

Recorded at the request of  
Kern River Gas Transmission Company

When Recorded Mail to:  
Kern River Gas Transmission Company  
Attn: Land Department  
PO Box 71400  
Salt Lake City, UT 84171-0400

Ent 120444 Bk 285 Pg 478  
Date: 23-JUN-2010 5:12:58PM  
Fee: \$32.00 Cash  
Filed By: CB  
BRENDA NELSON, Recorder  
MORGAN COUNTY  
For: KERN RIVER GAS TRANSMISSION COM  
PANY

**Kern River Gas Transmission Company  
EXCLUSIVE RIGHT-OF-WAY AND EASEMENT**

State of UTAH  
County of Morgan

Grant of Limited Easement Rights

KNOW ALL MEN BY THESE PRESENTS, that the undersigned **J. Floyd Hatch as the Manager of Lazy H Ranch, LLC**, whose address is PO Box 171139, Salt Lake City, UT 84117, 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 71400, Salt Lake City, Utah 84171-0400, hereinafter referred to as Grantee, the receipt and sufficiency of which is hereby acknowledged, does hereby grant unto said Grantee, its successors and assigns, an exclusive (except as to other easement rights previously granted to the Grantee in regards to the Grantor's Property) right-of-way and easement to locate, survey a route, construct, entrench, maintain, protect, inspect and operate an underground natural gas 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, markers and roads being hereinafter sometimes collectively called the "Facilities") over, under and through a portion of the hereinafter described land, approximately 25 feet on each side of the easement centerline (hereafter the "Easement Area") designated by survey which is attached hereto as Exhibits "A" and "B" and by this reference incorporated herein which Easement Area shall be through and over the land (hereafter "Grantor's Property") more specifically described as:

**That certain parcel of land situated in Section 5, Township 2 North, Range 3 East, SLB&M, Morgan County, Utah, more particularly described on attached Exhibits "A" and "B".**

To the extent that any discrepancy exists between the Easement Area described above and the actual location of the pipeline as installed (which in no event shall exceed 25 feet from the centerline described herein), the actual location of the pipeline shall govern, with the Easement Area being parallel to and extending 25 feet on each side of the actual location of the centerline of the pipeline as it is actually installed on the Grantor's Property. If any discrepancy occurs, Grantee will record a corrective survey plat that identifies the actual location of the Easement Area with the Morgan County Recorder's Office, which document shall reference this Exclusive Right of Way and Easement (this "Agreement") and which revised survey location shall become the centerline of the Easement Area for purposes of this Agreement.

The easement rights granted pursuant to this Agreement shall include the right of ingress and egress through the Grantor's Property to and from, and access on and along the Easement Area utilizing all roads which may be constructed on the Grantor's Property from time to time, 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 the pipeline with either like or different size pipe. During temporary periods Grantee may use such portions of the Grantor's Property along and adjacent to the Easement Area as may be reasonably necessary in connection with construction, maintenance, repair, removal or replacement of the Facilities, provided such activities shall not unreasonably interfere with or restrict the Grantor's use of the Grantor's Property.

TO HAVE AND TO HOLD the above described rights and easements, together with all rights necessary to operate, protect and maintain the Facilities in the Easement Area. The Grantee may assign the rights and easements granted pursuant to this Agreement, 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 shall be binding upon Grantor and Grantee, their heirs, legal representatives and successors. Any assignment by the Grantee hereunder shall not release the Grantee from its obligations hereunder arising before the date of such assignment.

Grantee may at any time permanently abandon said right-of-way and at its discretion may remove or abandon in place the Facilities provided the Grantee has fully complied with all applicable laws and regulations related to the shutdown and abandonment of the Facilities. Grantor reserves the right to use and enjoy the Grantor's Property

Tract	Serial	Parcel
UT-MO-012.000	01-002-056	00-0000-1659
UT-MO-013.001	01-002-056	00-0000-1659

except for the purposes herein granted, but any such use by the Grantor shall not unreasonably hinder, conflict with, or interfere in any material manner with Grantee's surface or subsurface rights hereunder or disturb its Facilities. No reservoir, excavation, obstruction or structure shall be constructed, created or maintained on, over, along of within said Easement Area without Grantee's prior written consent which consent shall not be unreasonably withheld. Grantee may at its discretion execute and record a reconveyance and release hereof, whereupon this Agreement and all rights and privileges herein mutually granted shall be fully cancelled and terminated, except for obligations of the Grantee which are expressly intended to survive the termination of this Agreement and with the understanding that any such abandonment shall not relieve the Grantee from the performance of its obligations or covenants hereunder.

Grantor represents and warrants that it 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.

#### Express Covenants of the Grantee

Grantee shall compensate the Grantor for all damages to Grantor's growing crops, pasture, fences, drain lines, 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 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 shall construct its Facilities with at least five (5) feet of depth from the top of the pipe to the surface.

Grantee acknowledges that the Grantor has made no representation or warranty as to the suitability of the Grantor's Property or the Easement Area for the Grantee's use of the same, nor shall the Grantor be liable to the Grantee or any of the Grantee's employees, contractors, agents or invitees (hereafter collectively the "Grantee's Representatives") for any injury related to the condition of the Grantor's Property at any time.

Grantee hereby further covenants that no above ground appurtenances such as, valve locations, gas compressors, "pig" entry locations or above ground launchers/receivers (except for necessary above ground measurement, line markers and/or monitoring equipment) shall be located on any portion of the Grantor's Property including but not limited to the Easement Area.

Grantee hereby expressly acknowledges and covenants that the access rights granted to Grantee herein, including the right to use existing and future roads on the Grantor's Property to gain ingress and egress to and from the Easement Area do not include the right of the Grantee, the Grantee's employees, agents or contractors to have any access to any other portion of the Grantor's Property, and the Grantee shall take such steps as are necessary to prevent any parties working for or on behalf of the Grantee from entering on any portion of the Grantor's Property for any activity except those activities which are expressly permitted herein.

Grantee shall conduct all of its activities on the Grantor's Property at Grantee's sole expense in full compliance with all applicable laws, ordinances and regulations, which obligations shall survive the termination of this Agreement. Grantee shall at all times maintain the Facilities in good order and repair and in a safe condition. Grantee shall carry insurance with respect to all of the Facilities and covering all of the Grantee's rights, obligations and liabilities under this agreement in an amount of at least \$5,000,000 per occurrence.

Grantee shall not, and shall not permit or allow any of Grantee's Representatives to, use, deposit, store, dispose of, or otherwise locate within the Easement Area or any other part of the Grantor's Property any hazardous substances, hazardous wastes, pollutants or contaminants, including petroleum based-based products, as those terms are defined under all applicable laws, except commercially reasonable quantities of hazardous substances that are ordinarily used in and necessary for the construction, operation and maintenance of the Facilities in compliance with all applicable laws. The obligations of Grantee pursuant to this paragraph shall survive the termination of this Agreement.

Grantee shall indemnify and hold the Grantor harmless from and against all claims and damages for injury to all persons or property caused by the construction, operation, maintenance, repair, replacement or removal of the Facilities on the Grantor's Property, and for any other activities of the Grantee or the Grantee's Representatives, and from and against any violation of the Grantee's covenants and representations hereunder. The obligations of Grantee pursuant to this paragraph shall survive the termination of this Agreement.

Grantee shall be fully responsible to obtain all necessary permits and other governmental approvals necessary for the installation and operation of the Grantee's Facilities on the Grantor's Property and shall pay all costs thereof and shall be responsible for all property taxes and assessments pertaining to such Facilities as such may be assessed. The obligations of Grantee pursuant to this paragraph shall survive the termination of this Agreement.

Grantee shall not allow any mechanic's lien or materialman's lien to be placed on Grantor's Property in conjunction with any of the Grantee's activities on the Grantor's Property and shall hold Grantor harmless from and indemnify Grantor against the same. The obligations of Grantee pursuant to this paragraph shall survive the termination of this Agreement.

Grantee further agrees that within a reasonable time following the completion of initial construction of the Facilities and after any subsequent work which may be performed by the Grantee thereafter, Grantee shall fully repair and restore the Easement Area and any other damage to the Grantor's Property caused by the Grantee's activities. Restoration shall include, where necessary, final grading, reseeding and installation of erosion control measures, and repair or replacement of any road improvements disturbed or damaged by the Grantee's activities. The obligations of Grantee pursuant to this paragraph shall survive the termination of this Agreement.

Grantee is also grantee under a separate document entitled Exclusive Right of Way and Easement dated the 6<sup>th</sup> day of June, 1991, and recorded in the Morgan County Recorder's Office as Entry No. 60439, Book M80, Page 502 (the "1991 Easement") which 1991 Easement also pertains to all or some portion of the Grantor's Property. In the event that a situation occurs hereafter where the Grantee is conducting activities on the Grantor's Property and it is not absolutely clear if the Grantee is acting pursuant to its rights and obligations under this Agreement or pursuant to the 1991 Easement (by way of example but not limitation, if for instance, the Grantee's representatives are conducting maintenance on both pipeline facilities during the same visit), it shall be assumed that the Grantee is conducting all of its activities on the Grantor's Property pursuant to this Agreement for purposes of determining application of the liability, indemnification and hold harmless obligations of the Grantee.

Other Covenants

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

WITNESS THE EXECUTION HEREOF THE 22 DAY OF JUNE, 2010.

GRANTOR:

GRANTEE:

LAZY H RANCH, LLC,  
a Utah limited liability company

KERN RIVER GAS TRANSMISSION COMPANY,  
a Texas general partnership

J. Floyd Hatch  
J. Floyd Hatch, Manager

Douglas R. Gibbons  
Douglas R. Gibbons, Manager- Land & Environmental

ACKNOWLEDGMENT

State of Utah

County of Salt Lake

On June 22 2010, before me, Kate Lyon Notary Public

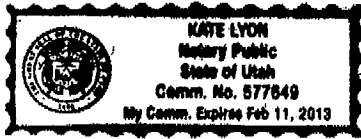
Date

Name and Title of Officer

Personally appeared J. Floyd Hatch, Manager of Lazy H Ranch, LLC, a Utah limited liability company,

personally known to me --OR--

proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.



WITNESS my hand and official seal,

Kate Lyon

ACKNOWLEDGMENT

State of Utah

County of Salt Lake

On June 23, 2010, before me, Joyce B. Luker, Notary Public

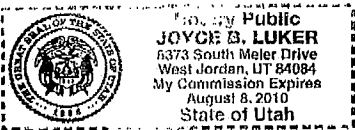
Date

Name and Title of Officer

Personally appeared DOUGLAS R. GIBBONS, as Manager, Land & Environmental for Kern River Gas Transmission Company, a Texas general partnership,

personally known to me --OR--

proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

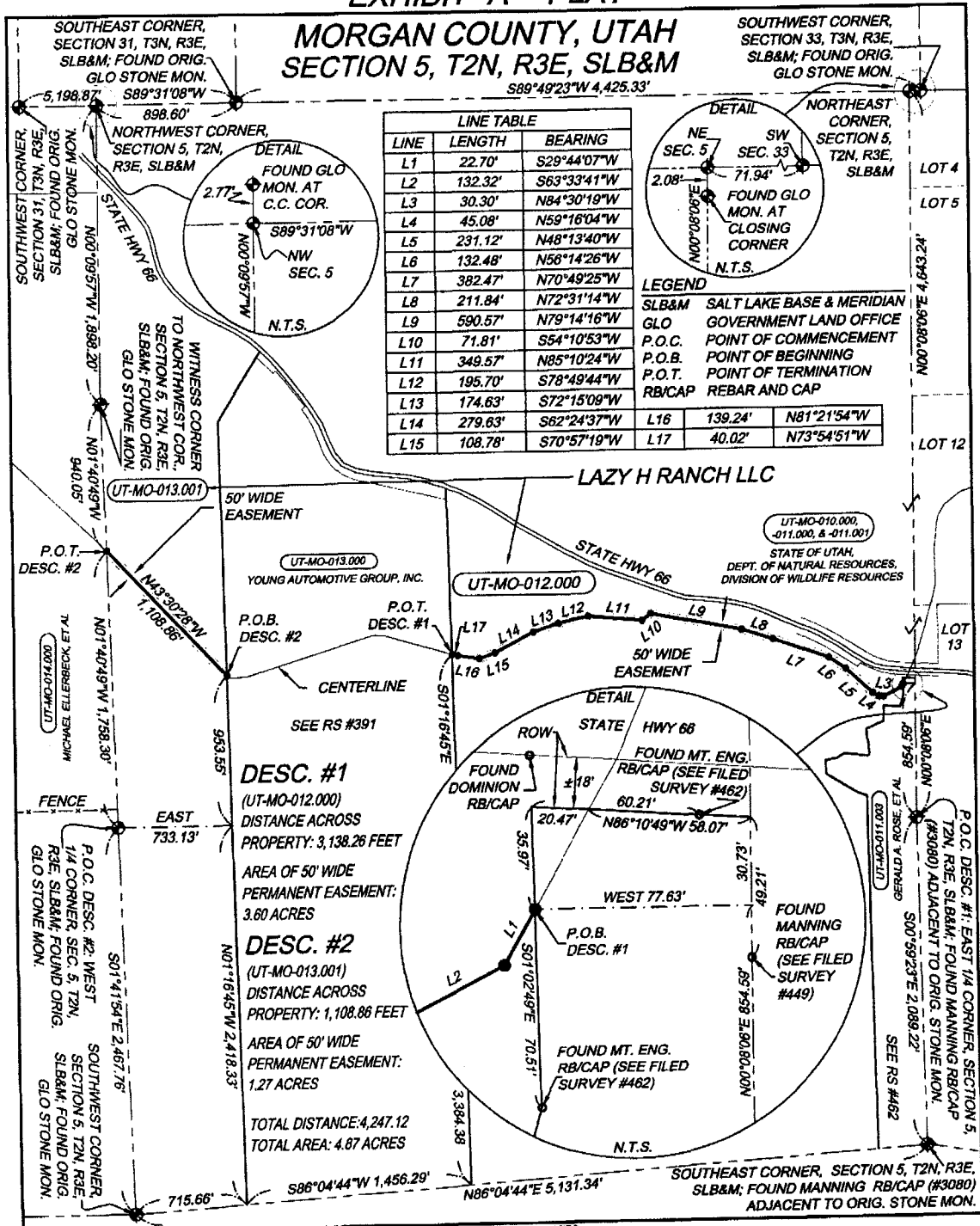


WITNESS my hand and official seal,

Joyce B. Luker

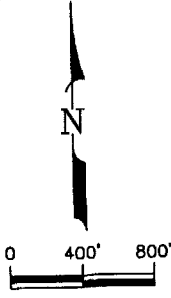
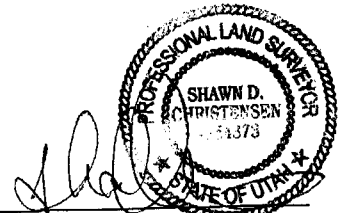
EXHIBIT "A" - PLAT

MORGAN COUNTY, UTAH  
SECTION 5, T2N, R3E, SLB&M



I, SHAWN D. CHRISTENSEN DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND UNDER MY DIRECTION AND THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THE SURVEY.

- NOTES:**
1. THIS EASEMENT PLAT AND ACCOMPANYING DESCRIPTION WERE PREPARED ACCORDING TO INFORMATION REPORTED ON A LIMITED TITLE CERTIFICATE AND VESTING DEED DOCUMENT PROVIDED TO THE UNDERSIGNED SURVEYOR BY OTHERS.
  2. ALL BEARINGS AND DISTANCES CONTAINED HEREIN ARE GRID, BASED ON THE UTAH COORDINATE SYSTEM OF 1983, UTAH CENTRAL ZONE, US SURVEY FEET, AS DERIVED FROM A GLOBAL POSITIONING SURVEY PERFORMED BY UNIVERSAL PEGASUS INTERNATIONAL IN 2008 (COMBINED SCALE FACTOR: 0.999832). TO OBTAIN THE ORIGINAL BASIS OF BEARINGS OF THE ROSE-CHARD PROPERTY LINES AS SURVEYED BY MOUNTAIN ENGINEERING CIRCA NOVEMBER, 2003, (SEE FILED SURVEY #462), ROTATE THE BEARINGS ON THIS PLAT IN THE COUNTERCLOCKWISE DIRECTION 00°04'59" TO OBTAIN THE ORIGINAL BASIS OF BEARINGS OF THE YOUNG AUTOMOTIVE GROUP INC. PROPERTY LINES AS SURVEYED BY MOUNTAIN ENGINEERING CIRCA OCTOBER, 2000, (SEE FILED SURVEY #391), ROTATE THE BEARINGS ON THIS PLAT IN THE COUNTERCLOCKWISE DIRECTION 00°08'12".
  3. SEE EXHIBIT "B" FOR DESCRIPTION.



SHAWN D. CHRISTENSEN  
REGISTERED PROFESSIONAL LAND SURVEYOR  
UTAH REGISTRATION NO. 354373

UniversalPegasus  
INTERNATIONAL

**REVISIONS**

NO.	REVISIONS	BY	CHKD	DATE

**SCALE:** 1"=800'  
**DATE:** 2/24/2010

**DRAWN:** BEC  
**DESIGNED:**  
**PROJ. ENG.:**  
**CHECKED:**  
**APP'D:**  
**JOB NO.:** 15338

**TITLE:** EASEMENT PLAT  
50' WIDE PERMANENT EASEMENT &  
RIGHT-OF-WAY UPON THE PROPERTY OF  
LAZY H RANCH LLC

MORGAN COUNTY, UTAH  
Ent 120444 Bk 0285 P 678

**APEX EXPANSION**  
A SURVEYING & MAPPING COMPANY

DWG NO. 678  
REV. 1  
UT-MO-012.000

## EXHIBIT "B" - DESCRIPTION

APEX EXPANSION PROJECT  
KERN RIVER TRACT NOS. UT-MO-012.000 & UT-MO-013.001  
LAZY H RANCH LLC  
MORGAN COUNTY, UTAH

DESCRIPTION OF A FIFTY (50) FOOT WIDE  
PERMANENT EASEMENT AND RIGHT-OF-WAY UPON THE PROPERTY OF  
LAZY H RANCH LLC

**Description of a fifty (50) foot wide permanent easement and right-of-way situated in Section 5, Township 2 North, Range 3 East, Salt Lake Base and Meridian, Morgan County, Utah, said fifty (50) foot wide permanent easement and right-of-way being situated twenty five (25) feet on each side of the herein described centerline, said centerline being more particularly described as follows with all bearings and distances herein being grid based upon the Utah Coordinate System of 1983, Central Zone (U.S. Survey Feet), as derived from a Global Positioning System survey performed by UniversalPegasus International in 2009 (combined scale factor: 0.999832):**

**DESCRIPTION NO. 1 (UT-MO-012.000):**

**COMMENCING** at a found rebar and cap survey marker set by J. Russell Manning adjacent to an original Government Land Office stone monument for the east one-quarter corner of Section 5, Township 2 North, Range 3 East, Salt Lake Base and Meridian (see filed record of survey number 449), from said east one-quarter corner a found rebar and cap survey marker set by J. Russell Manning adjacent to an original Government Land Office stone monument for the southeast corner of Section 5 bears South 00°59'23" East 2,089.22 feet, in conformance with the Utah Coordinate System of 1983, Central Zone;

**THENCE** North 00°08'06" East 854.59 feet along the section line and West 77.63 feet to a point on the westerly line of the Rose/Chard property, said point being the **TRUE POINT OF BEGINNING** of the herein described centerline; from said true point of beginning a found rebar and cap survey marker set by William L. Holyoak, RLS #167461 (Mountain Engineering), in conjunction with that certain survey performed at the request of Gerald A. Rose circa November, 2003, and filed in the office of the Morgan County recorder as record of survey filing number 462, bears South 01°02'49" East 70.51 feet along the westerly line of the Rose/Chard property;

**AND RUNNING THENCE** across a portion of the above referenced tract of land the following bearings and distances:

THENCE South 29°44'07" West 22.70 feet; THENCE South 63°33'41" West 132.32 feet; THENCE North 84°30'19" West 30.30 feet; THENCE North 59°16'04" West 45.08 feet; THENCE North 48°13'40" West 231.12 feet; THENCE North 56°14'26" West 132.48 feet; THENCE North 70°49'25" West 382.47 feet; THENCE North 72°31'14" West 211.84 feet; THENCE North 79°14'16" West 590.57 feet; THENCE South 54°10'53" West 71.81 feet; THENCE North 85°10'24" West 349.57 feet; THENCE South 78°49'44" West 195.70 feet; THENCE South 72°15'09" West 174.63 feet; THENCE South 62°24'37" West 279.63 feet; THENCE South 70°57'19" West 108.78 feet; THENCE North 81°21'54" West 139.24 feet; THENCE North 73°54'51" West 40.02 feet; to a point on the easterly line of the Young Automotive Group Inc. property, **AND TERMINATING.**

From said point of termination the original Government Land Office stone monument for the southwest corner of said Section 5 bears South 01°16'45" East 3,384.38 feet along the easterly line of said Young Automotive Group, Inc. property to the section line and South 86°04'44" West 2,171.95 feet along the section line. The right-of-way boundary lines of said fifty (50) foot wide permanent easement and right-of-way shall be shortened and lengthened at their extremities so as to conform to the property lines of

APEX EXPANSION PROJECT  
KERN RIVER TRACT NOS. UT-MO-012.000 & UT-MO-013.001  
LAZY H RANCH, LLC  
MORGAN COUNTY, UTAH

the above referenced tract of land thereby providing for a continuous fifty (50) foot wide permanent easement and right-of-way width.

**DESCRIPTION NO. 2 (UT-MO-013.001):**

**COMMENCING** at the original Government Land Office (GLO) stone monument for the west one-quarter corner of Section 5, Township 2 North, Range 3 East, Salt Lake Base and Meridian, from said monument the original GLO stone monument for the southwest corner of said Section 5 bears South 01°41'54" East 2,467.76 feet, in conformance with the Utah Coordinate System of 1983, Central Zone;

**THENCE** East 733.13 feet to a point on the westerly line of the Young Automotive Group, Inc. property and North 01°16'45" West 953.55 feet along said westerly line to the **TRUE POINT OF BEGINNING** of the herein described centerline;

**AND RUNNING THENCE** across a portion of the above referenced tract of land the following bearing and distance:

**THENCE** North 43°30'28" West 1,108.86 feet to the section line, **AND TERMINATING.**

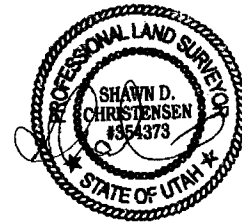
From said point of termination the original Government Land Office stone monument for the witness corner to the northwest corner of said Section 5 bears North 01°40'49" West 940.05 feet along the section line. The right-of-way boundary lines of said fifty (50) foot wide permanent easement and right-of-way shall be shortened and lengthened at their extremities so as to conform to the property lines of the above referenced tract of land thereby providing for a continuous fifty (50) foot wide permanent easement and right-of-way width.



Shawn D. Christensen  
Professional Land Surveyor  
Utah Registration No. 354373

3-12-10

Date:



SEAL

If this description and accompanying plat are not sealed with the stamped seal of the registered professional land surveyor, whose signature appears above, it should be considered as a copy and not the original.