

16 pages  
BTS 0.024935  
Parcels  
12-111-0110, 12-111-0111,  
~~12-111-0113~~  
12-111-0125, 12-111-0114 (Part)

Contract No. 07-LA-40-0120  
Parcel No. GSL-(Mit)-21

UNITED STATES OF AMERICA  
DEPARTMENT OF THE INTERIOR  
for use by the  
UTAH RECLAMATION MITIGATION AND CONSERVATION  
COMMISSION

2285217  
BK 4316 PG 2125

CENTRAL UTAH PROJECT COMPLETION ACT  
GREAT SALT LAKE WETLAND MITIGATION

LAND PURCHASE CONTRACT

THIS CONTRACT, made this 26 day of June, 2007 in pursuance of the Act of June 17, 1902 (32 Stat. 338), and Acts amendatory thereof or supplementary thereto; and pursuant to the provisions of the Reclamation Projects Authorization and Adjustment Act of 1992, (P.L. 102-575), between THE UNITED STATES OF AMERICA, hereinafter styled the United States, acting through such office of the Bureau of Reclamation as is authorized therefor by the Utah Reclamation Mitigation and Conservation Commission, and

THE NATURE CONSERVANCY,  
a District of Columbia non-profit corporation,

hereinafter styled Vendor,

WITNESSETH, THAT:

WHEREAS, the Vendor is the owner of all those lands herein described, and

WHEREAS, the United States desires to acquire those same lands for wetlands mitigation on the Great Salt Lake, under the Central Utah Project Completion Act.

NOW THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto do covenant and agree as follows:

1. The Vendor shall sell and by Special Warranty Deed convey to the United States, free of lien or encumbrance, except as otherwise provided herein, real estate in fee title, consisting of approximately 116 acres, more or less, located in the County of Davis, State of Utah, as described in Exhibit A attached hereto and hereby made a part hereof, including without limitation the land and all buildings, improvements and fixtures thereon, grazing and other surface and subsurface rights, water rights, permits, hereditaments, easements, incidents and appurtenances belonging thereto, if any. Water rights shall be conveyed by separate Special Warranty Deed and Quit Claim Deed.

(a) It is understood and agreed that the rights to be conveyed to the United States, as described in Article 1 hereof, shall be free from lien or encumbrance except: (i) coal, oil, gas, and other mineral rights reserved to or outstanding in third parties as of the date of this contract; and (ii) those encumbrances set forth in Exhibit B attached hereto.

(b) The Vendor shall sign and place into escrow on or before the Closing Date (as that term is defined in Paragraph 8 below) a Special Warranty Deed identical to the one attached hereto as **Exhibit C** for the real estate; a Special Warranty Deed identical to the one attached hereto as **Exhibit D** for water right nos. 31-2539, 31-3137, 31-3138, 31-3139, 31-3937; and a Quit Claim Deed identical to the one attached hereto as **Exhibit E** for water right no. 31-3945.

(c) The United States acknowledges that Bankhead Farms L.C. ("Bankhead") may continue to use and occupy the property after the Closing Date for the sole purpose of cattle grazing, subject to the following conditions:

- i. no more than 40 cows may graze at any one time on the Property;
- ii. Bankhead's use and occupancy shall terminate no later than June 22, 2008.

iii. Bankhead's use and occupancy is at Bankhead's sole risk and expense. Bankhead releases the Vendor, its successors and assigns, from all liability arising from or relating to Bankhead's use and occupancy.

2. The United States shall purchase said property on the terms herein expressed, and upon execution and delivery of the deeds required by Article 1, and upon approval by the proper officials of the United States, it shall cause to be paid to the Vendor as full purchase price the sum of THREE MILLION TWO HUNDRED SIXTY THOUSAND and NO/100 (\$3,260,000.00). The Vendor hereby acknowledges that it has been fully informed by the United States of its right under the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 as amended (84 Stat. 1904, 101 Stat. 255, 42 U.S. C. § 4651) to receive just compensation, as determined by an appraisal, for the land rights to be conveyed to the United States. Vendor further acknowledges that, having been fully informed of the amount of such just compensation, it desires to sell the land rights described herein to the United States for less than the appraised value, and hereby waives its right under the law to receive full just compensation.

3. The Vendor shall, at its own cost, procure and have recorded all assurances of title and affidavits which the Vendor may be advised by the United States are necessary and proper to show in the Vendor complete fee simple unencumbered title to said property, subject only to the interests, liens, or encumbrances expressly provided herein. Abstracts or certificates of title or title insurance will be procured by the United States at its expense unless otherwise provided in this contract. The expense of recording this contract and the deeds required by Article 1 shall be borne by the United States.

4. The Vendor agrees that all taxes, assessments and encumbrances that will be a lien against the property at closing, including all deferred taxes, whether or not a lien, and any other charges that could be imposed on the property in the future by recapture or otherwise as a result of any classification of the property for assessment purposes existing prior to closing, including without limitation any compensating tax, additional tax, deferred timber tax, agricultural use tax, open space tax, interest, and penalties, whether or not those charges would constitute a lien against the property at settlement, shall be satisfied of record by Vendor at or before closing. Vendor agrees to indemnify and defend and hold the United States harmless from all liability claims, demands and expense

arising from any such charges on the property, and that its indemnity, and the right of offset provided above, shall survive closing.

The property may not qualify for greenbelt status after the closing date. The Vendor must satisfy all rollback tax charges, if any, prior to or on the closing date.

5. In the event that liens or encumbrances other than those expressly provided herein, do exist the United States may, at its option, remove any and all such outstanding liens and encumbrances by reserving from the purchase price herein set forth the necessary amount and discharge same with the money so reserved, but this provision shall not be construed to authorize the incurrence of any lien or encumbrance as against this contract, nor as an assumption of any lien or encumbrance by the United States.

6. It is agreed that, at its election, the United States may draw its check in payment for the above-described real estate to the order of the title contractor or closing agent, and the Vendor hereby authorizes the said contractor or agent to cash the check and make disbursements out of the proceeds to satisfy and pay any taxes, assessments, and encumbrances which are a lien against the real estate; to purchase any Federal or State documentary revenue stamps; to pay any State and local recording or transfer taxes where required, and any other expenses incident to the closing of title which are properly chargeable to the Vendor; and to remit the balance of the proceeds to Vendor; together with an itemized statement of the payments made on Vendor's behalf.

7. This contract shall become effective to bind the United States to purchase said property immediately on its execution by the contracting officer acting under the authority of the Secretary of the Interior and shall inure to the benefit of and be binding on the heirs, executors, administrators and assigns of the Vendor, and the assigns of the United States.

8. Closing shall be held at the office of an escrow company satisfactory to the parties (the "Escrow Holder") no later than the first business day which is 30 days following the date set forth at the beginning of this Land Purchase Contract (the "Closing Date").

9. If the Secretary of the Interior determines that the title should be acquired by the United States by judicial procedure, either to procure a safe title or to obtain title more quickly or for any other reason, then the award to be made for the interest acquired in said lands in said proceedings shall be the same amount as the purchase price herein provided.

10. The United States acknowledges that it is fully familiar with the subject property and has had an ample opportunity to independently investigate and examine all aspects of the subject property. The United States specifically acknowledges and agrees that the Vendor is selling and the United States is buying the property on an "AS IS, WITH ALL FAULTS" basis and that the United States is not relying on any representations or warranties of any kind, express or implied, from the Vendor, its agents, its contractors, employees or representatives as to any matters concerning the Property, including, without limitation, the following: (i) the quality, nature, adequacy or physical condition of the subject property, including, without limitation, the soils, geology and groundwater, if any; (ii) the existence, quality, nature, adequacy, condition or ownership of any means of irrigation and any water or water rights, ditches or ditch rights, reservoirs or reservoir rights serving the subject

property; (iii) the subject property's use, habitability, merchantability, or fitness for a particular purpose; (iv) the zoning or other legal status of the subject property or any other public or private restrictions on use of the subject property; (v) the compliance of the subject property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vi) the presence of any hazardous or toxic substances on, under or about the subject property or any adjoining or neighboring property; (vii) the location of fences in relationship to the subject property lines, or the actual boundaries or acreage of the subject property; (viii) the existence, quality, nature, condition or ownership of any minerals on or under the subject property or any mineral or other surface or subsurface rights relating to the subject property; (ix) the quality, nature, adequacy and physical and structural condition of any buildings, structures, fences or other improvements on the subject property and of any labor and materials used in any such improvements; (x) the quality or suitability of the land for growing crops or grazing livestock, of any kind; or (xi) the value of the subject property for the United State's intended uses.

11. The Vendor warrants that the Vendor has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the United States the right to annul the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees.

12. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

13. The terms of this contract will survive the conveyances provided for herein.

IN WITNESS WHEREOF, the parties hereto have signed their names the day and year first above-written.

for the UNITED STATES OF AMERICA

THE NATURE CONSERVANCY, a District of Columbia non-profit corporation

By:

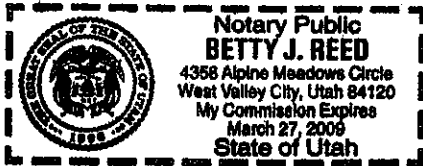
Its: Vice President

APPROVED

Regional Solicitor's Office

STATE OF UTAH )  
 ) ss  
COUNTY OF SALT LAKE )

On the 27<sup>th</sup> day of June, 2007, personally appeared before me Michael C. Weland, known to me to be the Executive Director, the signer of the above instrument, who duly acknowledged to me that he executed the same for the United States of America pursuant to authority delegated to him.



Betty J. Reed  
Notary Public in and for the State of Utah  
Residing at West Valley City Utah

My Commission expires: March 27, 2009

STATE OF UTAH )  
 ) ss  
COUNTY OF SALT LAKE )

On the 26<sup>th</sup> day of June, 2007, personally appeared before me Dave Livermore, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Vice-President of The Nature Conservancy, a District of Columbia non-profit corporation, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.



Kara M DeSena  
Notary Public in and for the State of Utah  
Residing at 9886 Sandridge Dr  
Sandy, UT 84092

My Commission expires: 12-9-2008

**EXHIBIT A**  
**DESCRIPTION OF PROPERTY**

All that certain real estate situated in Davis County, Utah, more particularly described as follows:

Beginning at a point S89°53'55"E 386.00 feet along the Section Line (Basis of Bearing) from the Northwest Corner of Section 26, Township 4 North, Range 2 West, Salt Lake Base and Meridian;  
thence N0°14'23"E 638.40 feet parallel with the west line of Section 23 of said Township 4 North, Range 2 West, to the southwesterly line of the Layton Canal;

thence along said southwesterly line of the Layton Canal the following seven courses:

1. S52°43'30"E 594.77 feet to the beginning of a 60.00 foot radius curve, the center of which bears S37°16'30"W;
2. Southeasterly 41.89 feet along said curve to the right through a central angle of 40°00'00" (chord bearing = S32°43'30"E 41.04 feet);
3. S12°43'30"E 73.70 feet to the beginning of a 90.00 foot radius curve, the center of which bears N77°16'30"E;
4. Southeasterly 58.93 feet along said curve to the left through a central angle of 37°31'00" (chord bearing = S31°29'00"E 57.88 feet);
5. S50°14'30"E 113.70 feet to the beginning of a 10.00 foot radius curve, the center of which bears S39°45'30"W;
6. Southeasterly 8.78 feet along said curve to the right through a central angle of 50°18'00" (chord bearing = S25°05'30"E 8.50 feet);
7. S0°03'30"W 43.11 feet to the north line of said Section 26;

thence S89°53'55"E 216.11 feet along said Section Line to a point on the extension of a fence line and the southwesterly line of the old Bluff Road, said point also being 1406.97 feet west of the North Quarter Corner of said Section 26;

thence S52°08'53"E 1050.94 feet along said fence line and southwesterly line of the old Bluff Road to the west line of that certain Quit-Claim Deed recorded as Entry No. 1579820, Book 2624, Page 946 of official records, said point being 574.80 feet west of the North-South Center of Section Line;

thence S0°12'32"W 494.71 feet parallel with said North-South Center of Section Line (Deed = S0°13'08"W) to the southwest corner of said Quit-Claim Deed;

thence S52°23'17"E 723.58 feet along the southwesterly line of said Quit-Claim Deed (Deed = S52°22'41"E) to said North-South Center of Section Line;

thence S0°12'32"W 1058.34 feet along said North-South Center of Section Line to a Davis County brass cap monument at the Center of said Section 26;

thence N89°52'08"W 1986.33 feet along the East-West Center of Section line to a point 660.00 feet S89°52'08"E of a Davis County brass cap monument at the West Quarter Corner of said Section 27;

thence N0°14'44"E 2636.03 feet parallel with the West Line of said Section 26 to said north line of Section 26;

thence N89°53'55"W 274.00 feet to the point of beginning. Contains 101.5978 acres. Less 66 foot wide Gentile Street 0.9353 acre, net acres = 100.6625 acres.

**EXHIBIT B  
EXCEPTIONS TO TITLE**

1. Easement, and the terms and conditions thereof:

Grantee: North Davis County Sewer District

Recorded: March 12, 1957

Entry No.: 164785

Book/Page: 120/434

Purpose: An easement including all ingress and egress to lay, construct, reconstruct, operate and maintain an underground sewer pipeline or pipelines and appurtenant structures

Area Affected: Center line of easement through Section 26, Township 4 North, Range 2 West, Salt Lake Base and Meridian.

2. Easement, and the terms and conditions thereof:

Grantee: North Davis County Sewer District

Recorded: October 14, 1957

Entry No.: 170564

Book/Page: 131/204

Purpose: An easement to construct, and thereafter maintain and operate a pipeline

3. Easement, and the terms and conditions thereof:

Grantee Layton Canal Irrigation Company

Purpose A perpetual easement, fifteen feet wide for the construction operation, maintenance, repair, and replacement of an open water ditch

Recorded February 19, 1985

Entry No. 694884

Book/Page 1023/655

4. Subject to Reservations:

Disclosed by: Patent

Recorded: October 19, 1889

Entry No. 4736

Book/Page: K/588

The Grantor specifically reserves and excepts unto itself all minerals, coal, carbons, hydrocarbons, oil, gas, chemical elements and compounds whether in solid, liquid or gaseous form, and all steam and other forms of thermal energy on, in or under the described land provided that the Grantor does not reserve the right to use the subject property or extract minerals, or other substance from the subject property above a depth of 500 feet, nor does the Grantor reserve the right to use the surface of the property in connections with the rights reserved herein.

**EXHIBIT C  
FORM OF SPECIAL WARRANTY DEED**

**RECORDING REQUESTED BY AND)  
WHEN RECORDED RETURN TO:)**

\_\_\_\_\_) )  
\_\_\_\_\_) )  
\_\_\_\_\_) )

**SPECIAL WARRANTY DEED**

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, GRANTOR, THE NATURE CONSERVANCY, a District of Columbia non-profit corporation, whose address is 4245 North Fairfax Drive, Suite 100, Arlington, Virginia 22203, conveys to THE UNITED STATES OF AMERICA, acting through such office of the Bureau of Reclamation as is authorized therefor by the Utah Reclamation Mitigation and Conservation Commission, GRANTOR, the following described real estate, situated in the County of Davis, State of Utah:

Please see **Exhibit A**, attached hereto and by this reference incorporated herein.

SUBJECT TO the following:

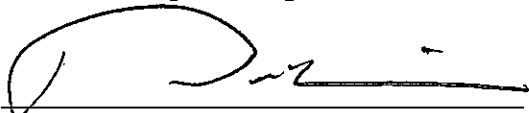
Please see **Exhibit B**, attached hereto and by this reference incorporated herein.

Grantor hereby binds itself and its successors to warrant and defend the title to the real property conveyed herein, and quiet enjoyment thereof, against all acts of the Grantor and no other, subject to the matters set forth above.

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed effective as of the \_\_\_\_ 26 day of June, 2007.

GRANTOR:

THE NATURE CONSERVANCY, a District of Columbia non-profit corporation

By:   
Title: Vice President



STATE OF UTAH )  
 ) ss.  
COUNTY OF SALT LAKE )

The foregoing Special Warranty Deed was acknowledged and executed before me this 26<sup>th</sup> day of June 2007, by Dave Livermore Vice President and Utah State Director of The Nature Conservancy, a District of Columbia non-profit corporation.

[SEAL]

Kara M DeSena

Notary Public

Address: Sandy, UT 84092

My commission expires: 12-9-2008



**EXHIBIT A  
TO SPECIAL WARRANTY DEED**

All that certain real estate situated in Davis County, Utah, more particularly described as follows:

Beginning at a point  $S89^{\circ}53'55''E$  386.00 feet along the Section Line (Basis of Bearing) from the Northwest Corner of Section 26, Township 4 North, Range 2 West, Salt Lake Base and Meridian;  
thence  $N0^{\circ}14'23''E$  638.40 feet parallel with the west line of Section 23 of said Township 4 North, Range 2 West, to the southwesterly line of the Layton Canal;

thence along said southwesterly line of the Layton Canal the following seven courses:

8.  $S52^{\circ}43'30''E$  594.77 feet to the beginning of a 60.00 foot radius curve, the center of which bears  $S37^{\circ}16'30''W$ ;
9. Southeasterly 41.89 feet along said curve to the right through a central angle of  $40^{\circ}00'00''$  (chord bearing =  $S32^{\circ}43'30''E$  41.04 feet);
10.  $S12^{\circ}43'30''E$  73.70 feet to the beginning of a 90.00 foot radius curve, the center of which bears  $N77^{\circ}16'30''E$ ;
11. Southeasterly 58.93 feet along said curve to the left through a central angle of  $37^{\circ}31'00''$  (chord bearing =  $S31^{\circ}29'00''E$  57.88 feet);
12.  $S50^{\circ}14'30''E$  113.70 feet to the beginning of a 10.00 foot radius curve, the center of which bears  $S39^{\circ}45'30''W$ ;
13. Southeasterly 8.78 feet along said curve to the right through a central angle of  $50^{\circ}18'00''$  (chord bearing =  $S25^{\circ}05'30''E$  8.50 feet);
14.  $S0^{\circ}03'30''W$  43.11 feet to the north line of said Section 26;

thence  $S89^{\circ}53'55''E$  216.11 feet along said Section Line to a point on the extension of a fence line and the southwesterly line of the old Bluff Road, said point also being 1406.97 feet west of the North Quarter Corner of said Section 26;

thence  $S52^{\circ}08'53''E$  1050.94 feet along said fence line and southwesterly line of the old Bluff Road to the west line of that certain Quit-Claim Deed recorded as Entry No. 1579820, Book 2624, Page 946 of official records, said point being 574.80 feet west of the North-South Center of Section Line;

thence  $S0^{\circ}12'32''W$  494.71 feet parallel with said North-South Center of Section Line (Deed =  $S0^{\circ}13'08''W$ ) to the southwest corner of said Quit-Claim Deed;

thence  $S52^{\circ}23'17''E$  723.58 feet along the southwesterly line of said Quit-Claim Deed (Deed =  $S52^{\circ}22'41''E$ ) to said North-South Center of Section Line;

thence  $S0^{\circ}12'32''W$  1058.34 feet along said North-South Center of Section Line to a Davis County brass cap monument at the Center of said Section 26;

thence  $N89^{\circ}52'08''W$  1986.33 feet along the East-West Center of Section line to a point 660.00 feet  $S89^{\circ}52'08''E$  of a Davis County brass cap monument at the West Quarter Corner of said Section 27;

thence  $N0^{\circ}14'44''E$  2636.03 feet parallel with the West Line of said Section 26 to said north line of Section 26;

thence  $N89^{\circ}53'55''W$  274.00 feet to the point of beginning. Contains 101.5978 acres. Less 66 foot wide Gentile Street 0.9353 acre, net acres = 100.6625 acres.

**EXHIBIT B  
TO SPECIAL WARRANTY DEED**

1. Easement, and the terms and conditions thereof:

Grantee: North Davis County Sewer District

Recorded: March 12, 1957

Entry No.: 164785

Book/Page: 120/434

Purpose: An easement including all ingress and egress to lay, construct, reconstruct, operate and maintain an underground sewer pipeline or pipelines and appurtenant structures

Area Affected: Center line of easement through Section 26, Township 4 North, Range 2 West, Salt Lake Base and Meridian.

2. Easement, and the terms and conditions thereof:

Grantee: North Davis County Sewer District

Recorded: October 14, 1957

Entry No.: 170564

Book/Page: 131/204

Purpose: An easement to construct, and thereafter maintain and operate a pipeline

3. Easement, and the terms and conditions thereof

Grantee Layton Canal Irrigation Company

Purpose A perpetual easement, fifteen feet wide for the construction operation, maintenance, repair, and replacement of an open water ditch

Recorded February 19, 1985

Entry No. 694884

Book/Page 1023/655

4. Subject to Reservations:

Disclosed by: Patent

Recorded: October 19, 1889

Entry No. 4736

Book/Page: K/588

The Grantor specifically reserves and excepts unto itself all minerals, coal, carbons, hydrocarbons, oil, gas, chemical elements and compounds whether in solid, liquid or gaseous form, and all steam and other forms of thermal energy on, in or under the described land provided that the Grantor does not reserve the right to use the subject property or extract minerals, or other substance from the subject property above a depth of 500 feet, nor does the Grantor reserve the right to use the surface of the property in connections with the rights reserved herein.

**EXHIBIT D**  
**FORM OF WATER RIGHT SPECIAL WARRANTY DEED**

Must be recorded in Davis County.  
Please return recorded copy to:

USA – Dept of Interior  
Attn: UC-426  
125 South State Street, Rm. 7423  
Salt Lake City, UT 84138-1147

**WATER RIGHT**  
**SPECIAL WARRANTY DEED**

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation (“Grantor”), whose address is 4245 North Fairfax Drive, Arlington, VA 22203, hereby convey, sell, assign and warrant against all who claim by, through or under Grantor and no other, to the UNITED STATES OF AMERICA, acting through such office of the Bureau of Reclamation as is authorized therefore by the Utah Reclamation Mitigation and Conservation Commission (“Grantee”), (acting pursuant to the provisions of the Reclamation Act of June 17, 1902 (32 Stat. 388) and Acts amendatory thereof or supplementary thereto, particularly the Act of April 11, 1956 (70 Stat. 105, 43 U.S.C. 620, et seq., (1982)) and all Acts amendatory thereof or supplementary thereto, and pursuant to the provisions of the Reclamation Projects Authorization and Adjustments Act of 1992 (P.L. 102-575), for exchange of good and valuable consideration, the following-described water rights in Davis County, State of Utah, on record with the Utah Division of Water Rights, to-wit:

All of Grantor’s interest in **Water Right No. 31-2539**, Application No. 25943, Certificate No. 5751, on file with the Utah Division of Water Rights, being a right to beneficial use of water from an underground water drain located approximately S 1150 ft E 10 ft from N4, Sec. 26, T4N, R2W, SLBM, and for use of said water upon 40 acres of irrigation and 56 equivalent livestock units within the E ½, E ½, SW ¼ of Section 26, T4N, R2W, SLBM.

A portion of Grantor’s interest in **Water Right No. 31-3137**, and associated Water User’s Claim filed with the Utah Division of Water Rights along with any diligence claim that may be filed, as allowed for beneficial use of water from an underground water drain for 6 acres of irrigation in the SW ¼, SW ¼ of Section 23, T4N, R2W, SLBM, and to supplement the water supplies under Water Right Nos. 31-3138 and 31-3139.

A portion of Grantor’s interest in **Water Rights Nos. 31-3138 and 31-3139**, and associated Water User Claims filed and diligence claims that may be filed, as allowed for beneficial use of water from and underground water well and drain for 200 acres of irrigation and 500 equivalent livestock units in the W ½ of Section 26, T4N, R2W, SLBM.

SUBJECT TO RESERVATION of Bankhead Farms L.C. for sufficient amount of said Water Right Nos. 31-3137, 31-3138 and 31-3139 as allowed for irrigation of 20 acres in the W ½, NW ¼ of Section 26, T4N, R2W, SLBM.

All of Grantor's interest in **Water Right No. 31-3937**, Application No. 39104, and associated Water User's Claim, on file with the Utah Division of Water Rights, as allowed for beneficial use of water from an underground water drain located approximately S 1250 ft E 10 ft from N4, Sec. 26, T4N, R2W, SLBM, and for use of said water upon 20.37 acres of irrigation and 500 equivalent livestock units within the E ½, NW ¼ of Section 26, T4N, R2W, SLBM.

Together with all administrative filings and applications associated with the above described water rights.

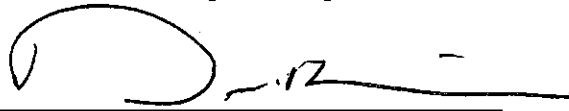
Together with all of the Grantor's buildings, improvements, fixtures, dams, ditches, diversions, easements, licenses, structures, measuring devices, head gates, culverts, ponds, reservoirs, canals, pipelines, well casings, well pumping equipment, troughs and all other means, methods and systems for using the water and water rights and applying them to beneficial use.

If necessary, Grantor agrees to convey by separate bill of sale any personal property associated with the use of the above water rights, and Grantor agrees to expressly assign any and all water applications associated with or used in conjunction with the above water rights.

This property is acquired by the United States Department of the Interior, for use by the UTAH RECLAMATION MITIGATION AND CONSERVATION COMMISSION.

IN WITNESS WHEREOF, Grantor has executed this Water Rights Special Warranty Deed effective as of the 26 day of June, 2007.

Grantor: THE NATURE CONSERVANCY, a District of Columbia non-profit corporation



By: Dave Livermore  
Vice President

STATE OF UTAH )  
 ) ss.  
COUNTY OF SALT LAKE )

The foregoing Special Warranty Deed was acknowledged and executed before me this 26<sup>th</sup> day of June, 2007, by Dave Livemore as Vice President and Utah State Director of The Nature Conservancy, a District of Columbia non-profit corporation.

[SEAL]

Kara M. DeSena  
Notary Public  
Address: Sandy, UT 84092  
My commission expires: 12-9-2008



**EXHIBIT E  
FORM OF WATER RIGHT QUITCLAIM DEED**

Must be recorded in Davis County.  
Please return recorded copy to:

USA – Dept of Interior  
Attn: UC-426  
125 South State Street, Rm. 7423  
Salt Lake City, UT 84138-1147

**WATER RIGHT  
QUITCLAIM DEED**

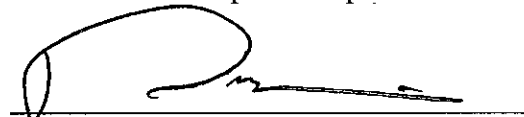
FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, THE NATURE CONSERVANCY, a District of Columbia nonprofit corporation (“Grantor”), whose address is 4245 North Fairfax Drive, Arlington, VA 22203, hereby quitclaims to the UNITED STATES OF AMERICA, acting through such office of the Bureau of Reclamation as is authorized therefore by the Utah Reclamation Mitigation and Conservation Commission (“Grantee”), (acting pursuant to the provisions of the Reclamation Act of June 17, 1902 (32 Stat. 388) and Acts amendatory thereof or supplementary thereto, particularly the Act of April 11, 1956 (70 Stat. 105, 43 U.S.C. 620, et seq., (1982)) and all Acts amendatory thereof or supplementary thereto, and pursuant to the provisions of the Reclamation Projects Authorization and Adjustments Act of 1992 (P.L. 102-575), for exchange of good and valuable consideration, the following-described water right in Davis County, State of Utah, on record with the Utah Division of Water Rights, to-wit:

All of Grantor’s interest in **Water Right No. 31-3945**, Application No. 39228, and associated Water User’s Claim on file with the Utah Division of Water Rights, as allowed for beneficial use of water from an underground water drain located approximately N 225 ft W 2610 ft from E4, Sec. 23, T4N, R2W, SLBM, and for use of said water upon 3 acres of irrigation and up to 500 equivalent livestock units.

This property is acquired by the United States Department of the Interior, for use by the UTAH RECLAMATION MITIGATION AND CONSERVATION COMMISSION.

IN WITNESS WHEREOF, Grantor has executed this Deed effective as of the 26 day of June 2007.

Grantor: THE NATURE CONSERVANCY, a District of Columbia non-profit corporation

  
By: Dave Livermore, Vice President

STATE OF UTAH )  
 ) ss.  
COUNTY OF SALT LAKE )

The foregoing Special Warranty Deed was acknowledged and executed before me this 26<sup>th</sup> day of June, 2007, by Dave Livermore as Vice President and Utah State Director of The Nature Conservancy, a District of Columbia non-profit corporation.

[SEAL]

Kara M DeSena  
Notary Public  
Address: Sandy, UT 84092  
My commission expires: 12-9-2008

