

2nd RECORDING  
ENT 104074:2007 PG 1 of 50  
RANDALL A. COVINGTON  
UTAH COUNTY RECORDER  
2007 Jul 18 3:19 pm FEE 108.00 BY CS  
RECORDED FOR SPANISH FORK WIND PARK 2, L

When recorded, return to:

J. Tracy Livingston  
Ascension Enterprises, L.C.  
357 W. 910<sup>th</sup> So. Suite A  
Heber City, UT 84032

ENT 94189:2007 PG 1 of 52

Being re-recorded b/c there are multiple first sheets  
with different dates, SF2 notary needed to fill in  
"07" in notary block & S&P signature was notarized  
in wrong place.

## **NONDISTURBANCE, RECOGNITION AND ATTORNMENT AGREEMENT**

This **NONDISTURBANCE, RECOGNITION AND ATTORNMENT AGREEMENT** ("Agreement"), is made and entered into as of this 20<sup>th</sup> day of June, 2007 (the "Effective Date"), by and among **STAKER & PARSON COMPANIES**, a Utah corporation ("Staker & Parson"), **BRENT R. SUMSION** and **SCOTT J. SUMSION** (jointly, "Option Holders"), and **SPANISH FORK WIND PARK 2, LLC**, a Utah limited liability company ("SF2"). Staker & Parson, Option Holders, and SF2 are collectively referred to hereinafter as the "Parties."

### **RECITALS**

A. Staker & Parson is the owner of certain real property located in Utah County, Utah, as more particularly described on Exhibit A attached hereto and by this reference incorporated herein (the "Property") pursuant to that Special Corporate Warranty Deed (Site Number: #88, Gomex Pit, Spanish Fork City, Utah) dated May 29, 2002 from Valley Asphalt, Inc., a Utah corporation ("Valley Asphalt"), and recorded in the official records of the Utah County Recorder (the "Records") on June 12, 2002 as Document No. 66264:2002.

B. Option Holders and Valley Asphalt entered into a Real Estate Option Agreement dated June 19, 1996 and recorded in the Records on July 8, 1996 as Entry No. 56103, in Book 4014 at page 286 (the "Option Agreement"), attached as Exhibit B and incorporated herein by this reference, and which Option Agreement grants Option Holders an option to purchase the Property (the "Option").

C. SF2 is developing wind-powered generation facilities on the Property and on properties located in the vicinity of the Property (the "SF2 Wind Project"). The properties comprising the SF2 Wind Project are collectively referred to hereinafter as the "Project Site."

94189:2007 PG 2 of 50

D. Staker & Parson and SF2 are parties to that Easement Agreement dated and effective as of May 26, 2006, as amended, a copy of which is attached hereto as Exhibit C, for purposes of (i) installing above-ground and underground transmission lines and related facilities to serve the SF2 Wind Project, for the transmission of wind-generated electric power over, across and under the Property, (ii) the encroachment of the blades of wind turbines into the airspace over the Property, and (iii) ingress to and egress from the Project Site (the "Easement"). Option Holders' rights under the Option Agreement are prior in right to the rights of SF2.

E. SF2 has expended (or plans to expend) financial and other resources to erect, construct, reconstruct, maintain, operate, use, improve, enlarge, change, replace, relocate and remove, wind turbines, overhead and underground electrical transmission and communications lines, electric transformers and substations, energy storage facilities, telecommunications equipment, roads, meteorological towers and wind measurement equipment, control buildings, maintenance yards, and other structures, facilities, appliances and equipment under, on, along and in the Project Site, including portions of the Property (the foregoing, collectively, "Windpower Facilities").

F. The Parties wish to enter into an agreement by which the Option Holders consent to SF2's use of the Property for the purposes set forth in the Easement, and so that in the event Option Holders exercise the Option and become the owners of the Property, the Option Holders will recognize the rights of SF2 under the Easement and will not disturb or interfere with the Easement or the intended use and occupancy of the Property or the Project Site by SF2 or its successors or assigns. Option Holders are willing to so agree on the terms and conditions stated in this Agreement.

### AGREEMENT

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration as set forth in the Supplement attached to this Agreement, the receipt and sufficiency of which are hereby acknowledged, and of the mutual benefits to accrue to the Parties, it is hereby declared, understood and agreed as follows:

1. **Consent to Easement and Assignment.** Option Holders hereby acknowledge and consent to the Easement for the purposes stated therein and to the exercise by SF2 and its successors and assigns of the rights and privileges granted thereunder in, on, under and across the Property, including such access roads, encroachments, and transmission line corridor locations as are generally depicted on Exhibits B and C to the Easement (the "Easement Areas"), together with all appurtenant rights as set forth in the Easement. Option Holders further agree that the foregoing shall constitute permitted uses of the Property for purposes of Section 3 of the Option Agreement.

2. **Consideration.** As consideration for this Agreement and the recognition of the Easement and other rights hereunder, in the event that Option Holders exercise the Option pursuant to the Option Agreement and upon the recording in the Records of a deed transferring fee simple title of the Premises to Option Holders, SF2 shall make payments to Option Holders as set forth in the Supplement attached hereto and incorporated herein.

ENT 104074:2007 PG 3 of 50

3. **Recognition of Easement.** Option Holders hereby recognize the Easement and all rights of SF2 and its successors and assigns under the Easement, and will not join SF2 or its successors or assigns in any actions or proceedings between Staker & Parson (or its successors or assigns) and Option Holders with respect to the Option Agreement. In the event that Option Holders become the owners of the Property, Option Holders acknowledge that they will become the grantor under the Easement and agree to continue to recognize the Easement and the rights of SF2 and its successors and assigns thereunder.

4. **SF2 Not to be Disturbed.** In the event that Option Holders become the owners of the Property, Option Holders shall not disturb or interfere with the use, enjoyment or occupancy of the Property or the Easement Areas by SF2 or its successors or assigns, or interfere with the exercise by SF2 or its successors or assigns of the rights granted under the Easement during the term of the Easement or any extensions or renewals thereof. This Agreement shall not be construed to prevent Option Holders from exercising any of their rights or remedies pursuant to their Option Agreement as long as such rights or remedies do not disturb or interfere with the use, enjoyment or occupancy of the Property by SF2 or its successors or assigns or interfere with any rights granted to SF2 or its successors or assigns under the Easement, during the term of the Easement or any extensions or renewals thereof.

5. **Recognition of Option Agreement.** SF2 hereby recognizes the Option Agreement and all rights arising thereunder of Option Holders, subject to the performance by Option Holders of their obligations under this Agreement.

6. **No Interference.** In connection with the exercise of any right granted under the Option Agreement, Option Holders shall exercise such rights in a manner that minimizes, to the extent reasonable and practicable, interference with the Windpower Facilities or operations on the Property under the Easement.

7. **Consent to Assignment.** Option Holders consent to all assignments of the Easement without notice. This Agreement may be assigned by SF2, Option Holders, or their respective successors or assigns without the prior consent of the other party.

8. **Recitals Adopted and Incorporated.** The Parties hereby adopt and incorporate into this Agreement fully, the Recitals set forth above.

9. **Successors and Assigns.** The terms and provisions of this Agreement shall run with the Property and shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, administrators, executors, legal representatives, successors and assigns and, without limiting the generality of the foregoing, are specifically intended to be relied upon and be enforceable by any successor and assign of SF2 or its successors or assigns, and any person holding a mortgage or deed of trust against any estate or interest in or under the Easement or any part thereof.

10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

11. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute a single instrument.

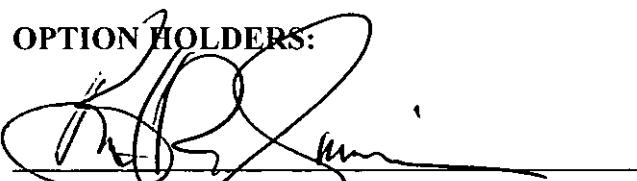
**12. Attorney Fees.** If an action, suit or other proceeding is initiated to enforce or interpret terms of this Agreement, the party not prevailing shall pay all reasonable costs and expenses incurred by the prevailing party, including reasonable attorney fees at trial, on appeal, and any petition for review and in any other proceeding, including, without limitation, any bankruptcy or arbitration proceeding.

**13. Entire Agreement Between the Parties.** This Agreement shall be the whole, entire and only agreement between the Parties with regard to the recognition and nondisturbance of the Easement by Option Holders. This Agreement shall be further amended, supplemented or revised only in writing, signed by the Parties. The Parties intend that this Agreement be specifically enforceable. If any action is brought to interpret or enforce the provisions of this Agreement, the substantially prevailing Party or Parties therein shall be entitled to recover from the losing Party or Parties all of its costs and reasonable attorney fees incurred in connection therewith.

**SIGNATURE PAGES FOLLOW**

~~ENT 104074:2007 PG 5 of 50~~

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the Effective Date.

**OPTION HOLDERS:**  
**BRENT R. SUMSION**

---

**SCOTT J. SUMSION****SPANISH FORK WIND PARK 2, LLC**

By: Troy Livingston  
Name: Troy Livingston  
Title: manager

Dm

**STAKER & PARSON COMPANIES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the Effective Date.

**OPTION HOLDERS:**

**BRENT R. SUMSION**

  
SCOTT J. SUMSION

**SPANISH FORK WIND PARK 2, LLC**

By:   
Name: Tracy Livingston  
Title: Manager Dm

**STAKER & PARSON COMPANIES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

~~ENT 104074:2007 PG 7 of 50~~

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the Effective Date.

**OPTION HOLDERS:**

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**BRENT R. SUMSION**

---

**SCOTT J. SUMSION**

**SPANISH FORK WIND PARK 2, LLC**

By: Tracy Livingston  
Name: Tracy Livingston  
Title: manager *Dm*

**STAKER & PARSON COMPANIES**

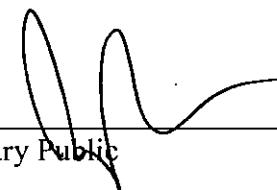
By: Scott W. Parson  
Name: Scott W. Parson  
Title: President & CEO

State of Utah )  
County of Wasatch ) ss

ENT 104074:2007 PG 10 of 50

The foregoing instrument was acknowledged before me this 14 day of JUNE, 2007, by Brent R. Sumsion.



  
\_\_\_\_\_  
Notary Public

State of Utah )  
County of \_\_\_\_\_ ) ss

The foregoing instrument was acknowledged before me this \_\_\_\_ day of JUNE, 2007, by Scott J. Sumsion.

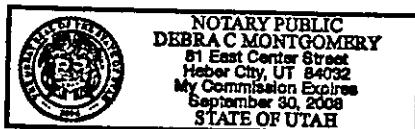
(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

State of Utah )  
County of Wasatch ) ss

On this 26 day of June, in the year 2007, before me personally appeared J. Tracy Livingston, to me known, who, being by me duly sworn, did depose and say: That he resides in Heber Utah, that he is the Manager of Spanish Fork Wind Park 2, LLC, the company which executed the above instrument and which is described therein; that he signed the above mentioned instrument on behalf of said company; that he was authorized to do so.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Notary Public

State of Utah )  
                  )  
                  ) ss  
County of \_\_\_\_\_ )

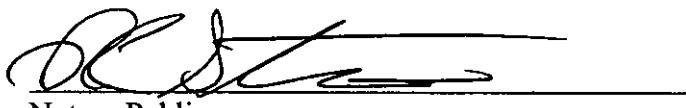
The foregoing instrument was acknowledged before me this    day of  
\_\_\_\_\_, 2007, by Brent R. Sumson.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

State of Utah )  
                  )  
                  ) ss  
County of UTAH )

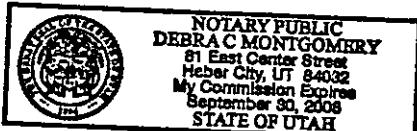
The foregoing instrument was acknowledged before me this 11 day of  
JUN 15, 2007, by Scott J. Sumson.



\_\_\_\_\_  
Notary Public

State of Utah )  
                  )  
                  ) ss  
County of Wasatch )

On this 26 day of June, in the year 2007, before me personally appeared J. Tracy Livingston, to me known, who, being by me duly sworn, did depose and say: That he resides in Heber Utah, that he is the Manager of Spanish Fork Wind Park 2, LLC, the company which executed the above instrument and which is described therein; that he signed the above mentioned instrument on behalf of said company; that he was authorized to do so.

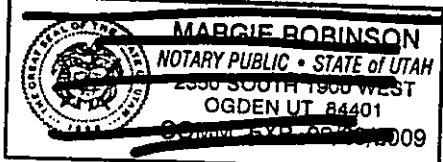
(NOTARY SEAL)

\_\_\_\_\_  
Notary Public

State of Utah )  
 ) ss  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this 20 day of  
\_\_\_\_\_, 2007, by Brent R. Sumson.

(NOTARY SEAL)



Margie Robinson

Notary Public

State of Utah )  
 ) ss  
County of \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of  
\_\_\_\_\_, 2007, by Scott J. Sumson.

(NOTARY SEAL)

Notary Public

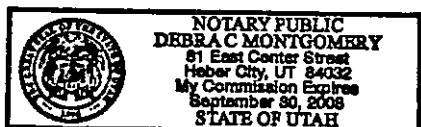
State of Utah )  
 ) ss  
County of Wasatch )

On this 26 day of June, in the year 2001, before me personally appeared J. Tracy Livingston, to me known, who, being by me duly sworn, did depose and say: That he resides in Heber Utah, that he is the Manager of Spanish Fork Wind Park 2, LLC, the company which executed the above instrument and which is described therein; that he signed the above mentioned instrument on behalf of said company; that he was authorized to do so.

(NOTARY SEAL)

Notary Public

Debra C. Montgomery



State of Utah )  
 County of Weber ) ss  
 )

On this 20<sup>th</sup> day of June, in the year 2007, before me personally appeared Scott W Parson, to me known, who, being by me duly sworn, did depose and say: That s/he resides in Weber County, that s/he is the President of Staker & Parson Companies, the corporation which executed the above instrument and which is described therein; that s/he signed the above mentioned instrument on behalf of said company; that s/he was authorized to do so.

(NOTARY SEAL)

Margie Robinson  
 Notary Public



**EXHIBIT A**

## (LEGAL DESCRIPTION OF THE PROPERTY)

ALL THAT CERTAIN REAL PROPERTY IN UTAH COUNTY, STATE OF UTAH,  
DESCRIBED AS FOLLOWS:

Beginning at a point in a fence line on the west line of the Denver and Rio Grande Railroad right-of-way, said point being North 89° 56' 58" east along the section line 4052.33 feet and south 3659.05 feet from the northwest corner of section 34, township 8 south, range 3 east, Salt Lake Base and Meridian; thence south 38° 45' 18" east along said railroad right-of-way line fence 1163.34 feet: Thence south 55° 24' 10" west along a fence 267.31 feet; thence south 18° 13' 32" west along a fence and its extension 433.71 feet more of less to a point 2.0 feet northerly of the high water line of the east bench canal; thence along a line 2.0 feet northerly and easterly of said high water mark on the bank of said canal more of less on the following courses: north 76° 10' 11" west 221.34 feet, south 60° 13' 43" west 237.87 feet, north 71° 48' 47" west 185.51 feet, south 75° 04' 59" west 100.02 feet, along the arc of a 44.47 foot radius curve to the right a distance of 75.05 feet, the chord to said curve bears north 56° 34'03" west 66.46 feet, north 08° 13' 04" west 239.50 feet, north 22° 23' 16" west 218.24 feet, along the arc of a 22.27 foot radius curve to the left a distance of 18.80 feet, the chord to said curve bears north 46° 34' 27" west 18.24 feet, north 70° 45' 38" west 16.98 feet: thence leaving said canal bank north 01° 46' 19" east 811.59 feet; thence north 51° 04' 12" east 275.84 feet; thence north 76° 40' 55" east 170.69 feet; thence south 83° 34' 31" east 118.14 feet to the point of beginning.

**EXHIBIT B**

(OPTION AGREEMENT)

**Follows This Page**



**REAL ESTATE OPTION AGREEMENT**

**Between**

**VALLEY ASPHALT, INC.**

**and**

**BRENT R. SUMSION and SCOTT J. SUMSION**

## REAL ESTATE OPTION AGREEMENT

This REAL ESTATE OPTION AGREEMENT (the "Option Agreement") is entered into on June 19, 1996, by and among VALLEY ASPHALT, INC., a Utah corporation ("Valley") and BRENT R. SUMSION and SCOTT J. SUMSION, jointly (the "Sumsions").

### RECITALS

A. The Sumsions own all of the shares of Valley and have entered into a Share Purchase Agreement, dated April 1, 1996, by and among the Sumsions and Western Aggregates Holding Corporation, a Delaware corporation ("WAHC"), whereby they will sell all of the common shares of Valley to WAHC.

B. Valley is the owner of various parcels of real property located in Carbon County and Utah County, Utah, which are held or used by Valley for the purpose of extracting sand, gravel, aggregates and/or minerals (collectively "Aggregates") therefrom, and for processing, storage and/or handling the same. Valley has no intention of developing or using such real property except for the extraction of Minerals and/or otherwise in direct support of Valley's business.

C. The Sumsions desire to secure the right to purchase such real property from Valley at such time as Valley no longer intends to hold or use such property for the extraction of Aggregates or for the direct support of Valley's business.

Correspondingly, Valley desires to secure the right to sell such property to the Sumsions at such time as Valley has exhausted its use thereof as described in Recital B above.

ENT 104074:2007 PG 16 of 50  
D. In connection with the Share Purchase Agreement, and pursuant to the covenants, terms and conditions set forth therein, Valley agrees to grant to the Sumsions an Option to purchase various parcels of its real estate for future commercial development or sale.

### AGREEMENT

NOW, THEREFORE, in order to induce WAHC and the Sumsions to enter into and consummate the Share Purchase Agreement and in consideration of the covenants, representations, warranties and payments therein and herein set forth, and good and other valuable consideration, all of which is acknowledged as sufficient, the parties agree as follows:

#### 1. REAL PROPERTY.

The real property, consisting of several parcels, subject to this Option Agreement (collectively "Property," individually "Parcel") shall be identified and described as "Business Properties" on Schedule "A" attached hereto and incorporated herein by reference.

2. OPTION TERMS.

2.1. Option Notice. At such time as Valley, in its sole discretion, but not more than forty (40) years from the date hereof, determines that it no longer intends to hold or use any particular Parcel of Property for the purpose of extracting Aggregates or for directly supporting its business operations, Valley shall promptly provide written notice to the Sumsions of such determination ("the Option Notice"). So long as this Option Agreement is in effect, Valley shall provide an Option Notice with respect to each of the Parcels of Property described in Section I. above. Each Option Notice shall contain the name and legal description of the particular Parcel of Property, and shall state the assigned option price applicable to such Parcel as calculated in accordance with paragraph 2.4 below.

2.2. Option Date. The Option Date for each Parcel of Property subject to this Option Agreement shall be the date of the Option Notice delivered to the Sumsions by Valley in accordance with the terms of this Option Agreement.

2.3. Length of Option. With respect to each Parcel, the Sumsions shall have a period of One Hundred Twenty (120) days after receipt of the Option Notice to: (1) advise Valley, in writing, that they intend to exercise their Option on such Parcel of Property described in such Option Notice; and (2) to deliver to Valley immediately available funds equal to the Option Price assigned in accordance with paragraph 2.4 below.

2.4 Purchase Option Price. The option price for each individual Parcel of Property which is the subject of an Option Notice shall be as set forth on Schedule A attached hereto and incorporated herein by reference.

2.5 Failure to Exercise Option. In the event the Sumsions fail to timely exercise their Option on a particular Parcel of Property identified in an Option Notice, the Sumsions' purchase options as to all other Parcels of Property shall terminate and expire and Valley shall have no obligation to deliver Option Notices and/or Special Warranty Deeds with respect to any Parcels of Property not previously the subject of an Option Notice.

2.6 Disposition of Property Not Purchased Pursuant to an Option Notice. In the event the Sumsions do not timely exercise their Option on a particular Parcel of Property in accordance with the terms of the applicable Option Notice, Valley may use, transfer or otherwise dispose of such Parcel in its sole discretion with no other obligation to the Sumsions, and Valley may use, transfer or otherwise dispose of any remaining Parcels of Property not previously the subject of an Option Notice without any further obligation to the Sumsions.

3. USE OF PROPERTY.

3.1 Permitted Uses. Prior to the delivery of an Option Notice with respect to any particular Parcel of Property, Valley may hold, use or lease such Parcel, together with all other Parcels of Property which are not the subject of an Option Notice, for the purpose of removing, extracting and/or mining sand, gravel, minerals and other aggregates ("Aggregates"), and for the purpose of conducting any processing, mining, mixing, storage and handling operations with respect to such Aggregate on such Parcel or Parcels of Property ("Aggregate Operations"). Further, Valley may transport to, store, process and/or co-mingle on, or sell from such Property any similar materials from other properties. It is expressly agreed that the nature and extent of such use, including the holding of such Property for similar use in the future, shall be in the sole discretion of Valley.

3.2 Waiver. The Sumsions expressly acknowledge and agree that the use of the Property consistent with this Section III shall not constitute waste or other degradation of the Property even though such use may dramatically change the appearance, terrain or condition of such Property, and otherwise render it unfit for any particular use. Valley's right to use the Property consistent with this Section 3 shall not be restricted or affected in any manner by the purchase options granted to the Sumsions by this Option Agreement.

3.3 Reclamation. For those areas on any of the Parcels of Property disturbed by Valley's Aggregate Operations from and after the date hereof, Valley shall reclaim, repair or otherwise modify or change such areas only to the extent required by all applicable environmental and reclamation laws, regulations and ordinances. Except as otherwise provided in, or limited by, the Share Purchase Agreement, Sumsions shall be responsible for any reclamation, repair or modification required on or to the Property arising from the use of, or operations on, such Property prior to the date of this Agreement.

3.4 Removal of Fixtures, Improvements and/or Inventory. Valley shall have the right, but not the obligation, to remove any fixtures, equipment, improvements and/or inventory on any Parcel of Property as of the Option Date for such Parcel.

3.5 Insurance. Valley shall have no obligation to provide or maintain any insurance on the Property for the benefit of the Sumsions or their heirs and assigns.

#### 4. TRANSFER OF TITLE.

4.1 Special Warranty Deed. Upon the timely exercise of an option to purchase described in an Option Notice, and the full payment of the assigned Option Price, Valley shall deliver to the Sumsions a Special Warranty Deed, suitable for recording, that warrants that the title conveyed thereunder is the same as that held by Valley as of the Closing Date of the Share Purchase

Agreement ("Acquisition Date"), and that warrants such title against any lien or encumbrance arising through Valley from and after the Acquisition Date, or as a result of its possession of, or operation on, such Property from and after the Acquisition Date. Nothing in this paragraph or this Option Agreement shall abate, nullify or release any obligations or duties of the Sumsions under the Share Purchase Agreement.

4.2 No Warranties. Except as to the warranties described in paragraph 4.1 above, the Property shall be conveyed "as is," without any warranty of any kind including, without limitation, any warranty of title, marketability, merchantability or fitness for a particular purpose.

4.3 Nature of Ownership. Absent written instructions signed by Sumsions, Valley shall deliver a Special Warranty Deed conveying the applicable Parcels of Property to both Brent and Scott Sumsion (or their assigns) as tenants in common with equal rights and interests in and to such Parcels of Property.

4.4 Condemnation. In the event a Parcel of Property or any part thereof is condemned and the title thereto is taken from Valley, the Sumsions' purchase option with respect thereto shall automatically terminate with respect to the condemned Parcel or portion thereof, and Valley shall be entitled to retain all proceeds paid as a result of such condemnation relating to the value of the Aggregates on the condemned Parcel, or part thereof, together with any remaining proceeds paid as a result of

such condemnation up to the Option Price for such Parcel, and the Sumsions shall be entitled to all remaining proceeds paid as a result of such condemnation. Any amount applied to the Option Price for such Parcel shall be a credit to the Option Price on any portion of the Parcel not condemned.

4.5 Costs of Transfer. All costs and expenses associated with the recording of any Special Warranty Deed delivered by Valley in accordance with this Section IV, or with any title insurance and/or surveys desired by the Sumsions, shall be paid entirely by the Sumsions.

#### 5. MISCELLANEOUS

5.1 Notices. Any notices or other communications required or permitted hereunder will be in writing and will be delivered by hand or sent by prepaid telex, cable or telecopy, or sent, postage prepaid, by registered, certified or express mail, or by recognized overnight air courier service and shall be deemed given when so delivered by hand, telexed, cable or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) as follows:

To the Sumsions:      Brent R. Sumsion  
                            740 West 1200 North  
                            Mapleton, Utah 84664  
                            Telephone: (801) 489-8289

Scott J. Sumsion  
1165 South 1080 East  
Springville, Utah 84663

Telephone: (801) 489-9798

With a copy to:

Richard T. Beard, Esquire  
Ballard Spahr Andrews & Ingersoll  
201 South Main Street, Suite 1200  
Salt Lake City, Utah 84111-2215  
Fax: (801) 531-3001

To Valley:

Valley Asphalt, Inc.  
7434 Del Monte Road  
P.O. Box 309  
Springville, Utah 84660

With a copy to:

Michael J. Stone, Treasurer  
457 Fairfax Avenue  
San Mateo, CA 94402  
Fax: (415) 347-9639

With a copy to:

Hobart Richey, Esquire  
910 Sheraton Drive, Suite 310  
Mars, PA 16046  
Fax: (412) 772-0008

or to such other address as the addressee may have specified in a notice duly given to the sender as provided herein.

5.2 Effect of Headings. The subject headings of the

Sections of this Option Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions.

5.3 Parties in Interest. Nothing in this Option

Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Option Agreement on any persons other than the parties to it and their respective successors and assigns, nor is anything in this Option Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Option Agreement.

5.4 Assignment. This Option Agreement shall be binding on, and shall inure to the benefit of, the parties to this Option Agreement and their respective heirs, legal representatives, successors, and assigns.

ENT 104074:2007 PG 24 of 50

5.5 Arbitration. All questions and disputes with respect to the interpretation, default or enforcement of the rights and obligations of the parties arising under the terms of this Option Agreement shall be resolved by arbitration by filing a written demand with the other party within sixty (60) days after the occurrence of the dispute. Arbitration shall be by a single arbitrator. The parties may agree on one arbitrator. If they cannot agree on an arbitrator, the appointment of the arbitrator shall be made by a Judge of the Third Judicial District Court, Salt Lake County, Utah. Each party shall submit its case to the arbitrator within thirty (30) days after the arbitrator is selected. The arbitrator shall conduct his hearing at Salt Lake City, Utah (or such other place as the parties agree), and shall render his decision within thirty (30) days after the case has been heard. The parties expressly waive the remedy of rescission of this Option Agreement and/or the Stock Purchase Agreement referenced in Recital A above and stipulate that any award of the arbitrator shall be limited to monetary damages or specific performance. The arbitrator will be subject only to the rules of the American Arbitration Association, as modified by the terms of this section 5.5. The decision of the

arbitrator shall be final, binding and conclusive, and there shall be no right of appeal. The cost of the arbitration, including the fee of the arbitrator, shall be borne by the losing party unless the arbitrator shall decide otherwise.

5.6 Recovery of Litigation Costs. In the event Section 5.5 above is not enforceable, or in the event any legal action, arbitration or other proceeding not governed by Section 5.5 above is brought for the enforcement of this Option Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Option Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which such party may be entitled.

ENT 104074:2007 PG 25 of 50

5.7 Construction. This Option Agreement shall be deemed to have been drafted jointly by the parties both of whom have been represented by counsel in regard to the negotiation and preparation of its provisions. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to that party.

5.8 Severability. Provided that no party is deprived of a material right under this Option Agreement, if any provision of this Option Agreement is held invalid or unenforceable by arbitration or by any court of competent jurisdiction, it is the intent of the parties that all other provisions of this Option

ENT 104074:2007 PG 26 of 50

Agreement be construed to remain fully valid, enforceable, and binding on the parties.

ENT 104074:2007 PG 26 of 52

5.9 Entire Option Agreement. This Option Agreement constitutes the entire understanding of the parties relating to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, whether oral or written, relating to the subject matter hereof. No amendment or modification of the terms of this Option Agreement shall be binding or effective unless expressed in writing and signed by each party.

5.10 No Waiver. The waiver by any party of the breach of any of the terms and conditions of, or any right under, this Option Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition or of any similar right. No such waiver shall be binding or effective unless expressed in writing and signed by the party giving such waiver.

5.11 Governing Law. This Option Agreement shall be governed and construed in accordance with the laws of the State of Utah.

5.12 Jurisdiction. The parties hereto agree that, subject to the provisions of Section 5.5, any suit, action or proceeding instituted with respect to this Option Agreement shall be brought only in the Third Judicial District Court, Salt Lake County, Utah, or the U.S. District Court for the District of

Utah, and no party hereto shall institute or maintain any such suit, action or proceeding in any court of any other jurisdiction. The parties hereto hereby irrevocably waive any objection they may now have or hereafter acquire to, or any right or immunity on the grounds of, venue, the convenience of the forum or jurisdiction of such courts or the execution of judgment resulting therefrom, and the parties irrevocably accept and submit to the jurisdiction of the aforesaid courts in any such suit, action or proceeding.

ENT 104074:2007 PG 27 of 50

5.13 Counterparts. This Option Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one Party, but all such counterparts taken together shall constitute one and the same Option Agreement. A facsimile, telecopy or reproduction of this Option Agreement may be executed by one or more parties hereto, and a copy of this Option Agreement may be delivered by one or more parties hereto by facsimile or similar instantaneous electronic transmission device pursuant to which the signature of, or on behalf of, such party can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties hereto agree to execute an original of this Option Agreement as well as any facsimile, telecopy or other reproduction hereof.

IN WITNESS WHEREOF, the parties hereto have executed this  
Option Agreement as of the day and year first above written.

ATTEST:

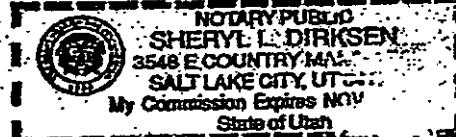
VALLEY ASPHALT, INC.

Barry J. Deter

SECRETARY

By Bruce A. Walters  
Its Vice PresidentSTATE OF UTAH )  
: ss.  
COUNTY OF SALT LAKE )

On the 19<sup>th</sup> day of June, 1996, personally  
appeared before me, Bruce A. Walters, whose identity  
has been proven to me on the basis of satisfactory evidence,  
being first duly sworn, acknowledges that he/she is the  
Vice President of VALLEY ASPHALT, INC.,  
that he/she voluntarily executed the foregoing instrument, that  
said instrument reflects the purpose of the Corporation, and that  
it was signed on behalf of said Corporation by proper authority.



NOTARY PUBLIC  
My Commission Expires:  
November 8, 1998

WITNESS:

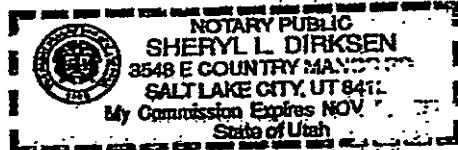
McKay Fearn

BRENT R. SUMSION

RE 56103 R 4014 16-204

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

On the 19<sup>th</sup> day of June, 1996, personally  
appeared before me, BRENT R. SUMSION, whose identity has been  
proven on the basis of satisfactory evidence, being first duly  
sworn, acknowledges that he executed the foregoing instrument,  
for the purposes stated therein, of his own voluntary act.



NOTARY PUBLIC

My Commission Expires:

November 8, 1998

Dickay Fearn

Scott J. Sumson

SCOTT J. SUMSION

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

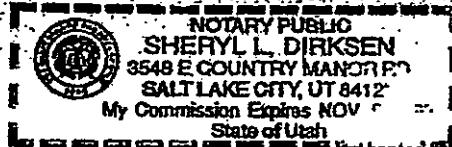
On the 19<sup>th</sup> day of June, 1996, personally  
appeared before me, SCOTT J. SUMSION, whose identity has been  
proven on the basis of satisfactory evidence, being first duly  
sworn, acknowledges that he executed the foregoing instrument,  
for the purposes stated therein, of his own voluntary act.

NOTARY PUBLIC

My Commission Expires:

November 8, 1998

95824



## SCHEDULE A

EN 56103 M 4014 N 302

REAL ESTATE OPTION AGREEMENT  
Business Properties

ENT 94074:2007 PG 30 of 50

DESCRIPTION	EST. ACRES	OPTION PRICE	LEGAL DESCRIPTION
SALEM PIT	35.74	51,610.57	EXHIBIT A
LELAND YARD	45.00	118,985.25	EXHIBIT B
GOMEX PIT	29.74	276,244.53	EXHIBIT C
WINTERTON (RED SAND)	27.99	19,324.68	EXHIBIT D
WELLINGTON PIT	112.24	79,549.95	EXHIBIT E
SIAPERAS WELLINGTON PIT	60.00	94,087.87	EXHIBIT F
JORGANSEN PROPERTY	11.00	24,543.41	EXHIBIT G
<b>TOTAL:</b>	<b>321.71</b>	<b>664,346.26</b>	

SALEM PIT

ENT 56103 W 4014 N 303

ATC FILE 8506-0-9

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 9 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN.

EXCEPTING THEREFROM:

ENT 56103 W 4014 N 303

BEGINNING AT A FENCE LINE INTERSECTION, WHICH POINT IS NORTH 1319.959 FEET AND WEST 10.450 FEET (BASED ON THE UTAH STATE COORDINATE SYSTEM, CENTRAL ZONE AND DATA PUBLISHED BY THE UTAH COUNTY SURVEYOR AS OF JUNE 21, 1976) FROM THE WEST QUARTER CORNER OF SECTION 18, TOWNSHIP 9 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 89°32'39" EAST ALONG A FENCE LINE 299.830 FEET TO A CURVE ON THE WESTERLY LINE OF ZERO STREET UTAH COUNTY ROAD, CONCAVE WESTERLY HAVING A RADIUS OF 748.330 FEET; THENCE ALONG SAID ROAD AS FOLLOWS: SOUTHERLY AROUND THE PERIPHERY OF SAID CURVE 67.217 FEET, SOUTHWESTERLY AROUND THE PERIPHERY OF A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 810.300 FEET, A DISTANCE OF 226.072 FEET, SOUTH 28°55'52" WEST 282.750 FEET, SOUTHERLY AROUND THE PERIPHERY OF A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 796.940 FEET A DISTANCE OF 186.627 FEET TO A FENCE LINE; THENCE NORTH 0°00'03" EAST ALONG SAID FENCE LINE 693.998 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH A RIGHT OF WAY LEADING INTO THE ABOVE DESCRIBED PROPERTY ACROSS THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION. SAID RIGHT OF WAY CROSSING THE BRIDGE ON THE HIGH LINE CANAL.

LESS AND EXCEPTING THEREFROM:

COMMENCING AT A POINT IN A FENCE CORNER IN THE GRANTOR'S SOUTH AND EAST LINE WHICH POINT IS WEST 1.37 FEET FROM THE WEST QUARTER CORNER OF SECTION 1 TOWNSHIP 9 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 01°01'47" WEST ALONG A FENCE LINE 628.28 FEET; THENCE ALONG THE ARC OF A 796.94 FOOT RADIUS CURVE TO THE RIGHT 186.64 FEET, THE CHORD OF WHICH BEARS NORTH 22°13'24" EAST 186.21 FEET; THENCE NORTH 28°56' EAST 282.75 FEET; THENCE ALONG THE ARC OF A 810.30 FOOT RADIUS CURVE TO THE LEFT 226.07 FEET, THE CHORD OF WHICH BEARS NORTH 20°56'26" EAST 225.34 FEET; THENCE ALONG THE ARC OF A 748.33 FOOT RADIUS CURVE TO THE LEFT 67.20 FEET, THE CHORD OF WHICH BEARS NORTH 10°22'3 EAST 67.18 FEET TO THE GRANTOR'S NORTH LINE, THE SAME BEING THE SOUTH LINE OF THE PROPERTY OF JERRY G. JENSEN; THENCE NORTH 89°32'47" EAST ALONG SAID GRANTOR'S NORTH LINE 66.63 FEET; THENCE ALONG THE ARC OF A 814.33 FOOT RADIUS CURVE TO THE RIGHT 82.70 FEET, THE CHORD OF WHICH BEARS SOUTH 10°02'18" WEST 82.66 FEET; THENCE ALONG THE ARC OF A 876.30 FOOT RADIUS CURVE TO THE RIGHT 244.49 FEET, THE CHORD OF WHICH BEARS SOUTH 20°56'26" WEST 243.70 FEET; THENCE SOUTH 28° WEST 282.75 FEET; THENCE ALONG THE ARC OF A 730.94 FOOT RADIUS CURVE TO THE LEFT 382.25 FEET, THE CHORD OF WHICH BEARS SOUTH 13°57'06" WEST 377.91 FEET; THEN SOUTH 01°01'47" EAST 401.30 FEET MORE OR LESS TO A FENCE ON THE GRANTOR'S SOUTH LINE; THENCE WEST ALONG SAID FENCE 33.00 FEET TO THE POINT OF BEGINNING.

LELAND YARD

ENT 56103 PG 4014 PG 304

ATC FILE 8506-0-6A

COMMENCING EAST 25.88 FEET AND NORTH 1520.47 FEET FROM THE WEST 1/4 CORNER OF SECTION 25, TOWNSHIP 8 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 75°05'48" EAST 430.26 FEET; THENCE NORTH 88°21'54" EAST 822.35 FEET; THENCE SOUTH 13°31'22" EAST 99.05 FEET; THENCE SOUTH 32°59'15" EAST 1877.6 FEET; THENCE SOUTH 70°43'55" WEST 256.39 FEET; THENCE SOUTH 89°02'22" WEST 601.21 FEET; THENCE NORTH 18°32'16" WEST 465.47 FEET; THENCE NORTH 88°35'38" WEST 151.97 FEET; THENCE NORTH 60°03'43" WEST 205.43 FEET; THENCE NORTH 62°14'28" WEST 120.07 FEET; THENCE NORTH 62°49'47" WEST 118.39 FEET; THENCE NORTH 66°04'36" WEST 74.10 FEET; THENCE SOUTH 86°26'53" WEST 50.90 FEET; THENCE SOUTH 36°04'25" WEST 126.01 FEET; THENCE SOUTH 58°41'22" WEST 74.26 FEET; THENCE SOUTH 43°15'07" WEST 155.78 FEET; THENCE SOUTH 61°48'59" WEST 114.63 FEET; THENCE SOUTH 89°28'57" WEST 55.35 FEET; THENCE NORTH 12°42'40" WEST 115.89 FEET; THENCE NORTH 18°19'47" WEST 325.45 FEET; THENCE NORTH 21°16'51" WEST 790.35 FEET TO THE POINT OF BEGINNING.

LESS THAT PORTION OWNED BY SPANISH FORK CITY, A MUNICIPAL CORPORATION, BY THAT CERTAIN WARRANTY DEED DATED JULY 1, 1960, AND RECORDED SEPTEMBER 1, 1960, AS ENTRY NO. 12388 IN BOOK 852 AT PAGE 479 OF THE OFFICIAL RECORDS OF THE UTAH COUNTY RECORDER, UTAH. (SEE ATTACHED PLAT).

GOMEX PIT

BL 56103 W 4014 N 305

ATC FILE 8506-0-4

ENT 104074:2007 PG 33 of 50

BEGINNING AT A POINT IN A FENCE LINE ON THE WEST LINE OF THE DENVER AND RIC  
GRANDE RAILROAD RIGHT-OF-WAY, SAID POINT BEING NORTH  $89^{\circ}56'58''$  EAST ALONG THE  
SECTION LINE 4052.33 FEET AND SOUTH 3659.05 FEET FROM THE NORTHWEST CORNER OF  
SECTION 34, TOWNSHIP 8 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE  
SOUTH  $38^{\circ}45'18''$  EAST ALONG SAID RAILROAD RIGHT-OF-WAY LINE FENCE 1163.34 FEET;  
THENCE SOUTH  $55^{\circ}24'10''$  WEST ALONG A FENCE 267.31 FEET; THENCE SOUTH  $18^{\circ}13'32''$   
WEST ALONG A FENCE AND ITS EXTENSION 433.71 FEET MORE OR LESS TO A POINT 2.0 FEET  
NORTHERLY OF THE HIGH WATER LINE OF THE EAST BENCH CANAL; THENCE ALONG A LINE  
2.0 FEET NORTHERLY AND EASTERNLY OF SAID HIGH WATER MARK ON THE BANK OF SAID  
CANAL MORE OR LESS ON THE FOLLOWING COURSES: NORTH  $76^{\circ}10'11''$  WEST 221.34 FEET;  
SOUTH  $60^{\circ}13'43''$  WEST 237.87 FEET, NORTH  $71^{\circ}48'47''$  WEST 185.51 FEET, SOUTH  
 $75^{\circ}04'59''$  WEST 100.02 FEET, ALONG THE ARC OF A 44.47 FOOT RADIUS CURVE TO THE  
RIGHT A DISTANCE OF 75.05 FEET, THE CHORD TO SAID CURVE BEARS NORTH  $56^{\circ}34'03''$   
WEST 66.46 FEET, NORTH  $08^{\circ}13'04''$  WEST 239.50 FEET, NORTH  $22^{\circ}23'16''$  WEST 218.24  
FEET, ALONG THE ARC OF A 22.27 FOOT RADIUS CURVE TO THE LEFT A DISTANCE OF 18.80  
FEET, THE CHORD TO SAID CURVE BEARS NORTH  $46^{\circ}34'27''$  WEST 18.24 FEET, NORTH  
 $70^{\circ}45'38''$  WEST 16.98 FEET; THENCE LEAVING SAID CANAL BANK NORTH  $01^{\circ}46'19''$  EAST  
811.59 FEET; THENCE NORTH  $51^{\circ}04'12''$  EAST 275.84 FEET; THENCE NORTH  $76^{\circ}10'55''$  EAST  
170.69 FEET; THENCE SOUTH  $83^{\circ}34'31''$  EAST 118.14 FEET TO THE POINT OF BEGINNING.

WINTERTON, (RED SAND)

ENT 104074:2007 PG 36 of 52

BEGINNING AT A POINT NORTH 71.18 FEET AND WEST 2083.83 FEET FROM THE EAST QUARTER CORNER OF SECTION 2, TOWNSHIP 14 SOUTH, RANGE 1 WEST OF THE SALT LAKE BASE AND MERIDIAN, SAID POINT IS ON THE NORTH LINE OF WIDE CANYON ACCESS ROAD AS DECREED TO UTAH DEPARTMENT OF TRANSPORTATION IN BOOK 304, PAGE 588, OF THE RECORDS OF THE JUAB COUNTY RECORDER; THENCE NORTH 2568.82 FEET TO NORTH LINE OF SAID SECTION 2; THENCE WEST 279 FEET ALONG SECTION LINE TO WEST LINE OF I-15 FREEWAY; THENCE SOUTH 0°35'21" WEST 1232 FEET ALONG THE WEST LINE OF FREEWAY TO A CORNER; THENCE SOUTH 41°31'01" WEST 499.3 FEET ALONG THE WEST LINE OF THE FREEWAY TO A CORNER; THENCE WEST SOUTH 53°52'04" WEST 750.64 FEET TO A CORNER; THENCE SOUTH 9°08'29" WEST 515 FEET ALONG WEST LINE OF FREEWAY TO THE NORTH LINE OF SAID WIDE CANYON ACCESS ROAD; THENCE SOUTH 82°00'31" EAST 219.73 FEET ALONG SAID ACCESS ROAD TO A CORNER; THENCE NORTH 89°42'49" EAST 1114.16 FEET ALONG SAID ACCESS ROAD TO THE POINT OF BEGINNING.

TOGETHER WITH ALL IMPROVEMENTS THEREON AND ANYWISE APPERTAINING THERETO.

SUBJECT TO EASEMENTS, RIGHTS, RESTRICTIONS, RIGHTS-OF-WAY, CONDITIONS, COVENANTS, CURRENTLY OF RECORD OR ENFORCEABLE IN LAW OR EQUITY AND SUBJECT TO CURRENT GENERAL PROPERTY TAXES.

## WELLINGTON PIT

ENT 56103 R 4014 PG 202

ENT 56103 R 4014 PG 52

## PARCEL I:

A Parcel of Land located in the South one-half of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian with a bearing of North 89°14'47" East 2664.74 feet between the South Quarter Corner and the Southeast Corner of Section 36, used as the basis of bearing, Being further described as follows, to-wit: BEGINNING at the Northeast Corner of the Southwest Quarter of the Southeast Quarter of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian; said point of beginning is also located North 89°14'47" East 1332.37 feet and North 0°47'09" West 1317.26 feet from the South Quarter Corner of said Section 36, and running thence South 0°47'09" East 430.55 feet along the East line of the Southwest Quarter of the Southeast Quarter of said Section 36; thence along the edge of a ridge according to the following particular courses and distances, to-wit: thence South 71°16'43" West 191.90 feet; thence South 35°49'48" West 153.42 feet; thence North 39°01'00" West 229.54 feet; thence North 3°41'15" East 127.28 feet; thence North 27°40'43" West 238.91 feet; thence South 1°11'19" West 169.71 feet; thence South 38°27'03" West 143.17 feet; thence South 84°01'34" West 122.55 feet; thence North 47°22'40" West 64.22 feet; thence North 6°59'33" West 402.57 feet leaving the edge of the ridge; thence North 19°19'24" West 673.98 feet; thence North 59°22'00" East 497.00 feet; thence South 4°01'00" West 251.60 feet; thence South 21°19'00" East 236.50 feet; thence South 44°23'00" East 267.00 feet; thence South 52°48'50" East 456.80 feet to the point of beginning.

## PARCEL II:

A Parcel of Land located in the South one-half of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian, and the Northwest Quarter of the Northeast Quarter of Section 1, Township 15 South, Range 10 East, Salt Lake Base and Meridian, with a bearing of North 89°14'47" East 2664.74 feet between the South Quarter Corner and the Southeast Corner of Section 36, used as the basis of bearing being further described as follows, to-wit: BEGINNING at a point on the East line of the Southwest Quarter of the Southeast Quarter of Section 36, Township 14, South, Range 10 East, Salt Lake Base and Meridian, which point is located South 0°47'09" East 430.55 feet from the Northeast Corner of the Southwest Quarter of the Southeast Quarter of said Section 36; said point is also located North 89°14'47" East 1332.37 feet and North 0°47'09" West 886.71 feet from the South Quarter Corner of said Section 36; and running thence South 0°47'09" East 886.71 feet to the Southeast Corner of the Southwest Quarter of the Southeast Quarter of said Section 36; said point is also the Northeast Corner of Lot 2 of Section 1, Township 15 South, Range 10 East, Salt Lake Base and Meridian, thence South 0°30'33" East 332.99 feet; thence South 89°18'44" West 218.66 feet; thence North 22°49'41" West 1365.60 feet; thence North 84°01'34" East 122.55 feet; thence North 38°27'03" East 143.17 feet; thence North 1°11'19" East 169.71 feet; thence South 27°40'43" East 238.91 feet; thence South 3°41'15" West 127.28 feet; thence South 39°01'00" East 229.54 feet; thence North 35°49'48" East 153.42 feet; thence North 71°16'43" East 191.90 feet to the point of beginning.

(Continued)

## Legal Description (continued)

PARCEL III:  
A Parcel of land located in the West one-half of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian, and the Northwest Quarter of Section 1, Township 15 South, Range 10 East, Salt Lake Base and Meridian, with the Utah State Plane coordinate system used as the basis of bearing being further described as follows, to-wit: BEGINNING at the West Quarter Corner of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian, and running thence North  $1^{\circ}13'10''$  West 335.26 feet along the West line of the Northwest Quarter of said Section 36; thence North  $48^{\circ}26'13''$  East 126.93 feet to the West Corner of lot 45 of Amended Hillcrest Estates Plat B, thence along the Southwest Boundary of the Amended Hillcrest Estates Plat B, according to the following particular courses and distances to-wit: thence South  $18^{\circ}43'26''$  East (recorded South  $17^{\circ}30'16''$  East) 278.91 feet; thence South  $25^{\circ}14'05''$  East (recorded South  $24^{\circ}00'55''$  East) 1252.34 feet; thence South  $69^{\circ}56'05''$  East (recorded South  $68^{\circ}42'55''$  East) 783.57 feet; to the Southeast Corner of Lot 36 of Amended Hillcrest Estates Plat B; thence South  $74^{\circ}43'21''$  East 46.17 feet; thence North  $89^{\circ}29'16''$  East 865.00 feet; thence North  $67^{\circ}14'50''$  East 230.00 feet; thence South  $14^{\circ}56'03''$  West 366.70 feet; thence South  $0^{\circ}50'13''$  East 196.61 feet; thence North  $89^{\circ}14'01''$  East 231.56 feet to the East line of the Southwest Quarter of said Section 36; thence South  $0^{\circ}50'13''$  East 923.30 feet to the South Quarter Corner of said Section 36; thence South  $0^{\circ}26'22''$  East 331.46 feet along the East line of Lot 3 of Section 1, Township 15 South, Range 10 East; thence South  $89^{\circ}18'01''$  West 1331.97 feet to the West line of Lot 3; thence North  $0^{\circ}35'40''$  West 329.90 feet to the Southwest Corner of the Southeast Quarter of the Southwest Quarter of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian; thence North  $1^{\circ}01'44''$  West 1328.71 feet to the Northwest Corner of the Southeast Quarter of the Southwest Quarter of said Section 36; thence South  $89^{\circ}29'02''$  West 1337.34 feet to the Southwest Corner of the Northwest Quarter of the Southwest Quarter of said Section 36; thence North  $1^{\circ}13'10''$  West 1334.58 feet along the West line of the Northwest Quarter of the Southwest Quarter of said Section 36 to the point of beginning.

EXCEPTING therefrom the following: BEGINNING at a point which is located South  $89^{\circ}14'01''$  West 100.00 feet along the section line (basis of bearing) from the South Quarter Corner of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian; and running thence South  $89^{\circ}14'01''$  West 659.50 feet along the section line; thence North  $0^{\circ}50'13''$  West 659.50 feet; thence North  $89^{\circ}14'01''$  East 659.50 feet; thence South  $0^{\circ}50'13''$  East 659.50 feet to the point of beginning.

(Continued)

## Legal Description (continued)

BL 66103 N 101476 309

ENT 04189.0007 N 10 52

Parcel IV:  
 A parcel of land located in Carbon County, Utah in the Northeast Quarter of Section 1, Township 15 South, Range 10 East, Salt Lake Base and Meridian and being more particularly described according to the following courses and distances, to-wit:  
 BEGINNING at a point which is located South  $0^{\circ}26'24''$  East, 331.46 feet along the Center of Section Line and North  $89^{\circ}18'44''$  East, 1.114.12 feet from the North Quarter Corner of Section 1, Township 15 South, Range 10 East, Salt Lake Base and Meridian, and running thence North  $89^{\circ}18'44''$  East 462.00 feet; thence South  $0^{\circ}30'33''$  East 820.00 feet; thence South  $89^{\circ}30'34''$  West 600.00 feet; thence North  $9^{\circ}03'45''$  East 829.92 feet to the point of beginning.

ENT 104074:2007 PG 37 of 50

TOGETHER WITH a right of way (not fee simple title) for ingress and egress, and for the installation and maintenance of all utilities, over, under, through, and across a strip of land 66.0 feet in width, lying 33.0 feet on either side of the following described center line:

BEGINNING at a point 2275.69 feet South and 2196.68 feet East from the Northwest Corner of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian, and running thence South  $59^{\circ}35'50''$  East 270.82 feet; thence along the arc of a 594.06 radius curve to the right for a distance of 307.17 feet (chord bears South  $44^{\circ}47'04''$  East 303.76 feet); thence South  $29^{\circ}58'17''$  East 728.23 feet to the Northern Boundary of the first described tract of land.

ALSO: An easement (not fee simple title) for ingress and egress over a strip of land 33.0 feet wide, 16.50 feet on each side of the following described center line located in the Northwest Quarter of the Southeast Quarter of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian to-wit:

BEGINNING at a point which lies  $N4^{\circ}26'20''$  E, 1.971.76 feet from the South Quarter Corner of Section 36, Township 14 South, Range 10 East, Salt Lake Base and Meridian; Said point of beginning is the centerline of an existing gate; and running thence S  $74^{\circ}39'55''$  E, 153.47 feet to a boundary line between Henrie Construction Property and Kishripes property.

EXCEPTING from said lands all oil, gas, coal and other mineral rights which were previously reserved.

Situate in Carbon County, State of Utah.

SIAPERAS WELLINGTON PTD

ENT 04100 0007 PG 40 650

EN 56103 W 40144 310

The Southwest Quarter of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 6, Township 15 South, Range 11 East, Salt Lake Base and Meridian.

EXCEPTING therefrom the South 571.75 feet thereof.

ENT 104074;2007 PG 38 of 50

TOGETHER with a right of way 66 feet in width, for ingress and egress, along the road as presently exists across the South 571.75 feet of the Northwest Quarter of the Southeast Quarter of Section 6, Township 15 South, Range 11 East, Salt Lake Base and Meridian.

ALSO TOGETHER with a right of way for ingress and egress over and across the following described tract of land: BEGINNING at a point 660 feet West of the Southeast Corner of the Northeast Quarter of the Southeast Quarter of Section 6, Township 15 South, Range 11 East, Salt Lake Base and Meridian, and running thence South 323 feet; thence West 66 feet; thence North 747.38 feet; thence East 66 feet; thence South 424.38 feet to the point of beginning.

ALSO TOGETHER with a right of way 66 feet in width for ingress and egress along a centerline described as follows: BEGINNING at a point 693 feet West and 424.38 feet North of the Southeast Corner of the Northeast Quarter of the Southeast Quarter of said Section 6, and running thence Northwesterly to the West line of said Northeast Quarter of the Southeast Quarter of said Section 6.

TOGETHER WITH AND SUBJECT TO a perpetual easement and right of way for the purpose of ingress and egress over and across the North 66 feet of the South one-half of the Northeast Quarter of said Section 6.

EXCEPTING from said land an undivided one-half interest in and to all minerals and mineral rights except gravel.

Situate in Carbon County, State of Utah.

**EXHIBIT C**

(EASEMENT)

~~ENT 104074:2007 PG 39 of 50~~

ENT 104074:2007 PG 39 of 50

**Follows This Page**

When Recorded Mail To:

ENT 94189:2007 PG 42 of 52

Wasatch Wind  
357 West 910 South, Suite 100  
Heber City, UT 84032

ENT 104074:2007 PG 40 of 50

## EASEMENT AGREEMENT

This Easement Agreement (the "Agreement") is made and entered into this 26 day of May, 2006 by and between Staker & Parson Companies, a Utah corporation, with an address at P.O. Box 3429, Ogdensburg, Utah 84409-1429 ("Landlord") and Spanish Wind Park 2, LLC, a Utah limited liability company, with an address at 357 West 910 South, Heber City, UT 84032 ("Tenant").

### Recitals

A. Landlord owns certain real property located in Utah County, as more particularly described on the map or plat attached hereto as Exhibit A and the legal description attached hereto as Exhibit A-1 comprising approximately 29.74 acres as parcel serial number 27:056:0020 (the "Premises").

B. Tenant is the lessee of real property adjacent to Premises for the purpose of constructing, operating, maintaining, replacing, and improving a wind farm facility. Such real property is located in Utah County, State of Utah consisting of three properties; 1) approximately 6.93 acres owned by Spanish Fork City, 2) approximately 18.21 acres with parcel serial number 29:047:0007 owned by Strawberry Water Users, and 3) approximately 22.15 acres with parcel serial number 27:056:0039 owned by Staker and Parson Companies. Each of these properties either combined or separately comprises the "Adjacent Property".

C. Up to three of the wind turbines (the "Turbines") identified on the survey map attached hereto as Exhibit "B" (the "Survey Map") will be located such that its turbines blades will periodically extend over and encroach into the airspace of the Premises (the "Encroachment Easement"). The approximate extent of the encroachment is reflected on the Survey Map.

D. It is expected that in the final design and construction process, the precise location of the Turbines may change and that, accordingly, the final extent and location of the encroachment on Landlord's Property may also change.

E. The expected service life of the Turbines is approximately 20 years, whereupon it is expected that the Turbines will be replaced with new and possibly larger turbines, which also are expected to encroach upon the Premises.

F. As identified on the survey map attached hereto as Exhibit "C", Tenant plans to construct in, along and under the Premises electrical cable and related support structure for the transmission of electrical energy from turbines on Adjacent Property to the transmission facility located on the Adjacent Property (the "Transmission Easement").

G. Tenant needs ingress and egress from time to time across the Premises for the

*CBP*

purposes of accessing Adjacent Property for general site visits, surveying, constructing, operating, maintaining, upgrading, and removing and replacing turbines and transmission facilities on Adjacent Property (the "Access Easement").

H. Tenant and Landlord wish to enter into this Agreement to establish their respective rights regarding these encroachments and easements, as more particularly described herein.

ENT 104074:2007 PG 41 of 50

Agreement

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Tenant and Landlord agree as follows:

1. Grant of Encroachment Easement. Subject to the terms of this Agreement, Landlord hereby grants to Tenant an easement over the Premises for the encroachment of the blades of the Turbines into the airspace over the Premises, in the approximate location reflected on the Survey Map, together with such additional encroachment as may be necessary in connection with the relocation, replacement or enlargement of the Turbines. The encroachment into the airspace over Premises will at no time be lower than an elevation of 70 feet above foundation grade.

2. Grant of Transmission Easement. Subject to the terms of this Agreement, Landlord hereby grants to Tenant an easement in, on, along and under the Premises for the right to erect, construct, reconstruct, replace, relocate, improve, enlarge, alter the voltage of, remove, maintain and use the following from time to time, located on the Premises: (a) a line or lines of towers, with such wires and cables as from time to time are suspended there from (and with an overhead clearance of a least \_\_\_\_ feet), and/or underground wires and cables (which shall be buried at least four (4) feet underground), for the transmission of electrical energy and/or for communications purposes from wind turbines to transmission facilities on Adjacent Property, and all necessary and proper foundations, footings, cross arms and other appliances and fixtures for use in connection with such towers, wires and cables on, along and in the Premises; together with the appropriate rights of way, on, along and in the Premises. Such towers, wires, cables, facilities and rights of way are herein collectively called the "Transmission Facilities."

3. Landlord Transmission Relocation Rights. Tenant will permit relocation or modification of Transmission Facilities as requested by Landlord and at Landlord's expense so long as the performance of the Transmission Facilities is not hindered for longer than 6 hours in aggregate on an annual basis ("Curtailment") and Landlord has notified Tenant at least 30 days prior to hindering the Transmission Facilities. Transmission facilities may be hindered for an additional time so long as wind speeds are less than 4 m/s, however all costs to re-engineer, relocate or alter transmission facilities as requested by Landlord will be paid by Landlord. If the Curtailment exceeds the 6 hour limit, Landlord agrees to pay for the loss in actual power revenue as a result of an inability of the Tenant to delivery power to it's customer(s) because of work being performed by Landlord or his contractors on the Transmission Facilities.

4. Landlord Transmission Damages. The Transmission Facilities may not be altered by Landlord, its contractors, subcontractors, employees, or others under Landlord's direct



ENT 104074:2007 PG 42 of 50

control without prior 30 day approval of Tenant. In the event of any negligent conduct by Landlord or its subcontractors, employees, or others under Landlord's direct control which damages the Transmission Facilities or prevents Tenant from delivering power to any of its customers, Landlord will be responsible to the Tenant for the losses directly sustained by the Tenant as a result thereof, including costs of repair and loss of power revenue reduction. Further, Landlord agrees to immediately notify Tenant as soon as Landlord is made aware of any damage to the Transmission Facilities.

5. Grant of Access Easement. Subject to the terms of this Agreement, Landlord hereby grants to Tenant an easement for the right of ingress to and egress from Adjacent Property by means of all existing roads, lanes, or temporary roads installed over and across the Premises, (the "Access Easement"). The Access Easement shall include the right to strengthen existing roads and lanes and to install temporary roads of sufficient capability, size, and grade to allow cranes and other equipment to access the Adjacent Facilities for the purpose of installing, maintaining, improving, operating, and removing/replacing wind turbines and related facilities (the "Temporary Roads"). Landlord shall not do anything that would hinder the ability of Tenant to ingress and egress the Adjacent Property or to hinder Tenants construction of and access to Temporary Roads as described herein. Notwithstanding the forgoing, the location of Temporary Roads shall require approval of Landlord within 10 days of notification by Tenant, approval not to be unreasonably withheld. Should Landlord not approve Tenants locations then Landlord shall provide alternative locations for Temporary Roads as long as the alternative locations do not unreasonably interfere with Tenants requirements for access. The location of temporary roads will be returned to original site condition within 60 days of the Landlord's written request.

6. Term. The terms and provisions of this Agreement shall be coextensive with the term for Tenant's leases for any Adjacent Property unless terminated by Tenant by written notice to Landlord.

7. No Interference. Landlord shall not interfere with the natural wind flow, wind speed or wind direction over and across the Premises as follows: Buildings or additions, or structures on buildings or other structures or walls or trees greater than 40 feet in elevation above wind turbine foundation grade of wind turbines located on Staker and Parson Companies Adjacent Property are not permitted. Landlord shall not grant any easement, license, lease or other right for access across any portion of the Premises which would otherwise materially interfere with Tenant's installation, maintenance, and repowering of the wind turbines. Landlord agrees not to materially impair the exercise by Tenant of its rights under this Easement. Landlord agrees that Tenant shall quietly and peaceable hold, possess and enjoy the Premises for the Term of this Agreement, without any hindrance or molestation pertaining to Landlord's title to the Premises. Landlord shall reasonably defend title to the Premises and the use and occupancy of the same by Tenant against the claims of all persons, except those claiming by or through Tenant. Except as otherwise expressly provided in language above or except as may not materially interfere with the rights of Tenant hereunder, Landlord shall not enter into or modify any documents, including any declarations, easements, restrictions or other similar instruments, that are or may be recorded against the Premises, or otherwise affect the Premises, or the rights or obligations of Tenant, without first obtaining the prior written consent of Tenant, which consent will not be unreasonably withheld.



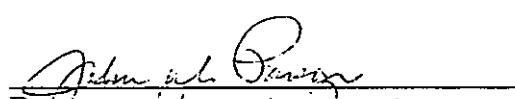
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8. Indemnity. The parties acknowledge that the Premises and/or the Adjacent Property are subject to an Option Agreement in favor of Brent R. Sumsion and Scott J. Sumsion, a copy of which Option Agreement has been provided to Tenant. In light of the Option Agreement and the potential risks to Landlord in the event of a violation of the same, Tenant agrees to indemnify and hold Landlord harmless from any and all claims and damages, including attorneys fees, which Landlord is required to defend or incurs in connection with any claimed violation of the Option Agreement by reason of this Easement Agreement and/or the activities of the Tenant which in any way restrict or violate the terms of the Option Agreement. Further, the Tenant agrees that in the event of a ruling by a court of competent jurisdiction that this Easement Agreement or an activity undertaken pursuant to the Easement Agreement causes a violation of the Option Agreement, Tenant will comply at its own cost with any and all remedies ordered by the said court of competent jurisdiction.

9. Miscellaneous. The terms and provisions of this Agreement shall inure to the benefit of, and the obligations hereunder shall be binding upon the parties hereto and their respective successors and assigns. All references to Landlord and Tenant in this Agreement refer to the parties and their respective successors and assigns. Subject to the limitations set forth herein, the covenants contained in this Agreement are intended to, and do, run with and burden the Premises and bind the successors thereto. The terms and provisions of this Agreement shall be construed in accordance with the laws of the State of Utah. In the event of a default or a breach in any of the terms and provisions of this Agreement, the nondefaulting party shall be entitled to any and all remedies allowed at law or in equity, including, without limitation, specific performance and the recovery of all damages, costs and expenses arising as a result of such breach or default, and including the reimbursement of all legal fees, costs and expenses incurred by the nondefaulting party in enforcing their rights under this Agreement, whether or not suit is initiated. This Agreement shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersede all offers, negotiations and other agreements with respect thereto. Any amendment to this Agreement must be in writing and executed by the authorized representatives of both parties.

Dated this 26 day of May, 2006

**Landlord:**

  
By: John W. Turrissi  
Its: President

Spanish Wind Park 2, LLC:

*Tracy Livingston*  
 By: Tracy Livingston  
 Its: manager

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

ENT 104074:2007 PG 44 of 50

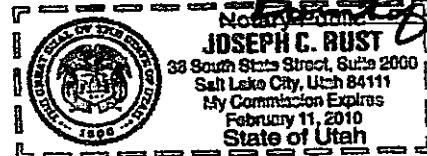
The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of June,  
 2006, by John Parson, the President of Landlord, a  
Utah corporation.

*Joseph C. Rust*  
 NOTARY PUBLIC

My Commission Expires:

Residing at:

Feb 11, 2010  
 STATE OF UTAH )  
 : ss.  
 COUNTY OF SALT LAKE )

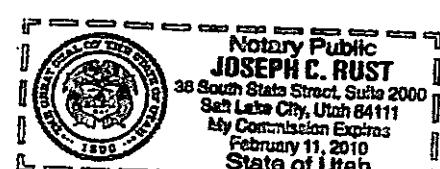


The foregoing instrument was acknowledged before me this 9 day of June,  
 2006, by Tracy Livingston, mng, of Spanish Wind Park 2, LLC, a Utah  
 limited liability company.

*Joseph C. Rust*  
 NOTARY PUBLIC

My Commission Expires:

Residing at:



ENT 104074:2007 PG 45 of 50

**Exhibit A**  
**To Encroachment and Easement Agreement**  
**Description of Premises**

Certain real property in Utah County, Utah, and more particularly described as follows:  
The cross hatched area is the property that this easement agreement refers to; the legal  
description for this property is in Exhibit A-1.

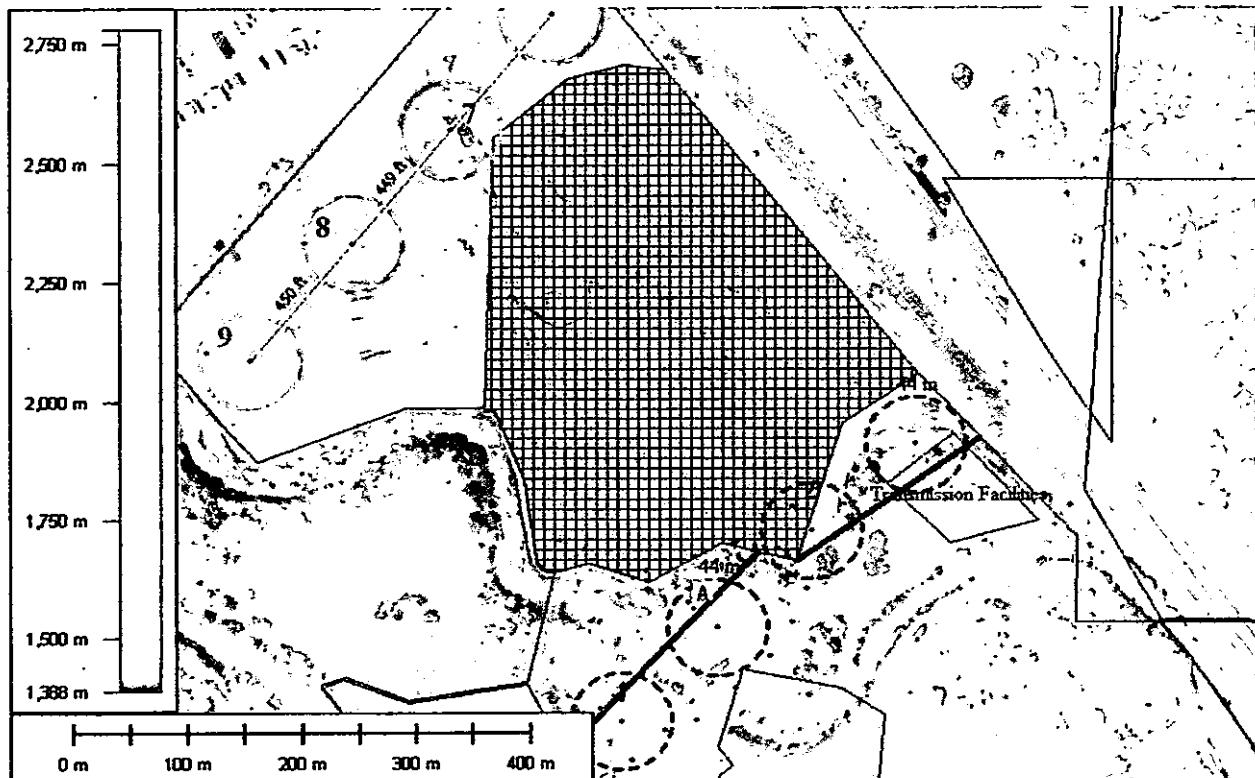


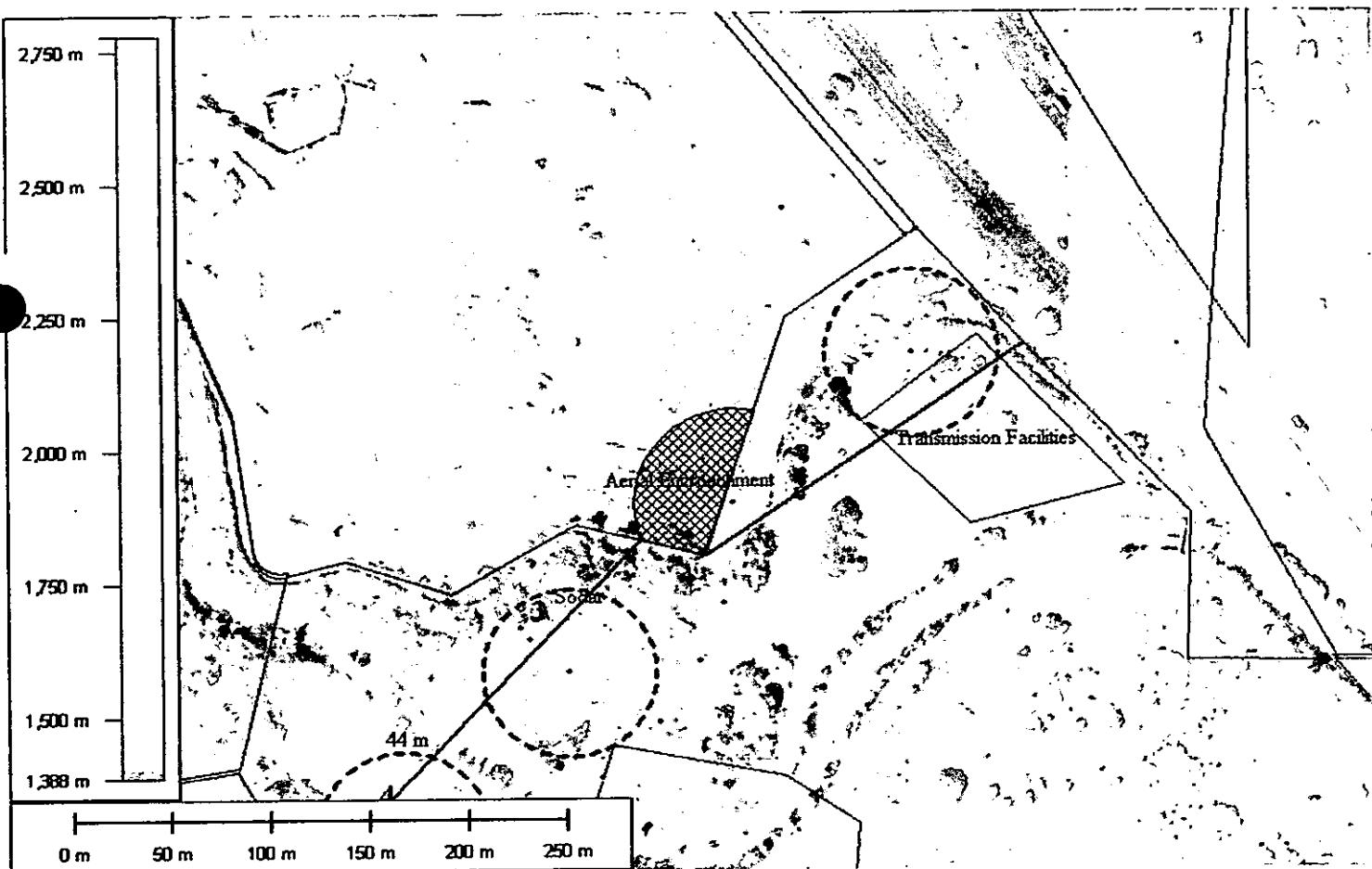
Exhibit A-1  
Legal Description *doesn't close*

Beginning at a point in a fence line on the west line of the Denver and Rio Grande Railroad right-of way, said point being North 89° 56' 58" east along the section line 4052.33 feet and south 3659.05 feet from the northwest corner of section 34, township 8 south, range 3 east, Salt Lake Base and Meridian; thence south 34°45'18" east along said railroad right-of-way line fence 1163.34 feet: Thence south 55° 24'10" west along a fence 267.31 feet; thence south 18° 13' 32" west along a fence and its extension 433.71 feet more or less to a point 2.0 feet northerly of the high water line of the east bench canal; thence along a line 2.0 feet northerly and easterly of said high water mark on the bank of said canal more or less on the following courses: north 76° 10'11" west 221.34 feet, south 60° 13' 43" west 237.87 feet, north 71° 48' 47" west 185.51 feet, south 75° 04' 59" west 100.02 feet, along the arc of a 44.47 foot radius curve to the right a distance of 75.05 feet, the chord to said curve bears north 56° 34'03" west 66.46 feet, north 08° 13' 04" west 239.50 feet, north 22° 23' 16" west 218.24 feet, along the arc of a 22.27 foot radius curve to the left a distance of 18.80 feet, the chord to said curve bears north 46° 34' 27" west 18.24 feet, north 70° 45' 38" west 16.98 feet: thence leaving said canal bank north 01° 46' 19" east 811.59 feet; thence north 51°04'12" east 275.84 feet; thence north 76°40'55" east 170.69 feet; thence south 83° 34' 31" east 118.14 feet to the point of beginning.



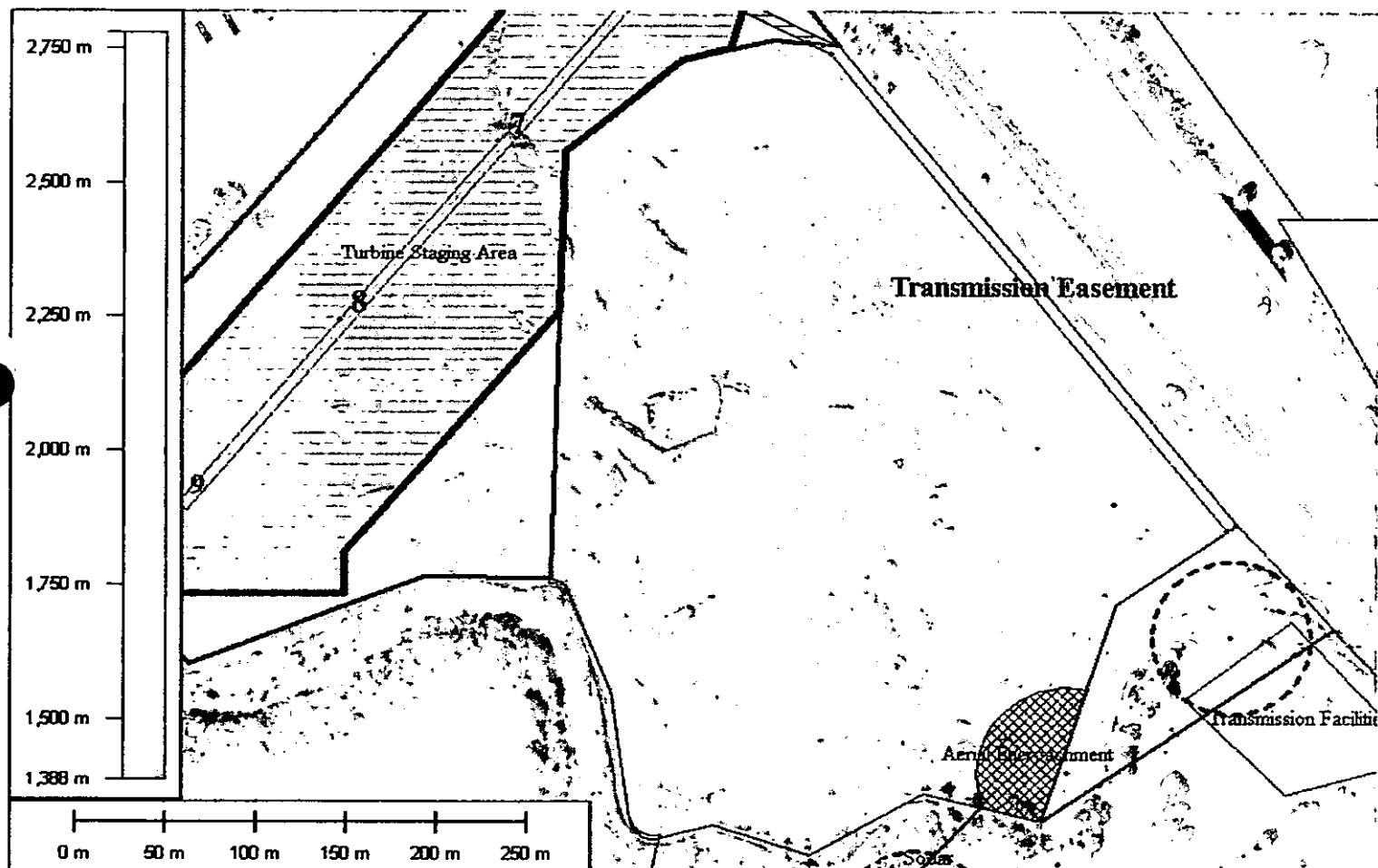
**Exhibit B**  
**To Encroachment and Easement Agreement**  
**Survey Map**

Aerial Encroachment Easement is defined as a 50 meter radius with the center point of the radius located at 40 deg 4.349' N, 111° 34.893' W per NAD83 of the state plane coordinate system where all areas inside the arc of said radius on the Premises define the Encroachment as shown in the crosshatched area in the map below comprising approximately .76 acres and labeled "Aerial Encroachment" below.



**Exhibit C**  
**To Encroachment and Easement Agreement**  
**Transmission Easement Location**

Transmission Right of Way and Easement Location is defined as an area beginning at the far most easterly corner of the Premises and continuing along property boundary NW bearing 321.3 deg for 1163 feet, thence bearing 276.4 deg. for 56.9 feet, thence bearing 116.7 deg for 47.6 feet, thence bearing 141.4 deg. for 1159 feet and thence back to the beginning comprising .582 acres as further shown in map below titled "Transmission Easement". This boundary description creates a transmission Right of Way 20 feet wide and approximately 1206 feet long.



**SUPPLEMENT TO NONDISTURBANCE, RECOGNITION AND ATTORNMENT  
AGREEMENT**

ENT 104074:2007 PG 49 of 50

**Consideration.** As consideration for the Agreement, effective upon the date Option Holders record in the Records a warranty deed transferring fee simple title of the Property from Staker & Parson, or its successor or assign, to Option Holders (the "Transfer Date"), and upon Option Holders providing evidence of the warranty deed transfer to SF2, SF2 shall pay to Option Holders one percent (1%) of Gross Revenue, as defined herein ("Percentage Payment"). For the purpose of the Agreement and this Supplement, "Gross Revenue" shall mean the aggregate amount of the gross revenues received by SF2 from the sale of electrical power generated from the operation of the wind turbines located on the real property more particularly identified on Exhibit A attached hereto (the "S&P Premises") pursuant to a power purchase agreement between SF2 and PacifiCorp.

**Quarterly Payments.** Percentage Payments shall be made quarterly within thirty (30) days from the last date of each quarter. Each Percentage Payment shall be accompanied by a quarterly statement setting forth the basis on which the Percentage Payment was computed. Percentage Payments shall be prorated for the first quarter in which Option Holders exercise the Option.

**Inspection Rights.** Option Holder or its designated representative(s) shall have the right upon five days' notice, during normal business hours, to inspect all of SF2's records and documents related to the determination of Gross Revenue, including any records of readings of meters maintained for the purpose of measuring electrical generation by the wind turbines. If Gross Revenue is found by such inspection to have been understated by more than three percent (3%), then SF2 shall pay the reasonable cost of such inspection as well as the additional Percentage Payment shown to be payable by SF2 to Option Holder plus interest at ten percent (10%) per annum; SF2 shall promptly pay Option Holder any unpaid amounts, and Option Holder promptly shall refund any overpaid amounts, revealed by such inspection.

EXHIBIT A TO SUPPLEMENT

ENT 94189:2007 P6 52 of 52

**LEGAL DESCRIPTION  
(S&P PREMISES)**

ENT 104074:2007 P6 50 of 50

Commencing at a point in the center line of the Mapleton Lateral Canal, said point being located North 89°56'58" East along the Section line 2573.14 and South 4456.68 feet from the Northwest corner of Section 34, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence along the center line of the Mapleton Lateral Canal the following courses: North 39°35'15" East 79.07 feet; North 40°11'13" East 557.23 feet; thence North 40°03'19" East 1053.10 feet; thence South 38°24'48" East along the Westerly line of the Denver and Rio Grande Railroad right of way 630.15 feet; thence departing the Westerly line of said railroad right of way North 83°34'31" West 118.14 feet; thence South 76°40'55" West 170.69 feet; thence South 51°04'12" West 275.84 feet; thence South 01°46'19" West 811.04 feet, more or less to the center line of the East Bench Canal; thence along said East Bench Canal center line the following courses: North 89°26'19" West 228.90 feet; thence South 68°43'55" West 458.92 feet; North 41°41'05" West 154.92 feet; North 37°29'19" West 326.34 feet to the centerline of said Mapleton Lateral Canal to the point of beginning.

Turbine Locations on S&P Premises:

Locations North	Locations West	Turbine No	Elevation	Elev. From
40° 4.602' N	111° 35.054' W	6	4755	Staker Survey
40° 4.546' N	111° 35.116' W	7	4760	Staker Survey
40° 4.490' N	111° 35.177' W	8	4770	Staker Survey
40° 4.434' N	111° 35.240' W	9	4790	Staker Survey