When recorded please return to:

Jeffrey H. Bernson The Bluffs at Herriman Springs, LLC 7324 S. Union Park Ave., Suite 200 Midvale, UT 84047 9711119 5/2/2006 9:10:00 AM \$52.00 Book - 9288 Pg - 6348-6363 Gary W. Ott Recorder, Salt Lake County, UT METRO NATIONAL TITLE BY: eCASH, DEPUTY - EF 16 P.

## **EASEMENT AND UTILITY AGREEMENT**

This EASEMENT AND UTILITY AGREEMENT is made and entered into as of the 4th day of April, 2006, by and between The Bluffs at Herriman Springs, LLC, a Utah limited liability company ("BHS"), and Arlin Geophysical Co., a Utah corporation ("AGC"). BHS and AGC are referred to collectively herein as the "Parties."

### RECITALS

- A. BHS is the owner of that certain real property located in Salt Lake County, Utah, and more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "BHS Property").
- B. AGC is the owner of that certain real property located in Salt Lake County, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference (the "AGC Property").
- C. AGC wishes to obtain access to the AGC Property over and across the BHS Property, and BHS is willing to grant to AGC an access easement across the BHS Property. BHS wishes to obtain access to the Bluffs' Property over and across the AGC Property, and AGC is willing to grant to BHS an access easement across the AGC Property, all as set forth herein.
- D. BHS desires to obtain the right to tie into utilities that AGC will install on its property and AGC is willing to grant such right to BHS.

## TERMS OF AGREEMENT

Now therefore, in consideration of the foregoing and for ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

### I. THE AGC EASEMENT

1.1 Grant of Easement. BHS hereby grants to AGC an appurtenant non-exclusive

Page 1 of 9

easement over and across the BHS Property as a means of access to the AGC Property, which easement is more particularly described on Exhibit "C" attached hereto and incorporated herein by this reference (the "AGC Easement").

- 1.2 <u>Purpose and Scope of AGC Easement</u>. The purpose of the AGC Easement is to allow AGC and AGC's representatives, employees, tenants, subtenants, successors, assigns, lenders, independent contractors, agents, and invitees to have and to exercise rights of ingress and egress to and from the AGC Property for residential purposes. The AGC Easement shall run with the land for the benefit of the AGC Property. The AGC Easement shall be developed and paved as a main access road with asphalt at least 32 feet wide or as otherwise required by the governmental authorities with jurisdiction over the AGC Property.
- 1.3 Relocation. BHS retains the right at any time to relocate the AGC Easement to another location on the BHS Property as may be selected by BHS in its sole discretion, provided that the replacement location allows reasonable access to the AGC Property. Upon making any such relocation, BHS, acting alone, shall be entitled to record an amendment to this agreement substituting a legal description for the replacement location for the description currently attached to this agreement.
- 1.4 Term. The AGC Easement shall run with the land for the benefit of the AGC Property. In the event the owners of the AGC Property obtain alternate access to the AGC Property through a public road or right of way which satisfies the access requirements of the governmental authorities with jurisdiction over the AGC Property, then the AGC Easement shall be automatically terminated. In such event, BHS shall be entitled to record a notice of termination of the AGC Easement.
- 1.5 <u>Indemnity</u>. AGC shall indemnify, protect, defend, and hold BHS, its agents, employees, and lenders, if any, and the BHS Property harmless from and against any and all loss, damages, liabilities, judgments, costs, claims, liens, expenses, penalties, permits, and reasonable attorney's and consultant's fees arising out of or involving the use by AGC, its contractors, agents and employees of the access easement granted hereunder.

### II. THE BHS EASEMENT

- 2.1 <u>Grant of Easement</u>. AGC hereby grants to BHS an appurtenant non-exclusive easement over and across the AGC Property as a means of access to the BHS Property, which easement is more particularly described on Exhibit "D" attached hereto and incorporated herein by this reference (the "BHS Easement").
- 2.2 <u>Purpose and Scope of BHS Easement</u>. The purpose of the BHS Easement is to allow BHS and BHS's representatives, employees, tenants, subtenants, successors, assigns, lenders, independent contractors, agents, and invitees to have and to exercise rights of ingress and egress to and from the BHS Property for residential purposes. The BHS Easement shall run with the land for the benefit of the BHS Property. The BHS Easement shall be developed and paved as a main access road with asphalt at least 32 feet wide or as otherwise required by the governmental authorities with jurisdiction over the BHS Property.

- 2.3 <u>Relocation</u>. AGC retains the right at any time to relocate the BHS Easement to another location on the AGC Property as may be selected by AGC in its sole discretion, provided that the replacement location allows reasonable access to the BHS Property. Upon making any such relocation, AGC, acting alone, shall be entitled to record an amendment to this agreement substituting a legal description for the replacement location for the description currently attached to this agreement.
- 2.4 <u>Term.</u> The BHS Easement shall run with the land for the benefit of the BHS Property. In the event the owners of the BHS Property obtain alternate access to the BHS Property through a public road or right of way which satisfies the access requirements of the governmental authorities with jurisdiction over the BHS Property, then the BHS Easement shall be automatically terminated. In such event, AGC shall be entitled to record a notice of termination of the BHS.
- 2.5 <u>Indemnity</u>. BHS shall indemnify, protect, defend, and hold AGC, its agents, employees, and lenders, if any, and the AGC Property harmless from and against any and all loss, damages, liabilities, judgments, costs, claims, liens, expenses, penalties, permits, and reasonable attorney's and consultant's fees arising out of or involving the use by BHS, its contractors, agents and employees of the access easement granted hereunder.

## III. UTILITY EASEMENT AND COVENANTS

AGC Covenants. AGC, for itself and its successors and assigns, if any, covenants 3.1 and agrees to provide utility lines for sewer, water, gas and electricity ("Utility Lines") stubbed to the boundary between the BHS Property and the AGC Property at a location suitable for use by the BHS Property and with sufficient capacity to serve up to 600 single-family residential units on the BHS Property, as determined by the governmental authorities with jurisdiction over the development of the BHS Property. The Utility Lines shall be extended to the boundary of the BHS Property and BHS shall have the right to hook up to and utilize the Utility Lines at such time as AGC, its successors and/or assigns, installs any such utility lines on the AGC Property. Upon recording the final plat for development of the BHS Property, BHS will reimburse AGC for the incremental cost, if any, of increasing the size and capacity of the Utility Lines in order to serve the BHS Property above the size and capacity of the utilities lines that would otherwise be required to serve AGC Property alone, as determined by a civil engineer acceptable to BHS and AGC. AGC agrees to grant any and all easements including permanent and construction easements necessary to BHS and its successors and assigns party in order to provide the utility access and connection contemplated herein. The covenants set forth in this section shall run with the land for the benefit of the BHS Property and shall be binding upon the successors and assigns of AGC.

### IV. MISCELLANEOUS

4.1 <u>Miscellaneous</u>. This Agreement is to be governed by and interpreted under the laws of the State of Utah. If any of the provisions of this Agreement are deemed to be not enforceable, in whole or in part, the remaining provisions shall be enforceable notwithstanding the invalidity of any other provision. Any provision not enforceable in part shall be enforceable to the

extent valid and enforceable. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. No presumption or construction of this Agreement shall be based on the identity of the drafter thereof. In the event any action is instituted by a party to enforce any of the provisions contained herein, the prevailing party in such action shall be entitled to reasonable attorneys' fees, costs and expenses.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement on the dates set forth below, to be effective as of the date first set forth above.

1	BHS:
	The Bluffs at Herriman Springs, LLC, a Utah Limited Liability Company
] ]	By: Mountain West Capital P.L.C., Manager By: Name: Jeffrey H. Bernson Fitle: Manager
<i>I</i>	AGC: Arlin Godphysical Co., a Utan corporation  By:  AS:  Alon Onl
STATE OF UTAH  : ss.  COUNTY OF Labor )	
The foregoing instrument was acknowle	edged before me this <u>S</u> day of <u>opul</u> , 2006, he manager of The Bluffs at Herriman Springs, LLC, a
	NOTARY PUBLIC NOTARY PUBLIC STATE OF UTAH
STATE OF UTAH  : ss. COUNTY OF <u>Saltlake</u> )	My Commission Expires August 10, 2006 ARNA I RONS 345 East Broadway Salt Lake City, Utah 84111
The foregoing instrument was acknown 2005, by <u>Laura 0150 n</u> Co., a Utah corporation.	ledged before me this 5 day of <u>April</u> , as the <u>President</u> of Arlin Geophysical
NOTARY PUBLIC CINDI MAUCHLEY 4711 South Held and Drive	Lyndi Mauchley

Page 4of 9

BK 9288 PG 6351

## **NOTARY PUBLIC**

Page 5of 9 BK 9288 PG 6352

### EXHIBIT A

Order Number: 04040601

### PARCEL 1:

The East half of the Northeast quarter of the Northwest quarter and the North half of the Northeast quarter of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

### PARCEL 2:

Lot 6 of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

### LESS AND EXCEPTING THE FOLLOWING:

Beginning at a point South 00 deg. 45'04" West 2702.78 feet from the Northwest corner of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence East 660.02 feet; thence South 00 deg. 19'06" West 660 feet; thence West 660.02 feet; thence North 00 deg. 19'06" East 660 feet to the point of beginning.

### PARCEL 3:

Beginning at the Northwest corner of the Southwest quarter of the Northwest quarter of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence East 1320.00 feet, more or less, along the quarter/quarter section line to the Northeast corner of said Southwest quarter of the Northwest quarter; thence East 231.00 feet, more or less, along the North line of the Southeast quarter of the Northwest quarter; thence South 1320.00 feet, more or less, to the South line of the Northwest quarter; thence West 891.00 feet, more or less, along the South line of the Northwest quarter; thence North 330.00 feet; thence West 660.00 feet, more or less, to the West line of said Section 22; thence North along said Section line 990.00 feet, more or less, to the point of beginning.

### PARCEL 4:

Beginning at the Northwest corner of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence South 1320 feet; thence East 1551 feet to the point of beginning; thence South 1320 feet to the North border of GL#7; thence East 165 feet; thence North 1320 feet; thence West 165 feet to the point of beginning.

Continued on next page

Continuation of Exhibit A Order Number: 04040601

### PARCEL 5:

Beginning at a point which is South 1320 feet and East 2145 feet from the Northwest corner of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence South 1320 feet; thence East 1815 feet; thence North 1320 feet; thence West 1815 feet, more or less, to the point of beginning.

ALSO:

Lots 7 through 9 of said Section.

ALSO:

Beginning at a point which is East 1716 feet from the West quarter corner of Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence North 1320 feet; thence East 429 feet; thence South 1320 feet; thence West 429 feet, more or less, to the point of beginning.

#### PARCEL 6:

THE ABOVE FIVE PARCELS ARE TOGETHER WITH:

Rights of way as set forth in that certain Reciprocal Easement recorded January 9, 1975, as Entry No. 2676747, in Book 3760, at Page 236 of Official Records and any rights to use existing road rights of way to complete access to the above described property.

OVERALL AS-SURVEYED DESCRIPTION being further described as follows:

Beginning at a point which is South 89 deg. 51'37" East along section line 2016.47 feet from the Northwest corner of Section 22, Township 4 South Range 2 West, Salt Lake Base and Meridian; and running thence South 89 deg. 51'37" East along the North line of said Section 3360.79 feet to the Northeast quarter corner of said section; thence South 02 deg. 34'09" West along the East line of said section 1541.59 feet to a Southeasterly corner of Government Lot 9, said section, said point also being on the Northeasterly boundary of the Fort Crittenden Military Reservation as described from the original BLM NOTES, and a survey called "MAP" of boundary line between Salt Lake County and Utah County" prepared by J. Kenneth Thayn (Salt Lake County Surveyor) dated April 1, 1943; thence Southwesterly along said North line and section line the following seven (7) calls: South Continued on next page

Continuation of Exhibit A Order Number: 04040601

40 deg. 08'42" West 1624.73 feet; South 77 deg. 44'04" West 216.00 feet; South 77 deg. 35'03" West 1293.00 feet; South 68 deg. 10'17" West 182.59 feet; South 68 deg. 10'17" West 1195.98 13'10" West 626.80 feet; South 15 deg. feet; South 66 deg. 33'45" West 405.14 feet; South 48 deg. 43'27" West 1097.47 feet to the Southwest corner of said section; thence North along the West line of said Section 22, Township 4 South, Range 2 West, Salt Lake Base and Meridian 1635.85 feet; thence South 89 deg. 51'37" East 660.02 feet; thence North 660.00 feet; thence North 51'37" West 660.02 feet to the West line of said Section; thence North 38.76 feet to the West quarter corner of said section; thence South 89 deg. 51'37" Bast along quarter section line 660.00 feet; thence North 330.00 feet; thence North 51'37" West 660.00 feet to the West line of said thence North along section line 1002.01 to the section; Northwest corner of the Southwest quarter of the Northwest quarter; thence South 89 deg. 51'37" East along the 1/16 section line 1994.07 feet; thence North 00 deg. 57'49" East 1332.14 feet to the point of beginning.

## **EXHIBIT D**

Legal Description of BHS Easement

Order Number: 04038324F

The West half of the East half of the Southwest quarter of Section 11, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

Order Number: 05043568B

### PARCEL 1:

The Southwest quarter of the Southwest quarter of Section 11, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

### ALSO:

The West half of the Northwest quarter of the Southwest quarter of Section 11, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

EXCEPTING AND RESERVING all oil, gas, and other minerals of every kind and description underlying the surface of the subject property.

### PARCEL 2:

The Southwest quarter of the Northeast quarter of the Southeast quarter of Section 10, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

EXCEPTING AND RESERVING all oil, gas, and other minerals of every kind and description underlying the surface of the subject property.

### PARCEL 3:

The East half of the Northeast quarter of the Southeast quarter of Section 10, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

EXCEPTING AND RESERVING all oil, gas, and other minerals of every kind and description underlying the surface of the subject property.

Order Number: 05043567B

Beginning at the Southeast corner of Section 10, Township 4 South, Range 2 West, Salt Lake Base and Meridian; and running thence North 00 deg. 00'45" West along the section line 1326.41 feet to a point on the North line of the South half of the Southeast quarter of said Section 10; thence North 89 deg. 43'26" West 810.00 feet along said Northerly line; thence South 08 deg. 27'21" East 803.610 feet; thence South 00 deg. 00'45" East 532.810 feet, more or less, to the section line; thence South 89 deg. 46'57" East 692.00 feet along the section line to the point of beginning.

Order Number: 05043569B

The Bast half of the Northwest quarter of the Southwest quarter of Section 11, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

EXCEPTING THEREFROM all oil, gas and minerals and any rights appurtenant thereto.

Order Number: 05043557B

The West half of Section 14, Township 4 South, Range 2 West, Salt Lake Base and Meridian.

EXCLUDING THEREFROM that portion of the Military Reservation and any property lying in Utah County.

## **EXHIBIT C**

# Legal Description of AGC Easement

Icks Villy Springs Quadaglone

## **EXHIBIT D**

## Legal Description of BHS Easement

Jeep Trail as shown on Survey