

*Blackburn-Jones Co*

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BOOK 918 PAGE 579

MEMORANDUM AGREEMENT

RUTH EAMES OLSEN  
WEBER COUNTY RECORDER  
DEPUTY *Jane H. Clark*

THIS AGREEMENT, Made and Entered into at Ogden, Weber County, Utah,  
this 16<sup>th</sup> day of December, 1966 by and between VALLEY LAKE CORPORATION,  
A Utah corporation, with its principal office at 319, 24th Street, Ogden, Utah,  
hereinafter referred to as 'First Party' and O. K. INVESTMENT CORPORATION,  
a Utah corporation, with its principal office at Salt Lake City, Utah, herein-  
after referred to as 'Second Party'

WITNESSETH:

WHEREAS, First Party is the owner of and presently engaged in the creation  
and development of a Subdivision in Ogden Valley, Weber County, Utah, on the  
southside of the highway leading into Huntsville, Utah, and on the eastside  
of the road leading into Snow Basin, and

WHEREAS, the Party of the Second Part is the owner of. real estate in  
the same general area on the westerly side of the road leading to Snow Basin, and

WHEREAS, Party of the First Part is the owner by Decree of Appropriation,  
through the office of the State Engineer of the State of Utah of 40 Acre Feet  
of water, and Second Party is the owner from the same source of 30 Acre Feet  
of water in driven wells on their respective properties, and

WHEREAS, in the opinion of the parties it would be to their respective  
best interests, and the best interests of the residents within the said  
subdivisions that First Party and Second Party join together in a common  
plan to furnish culinary, yard, and stock water to the residents of said sub-  
divisions,

WHEREFORE, in consideration of the premises and other good and valuable  
consideration, IT IS MUTUALLY AGREED between the parties in the interests of  
efficiency, and economy in the furnishing and use of such waters to the residents  
of the respective subdivisions as follows:

(1) First Party will construct an underground covered concrete reservoir  
with the capacity of 50,000 gallons to 100,000 gallons as determined by need  
and mutual consent. Said reservoir to be constructed at the west end of Second  
Party's property at an elevation of approximately 5250 feet and should be ready  
for use no later than the Fall of 1967.

(2) First Party will pay \$5,500 of the costs of said construction and/or installation thereof; that the balance of the costs of said construction and installation, if any, will be borne equally by the First and Second Parties.

(3) First Party and Second Party shall each be entitled to share equally in the use of the combined waters from said reservoir or reservoirs and the two existing wells on the respective properties.

(4) First Party and Second Party will each bear fifty (50) per cent of the costs of maintenance of the reservoir and distribution system, including electric or other power, for pumping to and from the said reservoir, except First Party will furnish one (1) Five-Horsepower Stayrite Electric Pump, and one (1) additional electric One-Horsepower Pump free of charge.

(5) That First Party shall be entitled to connect its distribution system to an existing four-inch (4") pipeline belonging to Second Parties for the purpose of making delivery of water belonging to the residents of its subdivision without cost, pending the further development of the joint distribution system.

(6) Each of the parties hereto will install water mains within their own or to their own subdivision boundaries at their own expense.

(7) Second Party hereby grants to First Party the full, and free right-of-way to lay down, use and repair pipes for conveying water across their lands to the lands belonging to First Party at a location to be agreed upon to best meet First Party's convenience, provided that said lines shall not be laid or placed beneath any buildings or permanent structures constructed, or to be constructed upon Second Party's lands

(8) See Page 3.

IT IS FURTHER AGREED:

(a) That the parties will cooperate in the creation of a Utah corporation which will have for its purpose the operation of a water distribution system substantially on the terms, and conditions hereinabove more specifically agree upon.

(b) That each of the parties hereto shall pay 50% of the costs of creating and setting up said corporation, and will sign through its duly authorized agents all papers, and documents necessary to consummate the same.

(c) The First Party shall subscribe to, and become the owner of 50% of the voting common stock of the corporation, and the Second Party shall subscribe to and become the owner of 50% of the voting common stock of the corporation.

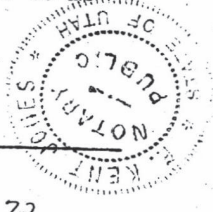
918-2582

STATE OF UTAH )  
                  : ss.  
COUNTY OF WEBER )

On this 16th day of December, 1966, personally appeared before me BRUCE H. JONES, appearing by me duly sworn, did say that he is the Vice President of the VALLEY LAKE CORPORATION, a Utah Corporation; that said instrument was signed in behalf of said corporation by authority of a resolution of said corporation, and the said BRUCE H. JONES acknowledged to me that said corporation executed the same.

*E. Kent Jones*

NOTARY PUBLIC  
RESIDING AT OGDEN, UTAH  
MY COMMISSION EXPIRES: 10-2-72

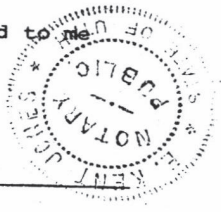


STATE OF UTAH )  
                  : ss.  
COUNTY OF WEBER )

On this 16th day of December, 1966, personally appeared before me LAYTON P. OTT, who being by me duly sworn, did say that he is the President of the O. K. INVESTMENT CORPORATION, a Utah Corporation; that said instrument was signed in behalf of said corporation by authority of a resolution of said corporation, and the said LAYTON P. OTT acknowledged to me that said corporation executed the same.

*E. Kent Jones*

NOTARY PUBLIC  
RESIDING AT OGDEN, UTAH  
MY COMMISSION EXPIRES: 10-2-72



IT IS FURTHER AGREED: That in the development, construction, and installation of the reservoir and main artery distribution system, and all connections there- to, whether by the undersigned, or the corporation to be created by them, a survey shall be made and kept of the location of all main artery lines and connections thereto, and each party hereto shall be entitled to a copy of the same. That the water drawn and used by each of the parties hereto for their respective users shall be measured by approved meters to effectuate and insure an equal distribution of waters to the two subdivisions.

IN WITNESS WHEREOF, the First Party has caused this instrument to be executed by its duly authorized agent, and Second Party has caused this instrument to be executed by its duly authorized agent, having subscribed their names hereto the day and year first hereinabove written.

VALLEY LAKE CORPORATION, A Utah Corp.,

By: Bruce H. Jones  
President

O. K. INVESTMENT CORPORATION, A Utah Corp.,

By: Layton P. [Signature]  
President

[Signature]  
Witness

\_\_\_\_\_  
Witness

(8.) It is agreed that at such time that it may become necessary to construct an additional reservoir has to either inadequate storage capacity or too small a distribution line, all income in excess of fixed expenses from the water company shall be used to construct the additional facility. The location of said reservoir to be determined by mutual agreement of the two parties.

Valley Lake Corporation, a Utah Corp.

By: Bruce H. Jones  
President

O. K. Investment Corporation, a Utah Corp.

By: Layton P. [Signature]  
President

[Signature]  
Witness

\_\_\_\_\_  
Witness

O.K. Investment Corporation  
2200 So. 3270 West