

RECORDED AT THE REQUEST OF:

Michael R. Johnson
RAY QUINNEY & NEBEKER P.C.
36 South State Street, Suite 1400
Salt Lake City, Utah 84111

ENT# 259925 Bk# 505 Pg 145
Date: 14-Nov-2016 03:37 PM
Fee: \$28.00 ACH
Filed By: CP
CINDY PETERSON, RECORDER
BEAVER COUNTY CORPORATION
For: RAY QUINNEY & NEBEKER, P.C.
Recorded Electronically by Simplifile

NOTICE OF DEFAULT AND ELECTION TO SELL

NOTICE IS HEREBY GIVEN by Michael R. Johnson, Esq., Successor Trustee, an active member of the Utah State Bar residing in the State of Utah, that a default has occurred under that certain *First Leasehold Deed of Trust* dated July 3, 2012, which was duly executed by Blue Mountain Biogas, LLC, a Delaware limited liability company, as Grantor (hereinafter "**Grantor**") in which Caterpillar Financial Services Corporation, is named beneficiary, (hereinafter "**Beneficiary**") and Security Title Company of Beaver County, Utah, was the named the original trustee, which was filed for record on July 26, 2012, as Entry No. 249166 at Bk. 467 and Pg. 47, in the official records of the Beaver County Recorder, Beaver County Utah (hereinafter the "**Leasehold Deed of Trust**").

A description of the trust property encumbered by the Leasehold Deed of Trust (the "**Property**") would include any of the following property which would be subject to encumbrance through a deed of trust under Utah law:

All legal and equitable right, title and interest of the Grantor in the property described in **Addendum A** which is attached hereto and made a part hereof by reference; and

All legal and equitable right, title and interest of the Grantor in the property described in **Addendum B** which is attached hereto and made a part hereof by reference.

Certain events of default have in fact occurred under the Leasehold Deed of Trust, and/or the obligations described in the Leasehold Deed of Trust made by Grantor in favor of Beneficiary based upon Grantor/Borrower's failure to make timely payments to Beneficiary as required under the terms of that certain Construction Financing Agreement, dated April 4, 2012, as amended by the First Amendment to Construction Financing Agreement, dated July 2012 (as amended, restated, supplemented, extended, replaced or otherwise modified from time to time, the "**CFA**"), pursuant to which Beneficiary agreed to loan up to \$11,067,476 of construction and term financing for the engineering, procurement and construction of a biogas project owned by Grantor;

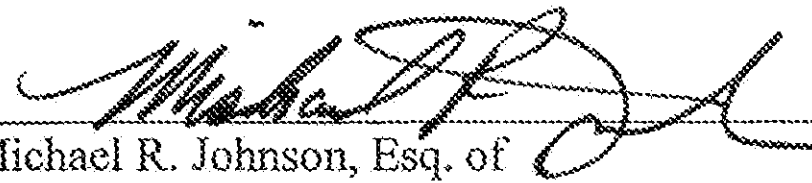
A Substitution of Successor Trustee has been executed by Beneficiary and duly recorded in the official records of the Beaver County Recorder, providing that Michael R. Johnson, an active member of the Utah State Bar Association residing in Utah, is the current trustee under the Leasehold Deed of Trust ("**Successor Trustee**").

By reason of said default of the Grantor under the CFA, Beneficiary has executed and delivered to the Successor Trustee a written request to file a Notice of Default and Election to Sell, and has deposited with the Successor Trustee all documents evidencing the obligations secured by the Leasehold Deed of Trust;

Wherefore, by reason thereof, the Successor Trustee has declared and does hereby declare all sums and obligations secured by the Leasehold Deed of Trust, including all sums and obligations due under the CFA, immediately due and payable in full, and has elected to cause the Property to be sold to satisfy the obligations secured thereby, *i.e.*, the outstanding principal balance owed under the CFA plus interest due thereon until paid, plus applicable late charges, if any, and all expenses of collection and sale, including attorneys' and trustee's fees, and all other amounts secured by the Leasehold Deed of Trust.

The undersigned disclaims any responsibility for any error in the description of the physical address or legal description of the Property. The Trustee's mailing address and the address of the Trustee's office is c/o Ray Quinney & Nebeker, 36 South State Street, Suite 1400, Salt Lake City, UT 84111. The Trustee may be contacted at (801) 532-1500, between the hours of 9:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays.

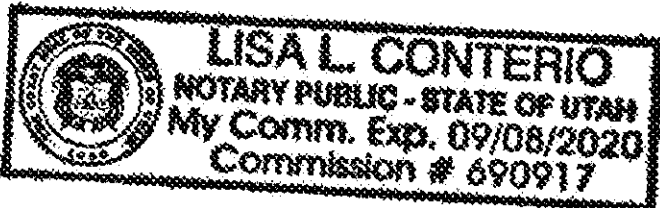
IN WITNESS WHEREOF, Michael R. Johnson as Successor Trustee has caused this instrument to be executed this 5th day of October, 2016.

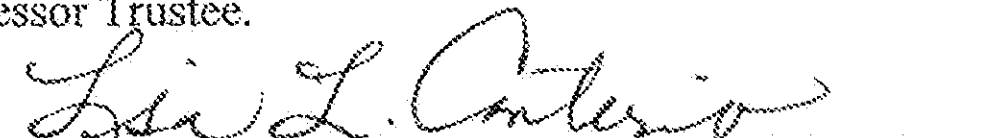


Michael R. Johnson, Esq. of
RAY QUINNEY & NEBEKER P.C.
Successor Trustee
36 South State Street, Suite 1400
Salt Lake City, UT 84111
(801) 532-1500

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

The foregoing instrument was acknowledged before me this 5th day of October, 2016, by Michael R. Johnson, in his capacity as Successor Trustee.

1388919 


Notary Public

ADDENDUM A

That following described real property is located in Beaver County, Utah:

Parcel 1: (Part of Parcel 02-0145-0001)

Beginning at a point South 00°03'51" East along the quarter Section line 848.71 feet from the North quarter corner of Section 27, Township 30 South, Range 13 West, Salt Lake Base and Meridian and running thence North 89°57'13" East 468.40 feet; thence South 00°02'47" East 1000.00 feet; thence South 89°57'13" West 1000 feet; thence North 00°02'47" West 1000 feet; thence North 89°57'13" East 531.60 feet to the point of beginning.

TOGETHER WITH a 50 foot Access Road Easement: Beginning at a point South 00°03'27" East along the Section line 1026.69 feet from the Northwest corner of Section 27, Township 30 South, Range 13 West, Salt Lake Base and Meridian (said point being in the Pioche Road (A County Road) and running thence South 90°00'00" East 2109.14 feet; thence South 00°02'47" East 50.00 feet; thence North 90°00'00" West 2109.13 feet; thence North 00°03'27" West 50.00 feet to the point of beginning.

SUBJECT TO a Right of Way for a Road, and incidental purposes as now exists.

EXCEPTING THEREFROM all oil, gas and/or other minerals in, on or under said land, together with the right of ingress and egress for the purpose of exploring and/or removing the same.

Parcel 2:

50 foot wide utility easements being 25 feet on each side of the following described centerlines:

SITE 1 (Easement across Parcel 02-0142-0003)

Beginning at a point South 00°02'08" East along the Section line 1551.2 feet and North 90°00' East 768.6 feet from the Northwest corner of Section 22, Township 30 south Range 13 West, Salt Lake Base and Meridian, and running thence North 90°00' East 586.1 feet to Point "A" being the center of an overflow structure; thence from Point "A", a line runs South 00°00' East 26.5 feet; thence South 45°00' West 36.0 feet; thence South 90°00' West 72.1 feet; thence from Point "A" a line running North 90°00' East 33.0 feet; thence South 45°00' East 82.3 feet; thence North 90°00' East 239.8 feet; thence South 45°00' East 1337.4 feet; thence South 00°03' East 1698.3 feet; thence South 45°00' West 28.3 feet; thence South 00°00' East 54.7 feet; thence South 45°00' East 21.1 feet; thence South 00°03' East 1779.6 feet to the North line of the ALPENTAL Lease parcel and the point of ending.

EXCEPTING THEREFROM that portion within the East ½ of said Section 22.

SITE 2-3 (Easement across Parcel 02-0142-0003)

Beginning at a point North 00°02'08" West along the Section line 893.4 feet and North 90°00 East 761.5 feet from the Southwest corner of Section 22, Township 30 South, Range 13 West, Salt Lake Base and Meridian and running thence North 45°00 East 94.3 feet; thence North 00°00' East 21.0 feet to Point "B" being the center of an overflow structure; thence from Point "B", a line runs North 45°00' West 94.6 feet; thence from Point "B" running North 90°00' East 1088.4 feet to Point "C" being the center of an overflow structure; thence from Point "C" a line runs South 00°00' East 18.9 feet; thence South 44°44' West 98.1 feet; thence from Point "C" running North 90°00' East 694.6 feet to the center of a transfer pit structure and point of ending.

SITE 4 (Easement across Parcel 02-0145-0001)

Beginning at a point South 00°03'27" East along the Section line 962.6 feet and North 90°00' East 756.3 feet from the Northwest corner of Section 27, Township 30 South, Range 13 West, Salt Lake Base and Meridian, and running thence South 89°11' East 491.7 feet; thence South 45°00' East 34.9 feet; thence North 90°00' East 57.6 feet to Point "D", being the center of a transfer structure; from Point "D" a line runs South 00°00' West 11.5 feet; thence South 45°00' West 89.6 feet; thence from Point "D" running North 90°00' East 80.3 feet; thence South 29°22' East 33.4

feet; thence North 90°00' East 320.6 feet; thence North 45°00' East 40.3 feet; thence North 90°00' East 333.1 feet to the West line of the ALPENTAL Lease Parcel and the point of ending.

SITE 5-6-7-8 (Easement across Parcel 02-0144-0001)

Beginning at a point South 00°03'21" East along the Section line 2201.4 feet and North 90°00' East 1394.0 feet from the Northwest corner of Section 23, Township 30 South, Range 13 West, Salt Lake Base and Meridian and running thence South 89°36'21" East 823.7 feet to point "E", being the center of a diversion box structure; from Point "E", a line runs North 90°00' East 1065.2 feet; thence from Point "E" running South 00°01'50" East 1466.4 feet; thence South 53°10' West 2740.4 feet; thence North 90°00' West 51.7 feet; thence South 68°08'31" West 2306.3 feet to the East line of the ALPENTAL Lease Parcel and the point of ending.

SITES 15-16 (Easement across BLM property Parcel 02-0147-0003)

Beginning at point South 00°03'40" East along the Section line 685.3 feet and North 90°00' East 756.9 feet from the Northwest corner of Section 34, Township 30 South, Range 13 West, Salt Lake Base and Meridian and running thence North 90°00' East 132.3 feet to Point "F"; thence from Point "F" a line runs North 44°09' West 177.4 feet; thence from Point "F" running South 89°09' East 859.7 feet; thence North 79°47' East 403.7 feet to Point "G", being the center of a transfer pit structure; thence from Point "G" a line runs South 00°00' East 28.3 feet; thence South 45°10' West 111.0 feet; thence from Point "G", running North 00°01'44" West 3395.4 feet; thence North 45°00' East 934.8 feet to the point of ending at the South line of the ALPENTAL Lease Parcel.

15 foot wide Utility Easements being 7.5 feet wide on each side of the following described centerlines:

SITE 6 FIBER LINE (Easement across Parcel 02-0144-0001)

Beginning at a point North 89°53'12" East along the Section line 2050.1 feet and South 00°00' East 2003.8 feet from the Northwest corner of Section 23, Township 30 South, Range 13 West, Salt Lake Base and Meridian (said point being existing ROCKY MOUNTAIN Power Pole #234601) and running thence South 00°00' East 181.2 feet to the 5-6-7-8 Easement described heretofore.

BROWN POWER LINE (Easement across parcel 02-0145-0001)

Beginning at a point South 00°03'27" East along the Section line 1188.6 feet and North 90°00' East 68.1 feet from the Northwest corner of Section 27, Township 30 South, Range 13 West, Salt Lake Base and Meridian (said point being 7.5 feet West of ROCKY MOUNTAIN COMPANY Power Pole #270700) and running thence North 90°00' East 2041.0 feet to the West line of the ALPENTAL ENERGY Lease Parcel and the point of ending.

GREEN POWER LINE (Easement across Parcel 02-0145-0001)

Beginning at point South 00°03'27" East along the Section line 1084.2 feet and North 90°00' East 68.2 feet from the Northwest corner of Section 27, Township 30 South, Range 13 West, Salt Lake Base and Meridian and running thence North 90°00' East 2040.9 feet to the West line of the ALPENTAL ENERGY Lease Parcel and the point of ending.

ADDENDUM B

TOGETHER with all the right, title and interest of Grantor as tenant under the Amended Lease in and to the land lying in the streets and roads adjoining the Land or any part thereof;

TOGETHER with all of Grantor's right, title and interest created under the Amended Lease;

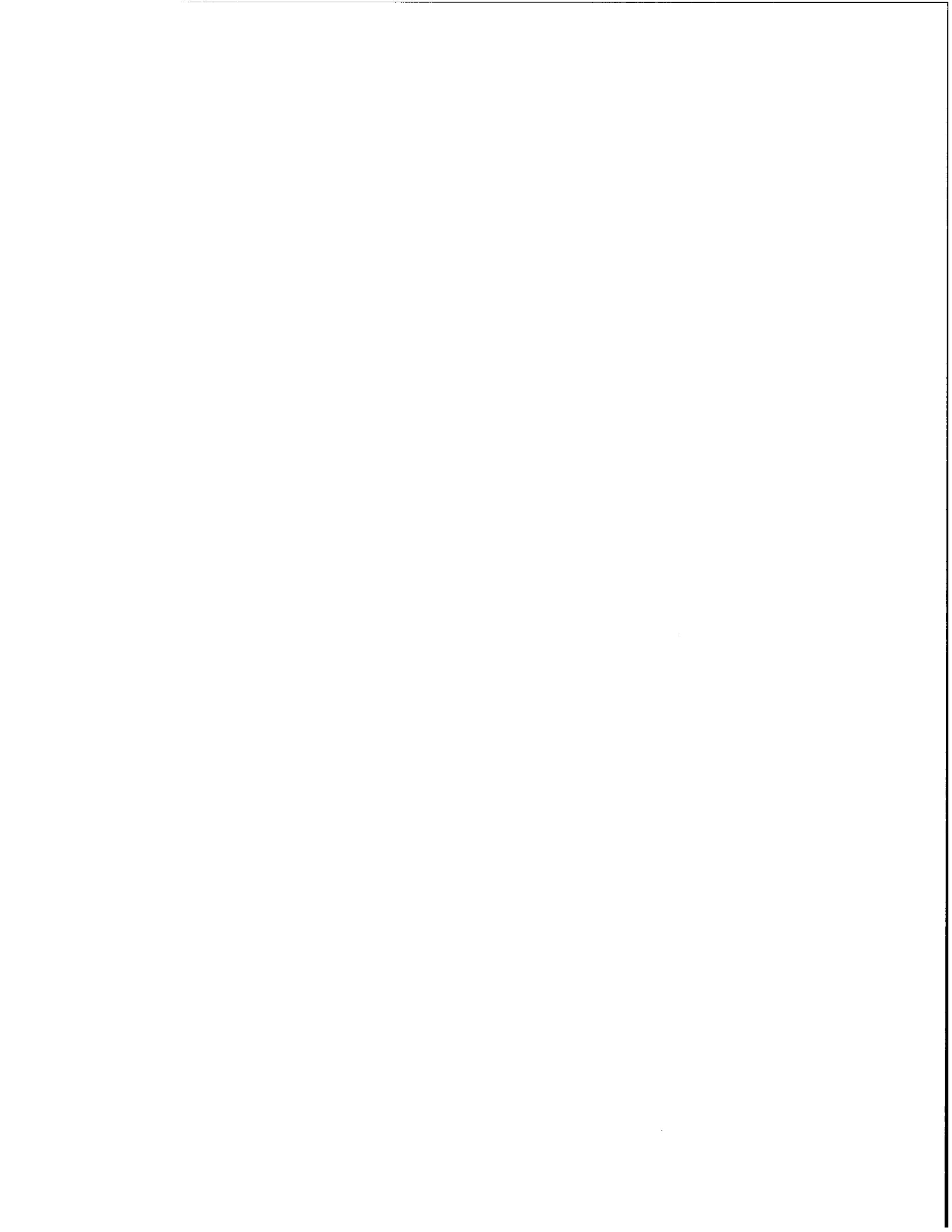
TOGETHER with any and all other, further or additional estates, rights, title or interests which may at any time be acquired by Grantor by reason of amendments, modifications, supplements, extensions and renewals of the Amended Lease (such Amended Lease and all amendments, modifications, supplements, extensions and renewals thereof being hereinafter called the "Leases");

TOGETHER with all rights and benefits of whatsoever nature derived or to be derived by Grantor under, or by virtue of, the Leases, including, without limitation, the right to exercise options, to give consents, and to receive monies payable to the landlord thereunder;

TOGETHER with all other leases, subleases and underlettings of the Premises (as hereinafter defined), or any part thereof, now existing or hereafter entered into or assumed by Grantor and all rights and benefits derived or to be derived by Grantor therefrom, including without limitation, any security deposits made by the tenants thereunder;

TOGETHER with all right, title and interest of Grantor as tenant under the Leases in and to all buildings and improvements now situated on, or hereafter to be erected on, the Land (the "Improvements"), all machinery, apparatus, equipment, fittings, fixtures, furniture, furnishings and articles of personal property of every kind and nature whatsoever, now or hereafter located in the Improvements, or upon the Premises, or any part thereof, and used or usable in connection with the present use of the Improvements or any other future occupancy or use of the Improvements (hereinafter called "Equipment"), (the Improvements, the Land and the Equipment and the "Leases" being collectively referred to as the "Premises"), including, but without limiting the generality of the foregoing, all heating, lighting, loading, unloading, landscaping, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus, air cooling and air conditioning apparatus, elevators, escalators, ducts and compressors, cleaning equipment and supplies; and Grantor agrees to execute and deliver, from time to time, such further instruments as may be requested by Beneficiary to confirm the lien of this First Leasehold Deed of Trust on any Equipment; and

TOGETHER with all awards or payments, including interest thereon, heretofore and hereafter made to Grantor for the taking by eminent domain of the whole or any part of the Premises, or the use thereof, or any easement therein, including any awards or payments for changes of grade of streets or any other injury to or decrease in the value of the First Leasehold Deed of Trust Property (as hereinafter defined), which said awards and payments are hereby assigned to Beneficiary, who is hereby authorized to collect and receive the proceeds thereof and to give proper receipts and acquittances therefor, and to apply the same toward the payment of the indebtedness at any time secured hereby, notwithstanding the fact that the amount thereof may not then be due and payable and toward the reasonable counsel fees, costs and disbursements incurred by Beneficiary in connection with the collection of such awards or payments and toward the payment of the indebtedness at any time secured hereby, notwithstanding the



fact that the amount thereof may not then be due and payable; and Grantor hereby agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning said awards or payments to Beneficiary, free, clear and discharged of any encumbrances of any kind or nature whatsoever.