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By J.

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ABSTRACTED: STAMPED: ....

## RIGHT-OF-WAY AGREEMENT

----KNOW ALL MEN BY THESE PRESENTS:

THAT THE UNDERSIGNED, FLYING DIAMOND OIL CORPORATION, a Utah corporation (hereinafter called "Grantor"), for the sum of Ten Dollars and other consideration in hand paid by CHAMPLIN PETROLEUM COMPANY, the receipt of which is hereby acknowledged, does hereby grant and convey unto CHAMPLIN PETROLEUM COMPANY, a corporation organized under the laws of the State of Delaware (hereinafter called "Grantee"), its successors and assigns, an easement and right-of-way over, through, under and across the following described lands situated in Summit County, Utah ("subject lands"):

A strip of land 20 feet in width, being 10 feet on each side of the center line as shown highlighted in red on the plat marked Exhibit "A", attached hereto and made a part hereof, dated March 27, 1977, insofar as said plat relates to the SE4 of Section 4, Township 2 North, Range 7 East, Salt Lake Base and Meridian.

Grantee shall have the right, either as a common or private carrier, from time to time, to lay, construct, reconstruct, replace, renew, operate, maintain, repair, change the size of, and remove pipes and the pipelines, valves, fittings, and other equipment appurtenances as may be necessary or convenient for the transportation of oil, petroleum, or any of its products, gas, water and other substances, or any thereof, over, through, under and across the subject land. This easement and right-of-way is restricted to the construction, maintenance, and use of three pipelines in accordance with the terms hereof, which pipelines shall consist of one high pressure gas line, one low pressure gas line, and one oil pipeline. The three pipelines must be laid and maintained in the same ditch, which ditch shall not be more than three (3) feet in width. Grantee agrees to bury the pipelines below plow depth.

Together with rights of egress and ingress to and from said pipelines or equipment appurtenances for the purpose aforesaid; and as to the rights hereby granted, all rights of homestead are hereby released and waived. Grantor shall have the right of use and full enjoyment of the subject land so long as such use does not interfere with the rights of Grantee granted herein. Grantee acknowledges Constants in the rights of Grantee granted herein.

Together with rights of egress and ingress to and from said pipelines or equipment appurtenances for the purpose aforesaid; and as to the rights hereby granted, all rights of homestead are hereby released and waived. Grantor shall have the right of use and full enjoyment of the subject land so long as such use does not interfere with the rights of Grantee granted herein. Grantee acknowledges Grantor's intent to develop the subject lands at a future date. Should Grantor determine that the pipelines will interfere with Grantor's planned development, Grantee shall move the pipelines to a new location at its sole cost and expense. Grantor shall grant a right-of-way to Grantee to the new location of Grantor's choice, which right-of-way shall contain the same terms and conditions contained herein, except that no new consideration shall be paid to Grantor and no provisions for moving the pipelines shall be included. The Grantee shall not be required to move the pipelines more than once.

Grantee, its successors and assigns, hereby agrees to pay any damages which may arise to crops, timber, fences or buildings, of said Grantor from the exercise of the rights herein granted, said damages, if not mutually agreed upon, to be ascertained and determined by three (3) disinterested persons, one thereof to be appointed by the Grantor, one by the Grantee, or its successors or assigns, and the third by the two so appointed, and the award of such three persons, or any two of them, shall be final and conclusive. The cost of such arbitration shall be borne equally by Grantor and Grantee. Grantee agrees to save and hold Grantor harmless from the claims and demands of all persons whomsoever for all damages caused by or resulting from Grantee's use and exercise of the rights granted herein. Grantee hereby waives and releases Grantor from all claims of damages to the pipelines, appurtenant equipment, and maintenance equipment caused by cattle, sheep or other domestic livestock operation and farming except for damage intentionally caused.

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Grantee shall have the right to assign all or any part of the rights granted herein.

The easement and right-of-way is subject to the rights of the mineral estate and owners thereof, and the effect of any oil, gas or other mineral leases. It is further understood and agreed that the easement and right-of-way herein granted are subject to all rights-of-way and easements of record and to the continuing right of the Grantor to extend or renew any or all of said rights-of-way and easements and that the easement and right-of-way herein granted will continue to be subject to any right-of-way and easement of record which is extended or renewed.

This easement and right-of-way shall continue in force so long as said lands are used for maintenance and operation of such pipelines or lines or appurtenances, but should such use terminate and Grantee, its successors or assigns, fail to use at least one line or appurtenances for a period of twelve (12) consecutive calendar months, this easement and right-of-way shall terminate, cease and be nullified as fully and effectually as though this instrument had never been subscribed and delivered. In such event, Grantee, its successors or assigns, may remove its pipelines and all of its fixtures, appurtenances and other property within said right-of-way, and shall remove the same within three (3) months after Grantor shall mail Grantee, its successors or assigns, a written request therefor, in default of which said pipelines and all of the other property of Grantee, its successors or assigns, within said right-of-way shall become and remain the property of Grantor, and Grantee, its successors or assigns, shall have no further rights thereto. Grantee, its successors or assigns, after any such removal, shall restore the ground surface to its present condition as near as practicable and pay all damages caused Grantor thereby, subject to arbitration as provided above.

This easement and right-of-way shall be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the Grantor and Grantee have executed this Agreement this Agreement this Agreement this 1977.

FLYING DIAMOND OIL CORPORATION

Attest:

By Assistant Secretary

CHAMPLIN PETROLEUM COMPANY

ASSISTANT, Secretary

By Assistant Secretary

STATE OF COLORADO

City and County of Denver)

On the Am day of April, 1977, personally appeared before me D. E. Brown, who being by me duly sworn, did say that he is the Executive Vice President of Flying Diamond Oil Corporation, and that said instrument was signed on behalf of said corporation by authority of a resolution of its Board of Directors, and the said D. E. Brown duly acknowledged to me that said corporation executed the same.

Notary Public

My Commission Expires: 10-27-79

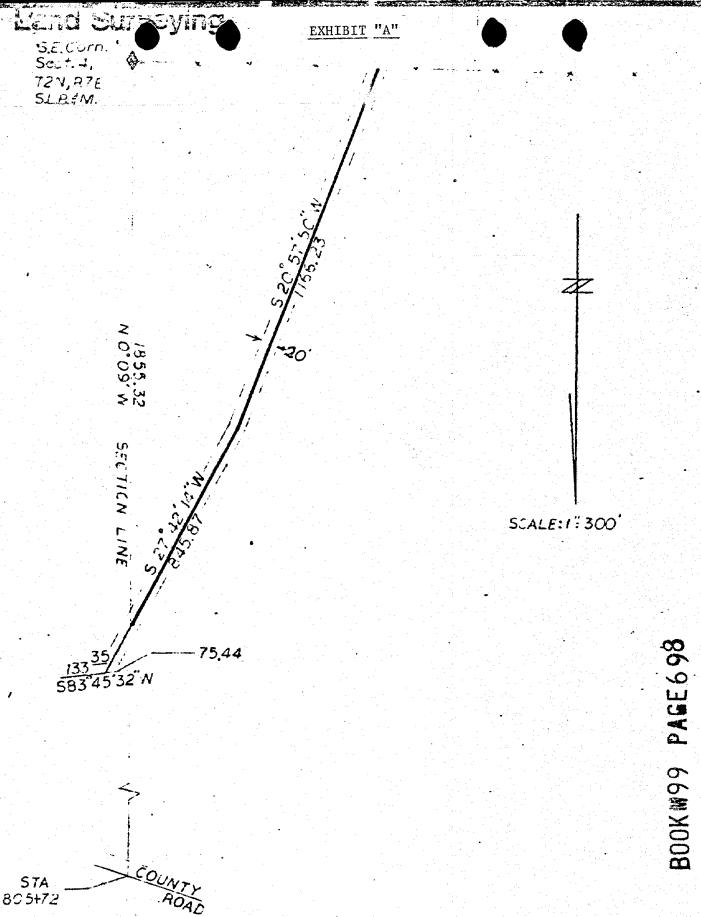
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STATE OF <u>COLORADO</u>) ss.

On the 12th day of April, 1977, personally appeared before me D.A. Churchille, who being by me duly sworn, did say that he is the 15th President of Champlin Petroleum Company, and that said instrument was signed on behalf of said corporation by authority of a resolution of its Board of Directors, and the said D.Churchill duly acknowledged to me that said corporation executed the same.

My Commission Expires: October 21, 1980



SURVEYOR'S CERTIFICATE

I, Wallace C. France , do hereby certify that I am a Registered Land Surveyor, and that I hold Certificate No., 4096 as prescribed by the Laws of the State of Utah and I have made a survey of the following described property:

FaUINNING at a point 1055.32 feet N 1009 W along the section line and 203.79 feet N 80007 12" to from the Southeast corner of Section 4. Townshi 2 North, Hange 7 East, Salt Lake base and heridian and running thence along the center line of a 20.0 feet wide right of way, 3 84045 42" & 133.35 feet, thence S 270-214" & 045.67 feet, thence S 2007 50" & 1166.2) feet.

I further certify that the above plat correctly shows the true dimensions of the property surveyed and is free of encroachments unless shown on this plat.

3-27-77

Date

Registered Land Surveyors -- Certificate No. 4086