

Upon recording, please return to:

John A. Rokich
P. O. Box 276
Magna, Utah 84044

3762359

RIGHT-OF-WAY AND EASEMENT GRANT

THIS AGREEMENT, made and entered into this 8th day of February, 1983 by and between KENNECOTT CORPORATION, a corporation of the State of New York and authorized to do business in the State of Utah, hereinafter referred to as "Kennecott", and MAGNA WATER COMPANY, an Improvement District of Salt Lake County, State of Utah, hereinafter referred to as "Grantee",

WITNESSETH:

WHEREAS, Grantee desires to construct and thereafter maintain a fourteen (14) inch diameter underground culinary water pipeline (hereinafter called "pipeline") on Kennecott's property situated in Salt Lake County, State of Utah, for the purpose of providing culinary water service to residents within the service area of the Magna Water Company, and

WHEREAS, Kennecott operates and maintains its Riter Canal, hereinafter referred to as "Canal" over a portion of the easement area, and

WHEREAS, Kennecott is willing to grant to Grantee a right-of-way and easement for such purpose on the following terms and conditions,

NOW, THEREFORE, it is agreed by and between the parties hereto as follows, to-wit:

1. For valuable consideration, receipt of which is hereby acknowledged, Kennecott hereby grants unto Grantee, its successors and assigns, a right-of-way and easement, for the

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purposes hereafter stated, through, across and under the premises situated in Salt Lake County, State of Utah, to-wit:

A 20-foot easement lying 10 feet on each side, parallel and adjacent to the following described centerline:

Beginning at a point on the East right-of-way line of 8000 West Street, said point being 975.00 feet, more or less, South and 33.00 feet East from the West Quarter Corner of Section 21, Township 1 South, Range 2 West, Salt Lake Base and Meridian, and running thence North 22°33' East 85.0 feet; thence North 22°30' West 85.0 feet to said East right-of-way line of 8000 West Street.

Said right-of-way and easement shall be used by Grantee solely for the purpose of constructing, reconstructing, operating, repairing, replacing, and maintaining an underground pipeline for providing culinary water service to residents within its service area and for no other purpose. Grantee shall have the right of reasonable ingress and egress to and from said right-of-way to maintain, operate, repair, inspect, protect, remove and replace the same. During temporary periods Grantee may use such portion of Kennecott's property along and adjacent to said right-of-way as may be reasonably necessary in connection with the construction, maintenance, repair, removal or replacement of said pipeline. Kennecott shall have the right to use said premises for any purpose, except that Kennecott shall not construct permanent structures or improvements within the easement area; provided that these uses will not interfere with said pipeline, nor obstruct or hinder Grantee's access to the easement area, or any other right granted to Grantee hereunder. This shall not interfere with Kennecott's rights with respect

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to existing canal, or bridge and/or roadway and does not limit the use thereof by Kennecott.

Grantee's use of said premises covered by this Right-of-Way and Easement Grant is, and shall forever remain subordinate to Kennecott's present and future use of said Canal located upon said premises. If it shall become necessary for Kennecott to require the removal of said pipeline to a more convenient place upon the property of Kennecott, Grantee shall, within a reasonable time and upon request by Kennecott, and upon a reasonable and feasible new location and right-of-way being provided without cost by Kennecott, remove and replace said pipeline to other property. Kennecott shall pay all costs necessarily and reasonably incurred in the relocation of said pipeline, including but not limited to the costs of engineering, construction and inspection of the relocated pipeline facilities.

2. Said pipeline, where it crosses underneath said Canal, shall be encased within a conductor pipe with minimum dimensions of 1/4-inch thick walls by 20 inches inside diameter placed at a depth of at least two feet below the bottom surface of said Canal and extending in a North-South direction beyond the outer limits of said canal as a protection against future damage to said pipeline.

3. Grantee shall coordinate all work in placing of said pipeline with Kennecott's Water Service Superintendent.

4. Grantee shall obtain all necessary permits and licenses from public authorities for the installation of said

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pipeline and bear the entire cost and expense in connection with the construction, installation, maintenance, repair or renewal of said pipeline.

5. Said pipeline and all parts thereof under said Canal shall be constructed and at all times maintained, repaired, renewed and operated by Grantee in such a manner as to cause no interference whatsoever with the constant, continuous and uninterrupted use of said Canal and access thereto.

6. Disuse of said pipeline for the purpose for which it was originally constructed, continuing at any time for a period of one year, shall constitute an abandonment thereof by Grantee and of the grant herein made and in case of such an abandonment or the breach by Grantee of any of the conditions, agreements and covenants herein contained, Kennecott shall have the right to terminate this agreement at any time by giving thirty (30) days notice in writing to Grantee of its intention to terminate the same and at the expiration of said thirty (30) days notice, the Right-of-Way and Easement herein granted shall terminate and be at an end and Grantee shall be without recourse or redress of any character against Kennecott by reason thereof.

7. Kennecott excepts and reserves a perpetual right and privilege on the part of itself, its successors, lessees, licensees and assigns, at any and all times hereafter, to discharge over and upon each and every portion of said lands, any and all gases, dust, dirt, fumes, particulates, liquids and other substances and matter which may be released, given, thrown or blown off, flow or seep, be emitted or discharged in

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the course of, by, or through the existence, or operations, of any and all of the smelting plants, reduction works, mines, mills, refineries, power plants, manufactories, tailing deposits and other works or factories which are now or which may hereafter at any time be lawfully established or operated by Kennecott or by its successors, grantees, lessees, licensees or assigns, or any of them, within Salt Lake or Tooele Counties, State of Utah.

8. Grantee agrees to indemnify and save Kennecott harmless against any and all loss and expense, including attorneys' fees and other legal expenses, by reason of liability imposed or claimed to be imposed by law upon Kennecott for damage because of bodily injuries, including death, at any time resulting therefrom, or on account of damage to property, sustained by any person or persons, arising out of or in any manner connected with, or growing out of or predicated upon the construction, maintenance, operation, existence or use of said right-of-way and such adjacent portions of Kennecott's property as Grantee shall utilize from time to time, whether or not such bodily injuries, death, or damage to property arise or are claimed to have arisen in whole or in part out of the negligence or any other grounds of legal liability, including violation of any duty imposed by a statute or ordinance or regulation, on the part of Grantee, Kennecott, employees or agents of any of them, or any other person or organization, but excluding any liability caused by sole negligence or willful misconduct of Kennecott.

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9. Kennecott expressly reserves the right to construct, operate and maintain roads, canals, ditches, culverts, pipelines or other drainage works, and any other facilities desired by Kennecott upon, along, under or across said granted premises, provided only that such shall be constructed, operated and maintained by Kennecott so as not to interfere with the use thereof by Grantee, except with respect to Kennecott rights relating to the Riter Canal as described in paragraph 1 hereof. Grantee agrees to repair or replace at its sole cost and expense, any property or facilities of Kennecott damaged or injured by the acts or omissions of Grantee, its employees, servants or agents in the construction, maintenance, operation, existence or use of said right-of-way and such adjacent portions of Kennecott's property as Grantee shall utilize from time to time.

10. It is hereby understood that any parties securing this grant on behalf of Grantee are without authority to make any representations, covenants or agreements not herein expressed.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective officers on the date first written above.

KENNECOTT CORPORATION

By *R. J. Jolin*
Its Senior Vice President

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MAGNA WATER COMPANY

By *Richard Norn*
Its Chairman

KARLE L. JOHNS
REGISTERED
SALT LAKE COUNTY
UTAH

FEB 23 3 32 PM '83

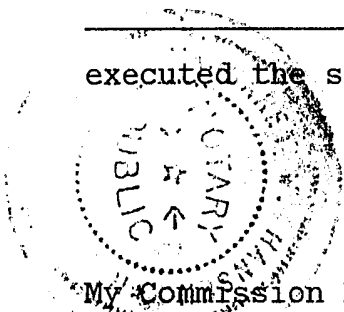
REQ OF *John A. Rosich*
SEP

Lynn A. ...
No Fee

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

On the 2nd day of February, 1983, personally appeared before me G. F. Joklik who being by me duly sworn did say that he is the Senior Vice President of KENNECOTT CORPORATION, and that the foregoing instrument was signed in behalf of said corporation and said G. F. Joklik duly acknowledged to me that said corporation executed the same.



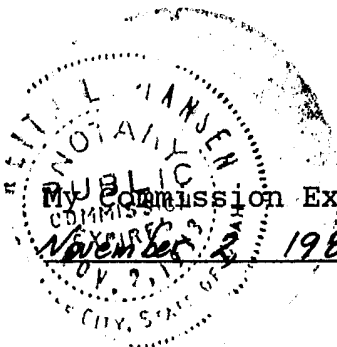
My Commission Expires:

MARGARET W. HANSEN, NOTARY PUBLIC
RESIDING IN SALT LAKE CITY, UTAH
COMMISSION EXPIRES 8-24-83.

Margaret W. Hansen
NOTARY PUBLIC
Residing at Salt Lake City, Utah

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

On the 8th day of February, 1983, personally appeared before me Richard Norris, who being duly sworn, did say that he is the chairman of the Board, of Magna Water Company, an Improvement District, and that the foregoing instrument was signed on behalf of said Company, by authority of a resolution duly adopted by its governing body, and said Richard Norris acknowledged to me that said Company duly executed the same.



My Commission Expires:

November 2, 1983

Keith S. Hansen
NOTARY PUBLIC
Residing at Salt Lake County

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