, herein "Petitioner"),  
hereby applies to the Weber Basin Water Conservancy District, (herein "District"), for the allotment  
of the beneficial use of 1.0 acre-feet of untreated water annually, for irrigation and domestic  
purposes, on land situated in Morgan County, Utah, legally described as follows:

Section 5, Township 2N, Range 3E, Acres \_\_\_\_\_

Tax I.D. No. (s): MULTIPLE

SEE ATTACHED "EXHIBIT A"

1. In consideration of such allotment and upon condition that this petition is granted  
by the District, Petitioner agrees as follows:

(a) \$243.00 per acre-foot of water purchased, a portion there of to apply to the extent  
required on the District's obligation under bonds or other Government-District Contract and the  
remainder to apply to the District's general operation and maintenance expenses, and other special  
expenses and costs incurred in operating, maintaining, repairing and replacing the separate facilities  
of the District used or required in servicing this Contract, hereinafter referred to as "OM&R". Such  
fair amounts shall be determined each year by the Board of Trustees of the District and any such  
determination shall be final and conclusive and binding on all parties.

The amount so fixed shall be paid whether or not the Petitioner actually takes  
and uses the water allotted.

The amounts so fixed shall be a tax lien upon the above-described land and the  
Petitioner shall be bound by the provisions of the Water Conservancy Act of Utah and the rules and  
regulations of the District's Board of Trustees. Nothing contained herein shall be construed to  
exempt the Petitioner from paying the taxes levied pursuant to Sections 17A-2-1426 and 17A-2-  
1427, Utah Code Annotated 1990, as amended.

2. The use of the water allotted hereby shall be solely for the replacement of  
underground water diverted, withdrawn or to be diverted or withdrawn by means of a well or spring  
for irrigation and domestic purposes at a point located on the land hereinabove described, and for no  
other use or purpose.

Ent. 114602 Bk 272 Pg 346  
Date: 25-NOV-2008 10:11AM  
Fee: None  
Filed By: CRB  
BRENDA NELSON, Recorder  
MORGAN COUNTY  
FOR: WEBER BASIN WATER CONSERVANCY D  
ISTRICT

3. Petitioner's use of the water hereby allotted as replacement water shall be subject to such rules and regulations as the Utah State Engineer may from time to time prescribe. The Petitioner shall not use the allotted water in any way without first receiving an approved exchange application from the Utah State Engineer. It is the responsibility of the Petitioner to obtain such approved exchange application.

4. Delivery of the water hereby allotted by the District shall be as directed by the Utah State Engineer or his representative at the outlet works of \_\_\_\_\_ reservoir.

5. The District shall have no obligation to provide works or facilities of any type to conduct the water hereby allotted from its point of delivery to its ultimate place of use.

6. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims or other causes not within the control of the District, no liability shall arise against the District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom to Petitioner and the payments to the District provided for herein shall not be abated or reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic and industrial use shall have first priority.

7. The Petitioner shall construct, operate and maintain, without cost to the district, the well or spring and appurtenant facilities necessary to secure and accurately measure Petitioner's water supply. The metering or other measuring device installed by Petitioner shall be satisfactory to the Utah State Engineer. The District has no responsibility for the quality or quantity of water that Petitioner is able to secure through the source of Petitioner's well or spring.

8. The basis, the measure and the limit of the right of the Petitioner in the use of water shall rest perpetually in the beneficial application thereof, and the Petitioner agrees to put the water allotted Petitioner hereby to beneficial use in accordance with law. The Purchaser shall have no right to hold over or accumulate water from year to year, nor to sell or rent the water.

9. The Petitioner agrees to fully comply with all applicable federal laws, orders and regulations and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

10. The provisions of this Contract shall apply to and bind the successors and assigns of the parties hereto but as long as payments are required under Articles 1 (a) and (b) above neither this contract or any assignment or transfer of this contract or any part thereof or interest therein shall be valid until approved by the District's Board of Trustees.

11. The reuse of water delivered pursuant to this contract shall not be allowed without permission of the District. The waste, seepage, or return flow from water delivered pursuant to this contract shall belong to the United States or the Weber Basin Water Conservancy District for the use and benefit of the Weber Basin Project.

DATED this 12<sup>th</sup> day of June, 2008.

J. Floyd Hatch  
Lazy H Ranch, LLC

Petitioners and Owners of Land  
above-described

Lazy H. Ranch LLC  
c/o Floyd Hatch  
P.O. Box 171139  
S.L.C., Utah 84117

Address

STATE OF Utah )  
COUNTY OF Davis ) : ss.

On the 12<sup>th</sup> day of June, 2008, personally appeared before me  
Floyd Hatch, the signer(s) of the above  
instrument, who duly acknowledged to me that he executed the same.

Colette M Edwards  
NOTARY PUBLIC

(SEAL) COLETTE M. EDWARDS  
NOTARY PUBLIC - STATE of UTAH  
2637 East Highway 193  
Cottonwood, Utah 84040  
COMM. EXP. 09-13-2011

ORDER ON PETITION

DUE NOTICE having been given and hearing had, IT IS ORDERED that the foregoing petition of Lazy H. Ranch, LLC be granted and an allotment of 1.0 acre-feet of water is hereby made to the lands therein described, upon the terms, at the rates, and payable in the manner as in said petition set forth.

DATED this 29 day of August, 2008.

WEBER BASIN WATER CONSERVANCY  
DISTRICT

BY Stephen A. Osguthorpe  
Stephen A. Osguthorpe, Chairman

ATTEST:

Tage I. Flint  
Tage I. Flint, Secretary

(SEAL)



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EXHIBIT "A"

*00-0000-1118, 00-0000-1241, 00-0000-1790, 00-0000-2095, 00-0000-3103*  
TAX SERIAL NUMBERS 01-002-030, 01-002-034, 01-002-051, 01-002-088, 01-002-089,  
01-002-057, 01-002-062, 01-002-063, 01-002-067, 01-002-056  
*00-0000-1691, 00-0000-1808, 00-0000-1824, 00-0000-2041, 00-0000-1659*  
TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN,

SECTION 13: ALL  
SECTION 24: ALL

TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN,  
SECTION 7: ALL  
SECTION 17: ALL  
SECTION 19: ALL

SECTION 20: S 1/2 OF THE NW 1/4, SW 1/4 OF THE NE 1/4,  
AND NE 1/4 OF THE SW 1/4.

SECTION 6: LOTS 17, 18, 21, 22, 23, AND 24, EXCEPTING THEREFROM  
THAT PORTION DWEDED TO KENNETH G. AND MARIE E.  
JDAME IN BOOK N68 AT PAGE 44.

SECTION 8: LOTS 2, 3, 8, 9, AND 16.

SECTION 9: ALL, EXCEPTING THEREFROM THAT PORTION CONVEYED  
TO MORGAN COUNTY FOR A ROAD, CONTAINING .60  
ACRES BY DEED RECORDED IN BOOK T AT PAGE 96.

SECTION 18: W 1/2 OF THE NE 1/4, SE 1/4 OF THE NW 1/4,  
E 1/2 OF THE SW 1/4, AND LOT 4.

THAT PORTION OF SECTION 5, TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND  
MERIDIAN, U.S. SURVEY, LYING SOUTH OF HIGHWAY 66.

TOGETHER WITH ALL WATER RIGHTS APPURTENANT TO SUBJECT PROPERTY.

~~TOGETHER WITH ALL AND ALL MINERAL RIGHTS.~~ *RL.*

LESS AND EXCEPTING THEREFROM, THOSE PORTIONS PREVIOUSLY SOLD:

SERIAL NUMBER 01-002-056-01, *10-0000-1475*  
A TRACT OF LAND SITUATE IN THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF  
SECTION 5, TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, U.S.  
SURVEY, MORGAN COUNTY, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTHWEST CORNER OF SECTION 5, AN ORIGINAL STONE; THENCE SOUTH 01  
DEG 22 MIN 57 SEC EAST 1621.94 FEET ALONG THE WEST LINE OF SECTION 5; THENCE NORTH  
90 DEG 00 MIN 00 SEC EAST 976.81 FEET TO A POINT ON THE SOUTHERLY LINE OF STATE  
HIGHWAY NO. 66 AND A REBAR AND CAP, THE TRUE POINT OF BEGINNING; THENCE 148.61 FEET

W9356

ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66, A CURVE TO THE RIGHT, HAVING A RADIUS OF 1303.34 FEET AND A CHORD BEARING SOUTH 46 DEG 14 MIN 06 SEC EAST 148.53 FEET; THENCE NORTH 46 DEG 57 MIN 15 SEC EAST 21.99 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66; THENCE 97.99 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66 A CURVE TO THE RIGHT, HAVING A RADIUS OF 1361.78 FEET AND A CHORD BEARING SOUTH 40 DEG 58 MIN 51 SEC EAST 87.97 FEET; THENCE SOUTH 36 DEG 54 MIN 45 SEC EAST 193.31 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66; THENCE SOUTH 51 DEG 05 MIN 15 SEC WEST 37.00 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66; THENCE 186.11 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66, A CURVE TO THE RIGHT, HAVING A RADIUS OF 569.41 FEET AND A CHORD BEARING SOUTH 29 DEG 30 MIN 35 SEC EAST 185.27 FEET; THENCE SOUTH 20 DEG 06 MIN 29 SEC EAST 98.36 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66; THENCE SOUTH 376.53 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66; A CURVE TO THE LEFT, HAVING A RADIUS OF 330.00 FEET AND A CHORD BEARING SOUTH 52 DEG 48 MIN 15 SEC EAST 356.52 FEET; THENCE SOUTH 77 DEG 02 MIN 12 SEC EAST 532.48 FEET ALONG SAID SOUTHERLY LINE OF STATE HIGHWAY NO. 66, TO A REBAR AND CAP; THENCE SOUTH 01 DEG 22 MIN 57 SEC EAST 4375.50 FEET PARALLEL WITH THE WEST LINE OF SECTION 5 TO THE SOUTH LINE OF SECTION 5; THENCE SOUTH 85 DEG 58 MIN 41 SEC WEST 1456.53 FEET ALONG SAID SOUTH LINE OF SECTION 5; THENCE NORTH 01 DEG 22 MIN 57 SEC WEST 4996.77 FEET PARALLEL TO THE WEST LINE OF SECTION 5 TO THE PROJECTION OF A FENCE LINE EXTENDING NORTHEASTERLY AND A REBAR AND CAP; THENCE NORTH 32 DEG 17 MIN 24 SEC EAST 471.65 FEET ALONG SAID FENCE LINE TO A POINT ON THE SOUTHERLY LINE OF STATE HIGHWAY NO. 66, A REBAR AND CAP, AND THE POINT OF BEGINNING.

SERIAL NUMBER 01-002-056-04 / 00-0054-849 3  
COMMENCING AT A POINT A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF UTAH STATE ROAD 66, WHICH POINT IS 505.7 FEET SOUTH AND 51.5 FEET EAST MORE OR LESS, FROM THE NORTHWEST CORNER OF SECTION 5, TOWNSHIP 2 NORTH, RANGE 3 EAST SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTHWESTERLY FROM SAID STATE ROAD 66, 6 FEET ON EITHER SIDE OF A CENTER LINE BEGINNING AT SAID POINT OF BEGINNING 70 FEET, MORE OR LESS ALONG AN EXISTING DIRT ROAD TO THE WESTERN SECTION LINE OF SAID SECTION 5, TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN.

SERIAL NUMBER 01-002-056-05 / 00-0044-6034  
A TRACT OF LAND SITUATE IN THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 5, AND THE WEST HALF OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, U.S. SURVEY, MORGAN, UTAH, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 5 AS MONUMENTED BY A REBAR AND ALUMINUM CAP WITH THE ORIGINAL STONE PLACED ALONG SIDE; THENCE SOUTH 01 DEG 04 MIN 21 SEC EAST 2089.61 FEET ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 5 TO THE SOUTHEAST CORNER OF SAID SECTION AS MONUMENTED BY A REBAR AND ALUMINUM CAP WITH THE ORIGINAL STONE PLACED ALONG SIDE; THENCE SOUTH 86 DEG 00 MIN 00 SEC WEST 318.41 FEET ALONG THE SOUTH LINE OF SECTION 5 TO A REBAR AND CAP; THENCE NORTH 01 DEG 04 MIN 21 SEC WEST 2253.38 FEET PARALLEL TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 5 TO A REBAR AND CAP PLACED AT THE TOE OF A STEEP SLOPE; THENCE NORTH 69 DEG 14 MIN 06 SEC WEST 62.88 FEET ALONG SAID TOE OF SLOPE TO A REBAR AND CAP; THENCE NORTH 59 DEG 52 MIN 03 SEC WEST 107.95 FEET ALONG SAID TOE OF SLOPE TO A REBAR AND CAP; THENCE NORTH 58 DEG 34 MIN 00 SEC WEST 127.57 FEET ALONG SAID TOE OF SLOPE TO A REBAR AND CAP; THENCE NORTH 02 DEG 18 MIN 03 SEC WEST 89.02 FEET TO THE CENTERLINE OF EAST CANYON CREEK; THENCE NORTH 79 DEG 47 MIN 37 SEC EAST 74.11 FEET ALONG SAID CENTERLINE OF CREEK; THENCE NORTH 58 DEG 04 MIN 58 SEC EAST 55.88 FEET ALONG SAID CENTERLINE OF CREEK; THENCE SOUTH 83 DEG 28 MIN 38 SEC EAST 151.09 FEET ALONG SAID CENTERLINE OF CREEK; THENCE SOUTH 83 DEG 10 MIN 32 SEC EAST 15.84 FEET ALONG SAID CENTERLINE OF CREEK; THENCE NORTH 06 DEG 16 MIN 49 SEC WEST 161.95 FEET TO A REBAR AND CAP; THENCE NORTH 65 DEG 58 MIN

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52 SEC EAST 124.23 FEET TO A REBAR AND CAP; THENCE NORTH 01 DEG 08 MIN 10 SEC EAST 95.34 FEET TO A REBAR AND CAP; THENCE SOUTH 86 DEG 19 MIN 10 SEC EAST 107.42 FEET TO A REBAR AND CAP; THENCE NORTH 15 DEG 46 MIN 24 SEC EAST 79.11 FEET TO A REBAR AND CAP; THENCE NORTH 01 DEG 07 MIN 47 SEC WEST 106.50 FEET TO THE SOUTH LINE OF HIGHWAY 66; THENCE SOUTH 85 DEG 15 MIN 47 SEC EAST 60.22 FEET ALONG SAID SOUTH LINE OF HIGHWAY 66 TO THE SECTION LINE; THENCE SOUTH 01 DEG 07 MIN 47 SEC EAST 886.84 FEET ALONG SAID SECTION LINE TO THE EAST QUARTER CORNER OF SECTION 5 AND THE POINT OF BEGINNING. THE BASIS OF BEARING IS A LINE BETWEEN THE EAST QUARTER CORNER OF SECTION 5 AND THE NORTHEAST CLOSING CORNER OF SECTION 5 AS MONUMENTED AND CALLED NORTH 80 DEG 03 MIN 11 SEC EAST.