



2. Right of Ingress and Egress

This Easement shall carry with it the right of ingress and egress to, from, over and across the Easement and Grantor's adjacent property ("Property"), with the right to use existing roads or other practical route(s) to reach the Easement or, during temporary periods, to use additional portions of the Property along and adjacent to the Easement to carry out the rights granted hereunder; provided, however, Grantee's rights of ingress and egress, and use of additional Property shall not unreasonably interfere with the operations of Grantor.

3. Pipeline Depth

Grantee shall bury the pipeline portion of the Pipeline Facilities at least three feet below the surface and shall be in compliance with all legal requirements.

4. Responsibility for Expenses/Costs

The Operation of Grantee's Pipeline Facilities, as defined in Section 1 (*Easement Rights*), shall be at Grantee's sole cost and expense, except to the extent such Operation is required as a result of the gross negligence, willful misconduct, or breach of this Agreement by Grantor or by Grantor's agents, invitees, employees, or contractors. Grantee shall Operate the Pipeline Facilities with due diligence, in a good and workmanlike manner, and in compliance with all requirements of law. In performing such acts, Grantee shall make all reasonable efforts not to interfere or impair Grantor's use or occupancy of the remainder of the Property. Without in anyway limiting the foregoing, Grantee acknowledges that it will be fully responsible for any damage to its Pipeline Facilities that may arise due to potential environmental contamination existing in the Easement.

5. Nonexclusive Rights

The rights hereby granted to Grantee are nonexclusive and are subject to all other easements, exceptions, reservations, rights, and encumbrances either of record or evidenced physically on Grantor's Property, and are granted without warranty of title, express or implied, by Grantor. Upon Grantor's request, Grantee shall relocate the Pipeline Facilities at Grantor's sole cost and expense to another location on Grantor's Property, as designated by Grantor following consultation with Grantee, provided, however, such relocation feasibly allows Grantee to connect the Pipeline Facilities to existing pipelines on adjacent property.

6. Indemnity

- a) **Grantee agrees to defend, indemnify and hold harmless Grantor, Chevron Corporation, and any affiliate or subsidiary of Grantor (hereinafter "Indemnitee") from and against any and all liability or claims thereof for loss of or damage to property (to whomever belonging) or injury to or death of any person (including an employee of Grantee or Indemnitee), or for loss or damage arising from attachments, liens or claims of materialmen or laborers, including claims and reasonable attorneys' fees relating to any of the foregoing, arising out of Grantee's Operations under this Easement. This indemnity shall not apply to the extent such loss, damage, injury, liability or claim is the result of the negligence or willful misconduct of Indemnitee, its agents, invitees, employees or contractors.**
- b) **Grantee agrees to defend, indemnify and hold Indemnitee harmless from and against any and all liability, loss, claims, fines, expenses, costs (including attorneys' fees and expenses) and causes of action caused by or arising out of any federal, state, or local laws, rules, orders, and regulations as may be amended applicable to any waste material, hazardous substances or other regulated substances on or below the surface of said Easement or the presence, disposal, release or threatened release of all waste material, hazardous substance or other regulated substances from said Easement into the atmosphere or into or upon land or any water course or body of water, including ground water, but only to the extent the foregoing are attributable to Grantee's Operations upon said Easement or as a result of actions of Grantee's officers, employees or agents in furtherance of Grantee's Operations**

upon said Easement. This indemnification shall apply to liability for voluntary environmental response actions undertaken pursuant to the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) or any other federal, state, or local law. Such indemnity shall not apply to any liability, loss, claim, fine, expense, or cause of action attributable to Indemnitee's or its agents', invitees', employees' or contractors' negligence or willful misconduct.

7. Environmental Notification and Responsibilities

- a) Grantee shall notify Grantor, in writing, promptly upon Grantee's having received notice or otherwise learning of any claim, demand, action, event, condition, report or investigation indicating any potential or actual liability arising in connection with (i) the noncompliance with or violation by Grantee of the requirements of an environmental law in connection with or affecting the premises, (ii) the release or threatened release by Grantee of any toxic or hazardous waste, substance or constituent or other substance onto or affecting the Easement premises or which release Grantee would have a duty to report to a tribunal under an environmental law, or (iii) the existence of any environmental lien on any of the Easement premises.
- b) Grantee shall not, except in compliance with relevant environmental laws, (i) cause or permit hazardous material to be placed, held, located, or disposed of on, under or along the Easement, or (ii) permit any of the Easement to ever be used (whether permanent or temporary) for any hazardous material. Grantee shall take all reasonable steps to cleanup, remove, resolve or minimize the impact of, or otherwise deal with, any hazardous discharge or environmental complaint caused by Grantee upon receipt of notice from any entity including, without limitation, the Environmental Protection Agency (EPA) or any state or local agency, or other person, asserting the existence of any hazardous discharge or environmental complaint on or pertaining to the Easement which, if true, could result in environmental liability against Grantor, Grantee or otherwise. If Grantee should fail to perform such responsibility, Grantor may do so and all costs and expenses incurred by Grantor and its representative in the exercise of such rights, remedies, powers and privileges under this Easement, common law or statutory law shall be fully reimbursed to Grantor by Grantee.

8. Notification for Entering Property

- a) It is agreed that Grantor shall be given at least forty eight (48) hours written notice prior to performance of any work by Grantee on the property in connection with the Easement herein granted. In the event an emergency situation arises which requires immediate repairs to be made to Grantee's Pipeline Facilities within the Easement, then in such emergency situations, Grantee will not be in default of its notification obligations referred to previously, so long as Grantee performs all of the following: (i) immediately notify Grantor, (ii) utilizes personnel or contractors that are qualified to perform the work required, (iii) all such work is limited to that work which must be performed to eliminate the emergency, and (iv) all such work is performed in a good and workmanlike manner and in a manner designed to minimize the disruption to other pipelines or pipeline appurtenances in, on, or under the Property.
- b) The above described notice shall be in addition to (and not in lieu of) any notice that Grantee may be required to provide with respect to such work through any "one-call notification system," such as Underground Service Alert, or other system for notification of intended excavation activities established pursuant to applicable federal, state or local laws or regulations. All work performed on the Easement shall be performed or accomplished in compliance with all requirements of law.

9. Damages

Grantee shall promptly notify Grantor of the occurrence of, and, subject to the provisions of Section 10 (*Dispute Resolution*), shall compensate Grantor for all damage to pasture, timber, fences, buildings, equipment, wildlife, improvements, canals, roads, and landscaping caused by Grantee's usage of the

Easement, except to the extent such damage is caused by the acts, omissions, negligence or willful misconduct of Grantor, its agents, invitees, employees, or contractors. In addition, Grantee shall restore the same to substantially the condition in which it existed immediately prior to such damage to the fullest extent practical.

10. Dispute Resolution

In the event of any dispute, claim, question or disagreement ("Claim") arising out of or related to this Agreement or the breach thereof, the parties shall use their best efforts to settle such Claim. To this effect they shall consult and negotiate with each other, in good faith and, recognizing their mutual interests, attempt to reach a solution satisfactory to both parties.

If the parties are unable to reach a solution, then upon notice by either party to the other, the parties agree to meet and consider submitting said Claim to mediation or arbitration. Should the parties decide to pursue arbitration, they agree it shall be binding and that no award or decision resulting therefrom shall include punitive damages. The non-prevailing party shall promptly pay the prevailing party all costs and reasonable attorneys' fees incurred by the prevailing party in any action brought under this Agreement.

11. Non-Use of Pipeline Facilities

Grantee agrees that should Grantee cease to operate its Pipeline Facilities for a period of thirty-six (36) consecutive months, then in such event the grant of this Easement shall terminate and become null and void and the Easement shall revert absolutely to Grantor. Such termination shall not release Grantee from any liability or obligation hereunder, whether of indemnity or otherwise, which may arise or accrue after said date in connection with any exercise of rights herein granted.

12. Termination/Pipeline Removal

- a) The Easement granted herein shall be a perpetual easement except as provided in Section 11 (*Non-Use of Pipeline Facilities*) and this Section.
- b) Once the Pipeline Facilities are installed, Grantee may at any time permanently remove any or all of the Pipeline Facilities constructed on the Easement and, upon complete removal of the Pipeline Facilities as specified below, Grantee shall execute and record a quit claim deed, whereupon this Easement and all rights and privileges herein mutually granted shall be fully canceled and terminated.
- c) Upon termination of this Easement, Grantee shall, at its own risk and expense, remove said Pipeline Facilities and restore the Property as nearly as possible to the same state and condition it was in prior to any construction of the Pipeline Facilities. If Grantee shall fail to do so within ninety (90) days after such termination, Grantor may do so at the risk of Grantee, and all cost and expense of such removal and the restoration of said Property shall be paid by Grantee upon demand. Further, in the case of a dispute to enforce or collect the same in accordance with Section 10 (*Dispute Resolution*), Grantee also agrees to pay Grantor reasonable attorneys' fees as fixed and allowed by the arbitrator, mediator, or the court.

13. Grantee's Personal Property

Unless the parties otherwise agree in writing, the Pipeline Facilities shall at all times remain the personal property of Grantee, notwithstanding that they may be annexed or fixed to the land and may at any time and from time to time be removed in whole or in part by Grantee.

14. Assignment

The Easement granted herein shall not be assigned by Grantee without Grantor's prior written consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, Grantee may freely assign the Easement to an affiliate, subsidiary or corporate successor of Grantee that assumes Grantee's obligations under this Agreement. Grantee shall promptly provide notice of such assignment to Grantor.

15. Notices

All notices and other communications required under this Agreement shall be in writing, and delivered personally or sent certified mail or via facsimile to the party set forth below:

**CHEVRON U.S.A. INC.**  
Attn: Operations Superintendent  
2351 North 1100 West  
Salt Lake City, UT 84116  
(801) 539-7130 fax

**TESORO REFINING AND MARKETING COMPANY**  
Attn: Manager, Right of Way and Land  
300 Concord Plaza Drive  
San Antonio, Texas 78216-6999  
(210) 745-4631 fax

Notice will be deemed received: (i) on the date of delivery if delivered in person, (ii) on the third (3rd) business day, if mailed, and (iii) on the date transmitted, if transmitted by facsimile, provided that oral or written confirmation of receipt is obtained by the sender from a party at the location where the facsimile has been received. Any change in address may be accomplished by delivery of notice in compliance with this Section.

16. Entire Agreement/Amendments

This Agreement constitutes the entire agreement between the parties hereto and may only be amended by a writing specifically referencing this Agreement and signed by Grantor and Grantee or their successors, legal representatives, assignees or transferees. All covenants and agreements herein contained shall extend to and be binding upon the respective heirs, devisees, legal representatives, successors, and assigns of the parties hereto, including all other rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted.

17. Severability

If any provision of this Agreement is or becomes illegal, or is found to be null or void for any reason, or is held unenforceable by a court of competent jurisdiction, the remaining portions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this agreement ("Agreement") in duplicate this 28 day of January, 2008 ("Effective Date").

GRANTOR

GRANTEE

**CHEVRON U.S.A. INC.**

**TESORO REFINING AND MARKETING COMPANY**

By: *Frank Jernanich*  
Title: *Refinery Manager*

By: *John W. Moore, Jr.*  
Title: Vice President, Pipelines, Terminals, Trucking and Rail

Date: *1/28/2008*

Date: 1/18/08

STATE OF TEXAS

§

COUNTY OF BEXAR

§

§

On January 18, 2008, before me, LISA AUTRY, a Notary Public, personally appeared John W. Moore, Jr., known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President, Pipelines, Terminals, Trucks and Rail for **TESORO REFINERY AND MARKETING COMPANY**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be free and voluntary act and deed of said corporation, for the uses and purposed herein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal.



[Handwritten Signature]  
LISA M. AUTRY

Name (Typed or Printed)  
Notary Public in and for said State

STATE OF UTAH

§

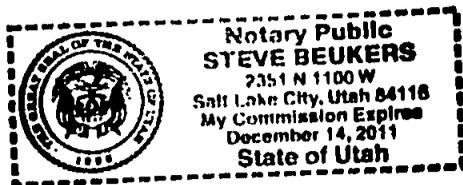
COUNTY OF DAVIS

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On January 28, 2008, before me, Steve Beukers, a Notary Public, personally appeared Frank Semancik, known to me (or proved to me on the basis of satisfactory evidence) to be the refinery manager for Salt Lake for **CHEVRON U.S.A. INC.**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be free and voluntary act and deed of said corporation, for the uses and purposed herein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal.



[Handwritten Signature]  
Steve Beukers

Name (Typed or Printed)  
Notary Public in and for said State

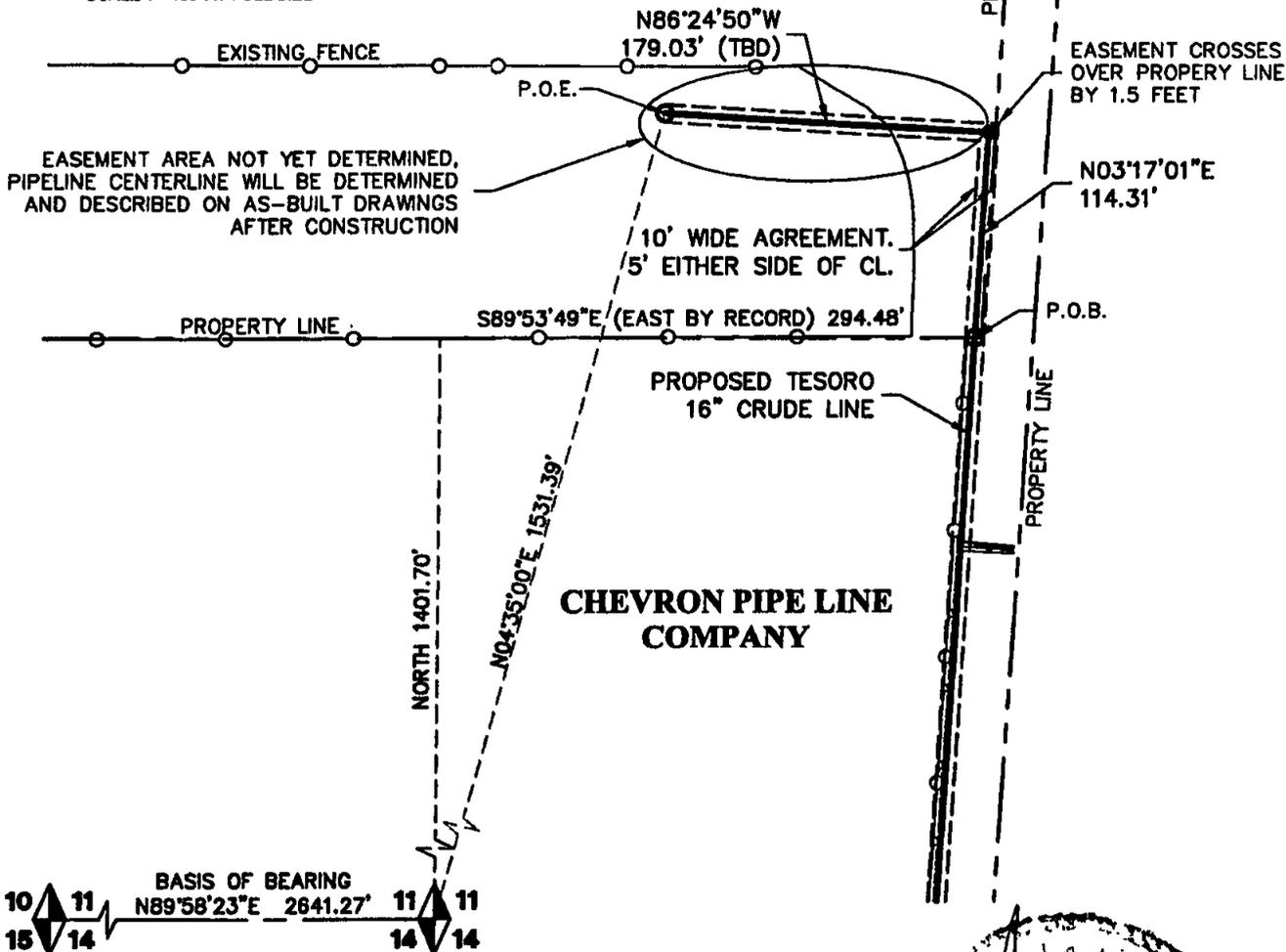
# EXHIBIT A

(CHEVRON PRODUCTS COMPANY U.S.A. - 1 of 3)

**CHEVRON PRODUCTS  
COMPANY U.S.A.**



0 50 100  
SCALE 1"=100' AT FULL SIZE



**CHEVRON PIPE LINE  
COMPANY**

**TESORO PIPELINE CENTERLINE  
SURVEY EASEMENT**

A STRIP OF LAND FOR A PIPELINE EASEMENT ACROSS PART OF GRANTOR'S LAND LOCATED IN DAVIS COUNTY, UTAH, SAID STRIP BEING 10.00 FEET WIDE, 5.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

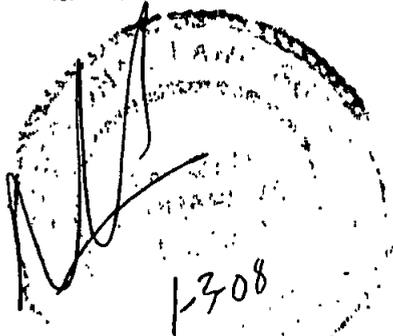
COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN, THENCE 1401.70 FEET NORTH TO A SOUTHERLY LINE OF GRANTOR'S PARCEL AND 294.48 FEET S89°33'49"E ALONG SAID SOUTHERLY LINE TO THE POINT OF BEGINNING; AND RUNNING THENCE N03°17'01"E 114.31 FEET, THENCE N86°24'50"W 178.03 FEET TO THE POINT OF ENDING OF THE STRIP HEREIN DESCRIBED.

THE BASIS OF BEARING OF THIS DESCRIPTION BEING N89°58'23"E 2841.27 FEET BETWEEN THE SOUTH QUARTER CORNER AND SOUTHWEST CORNER OF SAID SECTION 11.

SAID STRIP BEING 293.34 FEET OR 17.776 RODS IN LENGTH



	NO.		REVISIONS
	DATE		BY
	DRAWN		NO.
	SURVEYED		DATE
	CHECKED		DATE
	DATE		DATE
<p><b>COPYRIGHT</b> ALL RIGHTS RESERVED NO PART OF THIS PUBLICATION MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION SYSTEMS WITHOUT PERMISSION IN WRITING FROM THE PUBLISHER</p>			
<p><b>MERIDIAN ENGINEERING, INC.</b> 1100 SOUTH 1000 WEST SALT LAKE CITY, UTAH 84119 PHONE (801) 584-1234 FAX (801) 584-1235</p>			
<p><b>CHEVRON EXHIBIT</b> CHEVRON PRODUCTS COMPANY U.S.A. 16" CRUDE LINE SE1/4 SEC. 11, T1N, R1W, SLR&amp;M</p>			
<p>COMP. FILE Chevron RW</p>			
<p>PROJECT NO. 07115</p>			
<p>SHEET NO. 1 OF 1</p>			

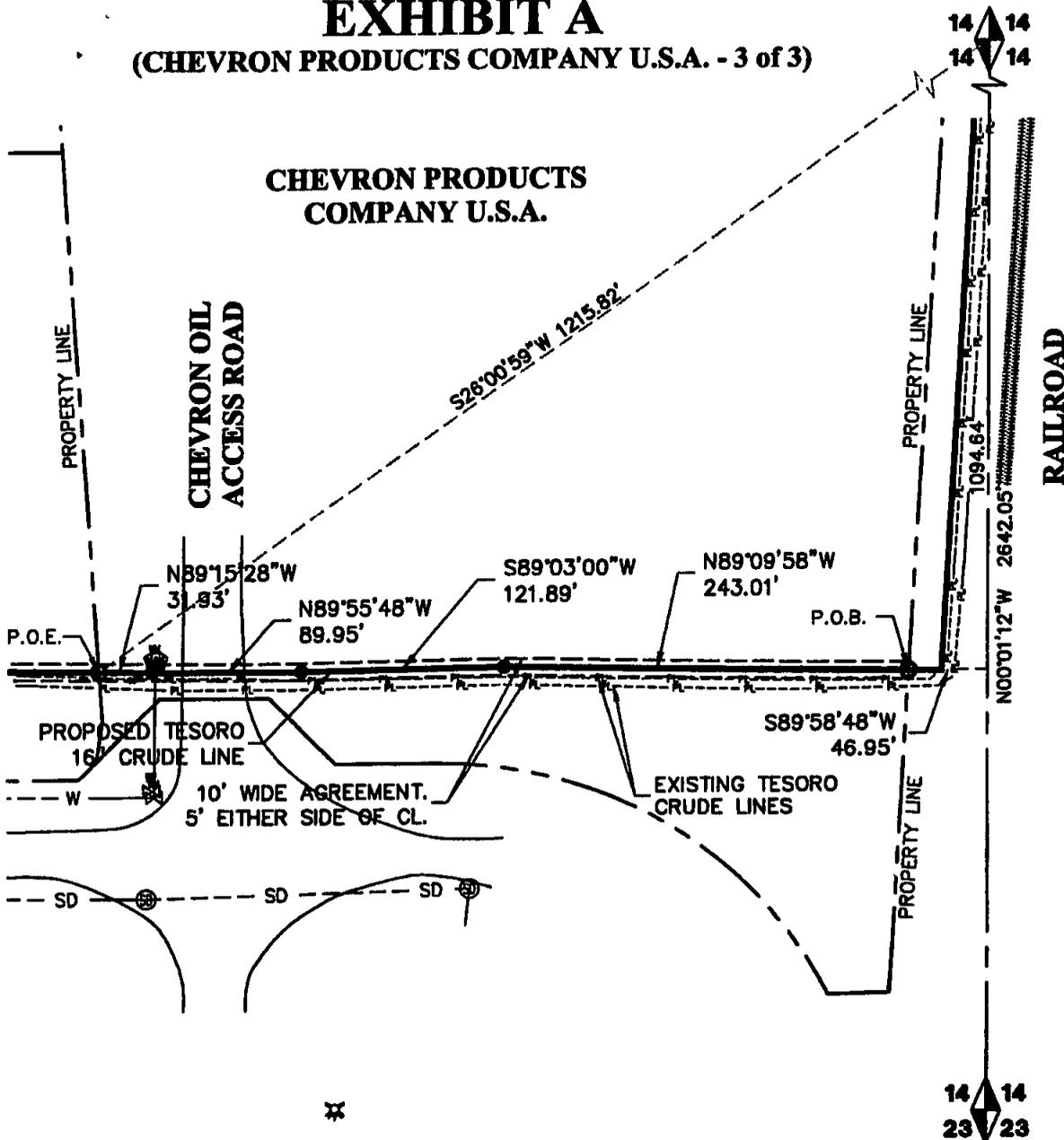




# EXHIBIT A

(CHEVRON PRODUCTS COMPANY U.S.A. - 3 of 3)

**CHEVRON PRODUCTS COMPANY U.S.A.**



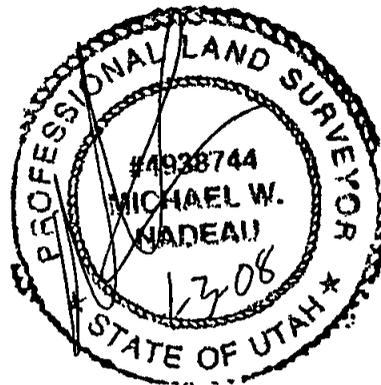
**TESORO PIPELINE CENTERLINE SURVEY EASEMENT**

A STRIP OF LAND FOR A PIPELINE EASEMENT ACROSS PART OF GRANTOR'S LAND LOCATED IN SALT LAKE COUNTY, UTAH, SAID STRIP BEING 10.00 FEET WIDE, 5.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE CENTER QUARTER CORNER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN, THENCE 1094.64 FEET S00°01'12"E AND 46.95 FEET S89°58'48"W TO A POINT IN THE EASTERLY PROPERTY LINE OF GRANTOR'S PARCEL, SAID POINT IS ALSO THE POINT OF BEGINNING; AND RUNNING THENCE N89°09'58"W 243.01 FEET, THENCE S89°03'00"W 121.89 FEET; THENCE N89°55'48"W 89.95 FEET; THENCE N89°15'28"W 31.93 FEET TO A POINT IN A WESTERLY LINE OF GRANTOR'S PROPERTY, SAID POINT IS ALSO THE POINT OF ENDING OF THE STRIP HEREIN DESCRIBED.

THE BASIS OF BEARING OF THIS DESCRIPTION BEING N89°58'23"E 2641.27 FEET BETWEEN THE SOUTH QUARTER CORNER AND SOUTHWEST CORNER OF SAID SECTION 11.

SAID STRIP BEING 488.78 FEET OR 29.502 RODS IN LENGTH



<p><b>CHEVRON EXHIBIT</b></p> <p>CHEVRON PRODUCTS COMPANY U.S.A.</p> <p>16" CRUDE LINE</p> <p>SW1/4 SEC. 14, T1N, R1W, S1B&amp;M</p>		<p>COMP. FILE</p> <p>Chevron RW</p>	<p>PROJECT NO.</p> <p>07115</p>	<p>SHEET NO.</p> <p>1 OF 1</p>
<p><b>MERIDIAN ENGINEERING, INC.</b></p> <p>1877 SOUTH JORDAN BLVD. SUITE 100</p> <p>JORDAN, UTAH 84064</p> <p>PHONE: (801) 488-1996 FAX: (801) 488-1998</p>		<p>CONTRACT</p> <p>ALL RIGHTS RESERVED</p> <p>NO PART OF THIS DOCUMENT IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF MERIDIAN ENGINEERING, INC.</p>	<p>DATE: 11-DEC-2007</p> <p>CHECKED: DJP</p> <p>SURVEYED: MSY</p> <p>DRAWN: MSY</p>	<p>NO.</p> <p>REVISES</p> <p>BY</p> <p>DATE</p>