

Contract # 79054

CONTRACT AND LIEN BETWEEN WEBER BASIN WATER CONSERVANCY DISTRICT

AND

Robert & Ange Workman

FOR THE SALE AND USE OF UNTREATED WATER

THIS CONTRACT, made this 1 day of May, 2007 between the WEBER BASIN WATER CONSERVANCY DISTRICT, organized under the laws of the State of Utah, herein styled "District", and Robert & Ange Workman of Morgan County, Utah herein styled the "Purchaser",

WITNESSETH:

WHEREAS, the Purchaser desires, by means of a well/spring to divert or withdraw underground water for domestic and miscellaneous purposes, which diversion will intercept and withdraw water that will require replacement, and the district has water to sell to the Purchaser to replace the water so intercepted and withdrawn; and

WHEREAS, Purchaser intends to utilize said water upon the following described lands:

SEE ATTACHED "EXHIBIT A"

and

WHEREAS, this contract and purchaser's obligation to pay for the water as set forth herein shall constitute a lien upon the real property described in Exhibit "A";

NOW, THEREFORE, in consideration of the mutual and dependent promises and covenants herein contained, it is hereby mutually agreed by and between the parties hereto as follows:

Ent 108687 Bk 251 Pg 470
Date: 01-AUG-2007 3:25PM
Fee: \$26.00 Check
Filed By: CRB
BRENDA NELSON, Recorder
MORGAN COUNTY
For: WEBER BASIN WATER CONSERVANCY

Purchaser shall be satisfactory to the State Engineer. The District has no responsibility for the quality or quantity of water that the Purchaser is able to secure through the operation of its well or spring.

8. BENEFICIAL USE OF WATER: The basis, the measure and the limit of the right of the Purchaser in the use of water shall rest perpetually in the beneficial application thereof, and the Purchaser agrees to put the water purchased by him hereunder to beneficial use in accordance with law.

9. ASSIGNMENT LIMITED - SUCCESSORS AND ASSIGNS OBLIGATED:

The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto.

10. NOTICE: Any notice herein required to be given to the Purchaser shall be sufficiently given if sent by mail addressed to Purchaser at:

1000 East 1000 South, Mapleton, UT 84664 , and the District if sent to
*Their address next year will be 5936 South Hwy 66, Morgan, UT
2837 East Highway 193, Layton, Utah 84040.

11. OBSERVATION OF FEDERAL AND STATE POLLUTION LAWS: The Purchaser agrees that it will comply fully with all applicable Federal laws, orders and regulations and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts or other pollutants.

12. The reuse of water delivered pursuant to this contract shall not be allowed without permission of the District. The waste, seepage, or return flow from water delivered

1. SALE OF WATER: The District for the price hereinafter specified, hereby sells and agrees to deliver in the manner and at the place hereinafter provided, and the purchaser hereby purchases the right to use in each calendar year untreated District water in amounts of 5 acre-feet, except the District will not be obligated to deliver water to the Purchaser as herein provided until satisfactory evidence is furnished that the use of this water as replacement water has been approved by the State Engineer of Utah.

2. PLACE OF DELIVERY AND USE: The water covered hereby is sold to the purchaser solely for the replacement of underground water diverted, withdrawn or to be diverted or withdrawn by said well or spring for domestic and miscellaneous use in and upon the following described lands in Morgan County, Utah:

SEE ATTACHED "EXHIBIT A"

and for no other use or purpose. Its use as replacement water shall be subject to such rules and regulations as the State Engineer of Utah may prescribe.

Delivery of such water shall be as directed by the State Engineer or his representative at the outlet works of _____ Reservoir. The District shall have no obligation to provide works or facilities of any type to conduct such water from such point of delivery to its ultimate place of use. The Purchaser shall have no right to hold over or accumulate water from year to year, nor to sell or rent the water.

3. OBLIGATION OF PURCHASER TO PAY FOR WATER: For the purchase of the annual quantity of water which the District holds and will hold for the Purchaser as herein

4. PENALTY FOR DELINQUENCY: Every installment or charge required to be paid to the District under this contract, which shall remain unpaid after its due date, shall bear interest from date of delinquency at the existing prime interest rate as of January 1 of each year.

5. REMEDIES OF DISTRICT IN CASE OF DEFAULT: The annual amount payable hereunder shall be and constitute a perpetual lien upon the lands herein above described. If the Purchaser shall fail to make any payment due hereunder on or before the due date, the District may refuse the delivery of water, or upon written notice to Purchaser, cancel this contract in its entirety, but either or both of these remedies are not exclusive, and the District may exercise any other remedy given by this contract or by law to enforce collection of any payment due hereunder, and for the foreclosure of the lien hereby created.

6. RELIEF IN EVENT OF DROUGHT AND WATER SHORTAGE: In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims or other causes not within the control of the District, no liability shall accrue against the District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom and the payments to the District provided for herein shall not be reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic and industrial use shall have first priority.

7. CONSTRUCTION, OPERATION AND MAINTENANCE OF PURCHASER'S FACILITIES: The Purchaser shall construct, operate and maintain, without cost to the District, the well or spring and appurtenant facilities necessary to secure and accurately measure its water supply. The metering or other measuring device installed by the

provided, the Purchaser shall pay to the District an annual amount to consist of the total of the following items:

(a) \$243.00 per acre-foot of water purchased, a portion there of to apply to the extent required on the District's obligation under bonds or other Government-District Contract and the remainder to apply to the District's general operation and maintenance expenses, and other special expenses and costs incurred in operating, maintaining, repairing and replacing the separate facilities of the District used or required in servicing this Contract, hereinafter referred to as "OM&R". Such fair amounts shall be determined each year by the Board of Trustees of the District and any such determination shall be final and conclusive and binding on all parties.

The first annual payment under item (a) above shall be made by the Purchaser to the District concurrently with the execution hereof by Purchaser, and shall be in payment for water available for use of Purchaser in the calendar year in which this contract is approved by the Board of Directors of the District; provided, however, if such approval by the Board of Directors of the District is given on or subsequent to October 1 of the then year, the payment so made by Purchaser shall apply as a credit upon the amount accruing hereunder for the next succeeding calendar year, and no payment shall be required for the remainder of the calendar year in which such initial payment is made. Succeeding annual payments shall be made by the Purchaser to the District on or before January 1 of each year thereafter. Each annual payment shall be made to the District whether or not all or any part of the water is called for or used hereunder.

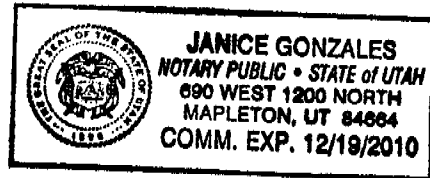
Purchaser's obligation to pay for the water as described above exists irrespective of whether purchaser actually uses the water.

ATTORNEY-IN-FACT ACKNOWLEDGEMENT

State of Utah)
: ss.
County of Utah)

On this 1 day of May, 2007, personally appeared before me Ange Workman, who, being by me duly sworn (affirmed), did say that he/she is the attorney-in-fact of Robert Workman and that said instrument was signed on behalf of said Robert Workman by authority, and said Angie Workman acknowledged to me that he/she as such attorney-in-fact executed the same.

Janice Gonzales
Notary Public



pursuant to this contract shall belong to the United States or the Weber Basin Water Conservancy District for the use and benefit of the Weber Basin Project.

IN WITNESS WHEREOF, the parties have caused this contract to be executed and signed the day and year first above written.

PURCHASERS:

Address: Robert & Angé Workman
1000 East 1000 South
Mapleton, UT 84664

Address

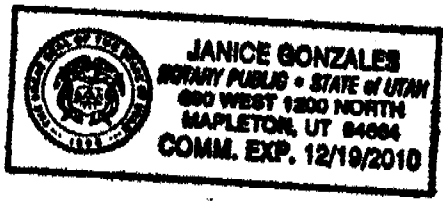
Robert Workman by Angé Workman
with power of attorney
Angé Workman

*Their address next year will be
5936 South Hwy 66, Morgan, UT

STATE OF UTAH)
: ss.
COUNTY OF _____)

On the 1 day of May, 2007, personally appeared before me
Angé Workman, the signer(s) of the above
instrument, who duly acknowledged to me that he executed the same.

Janice Gonzales
NOTARY PUBLIC



APPROVED DATE: _____

Approved: May 25, 2007

WEBER BASIN WATER
CONSERVANCY DISTRICT

Charlene M. McConkie

Charlene M. McConkie, Chair

ATTEST:

Tage I. Flint

Tage I. Flint, Secretary

(SEAL)



EXHIBIT "A"

A parcel of land located in Section 9 Township 2 North, Range 3 East, Salt Lake Base and Meridian, containing all of Lots 5, and 12 and portions of Lots 6 and Lot 11 more particularly described as follows:

Beginning at a point which is South 81°26' East 2474.34 feet along the Section Line from a found corner marking the Northwest Corner of said Section 9 and East 870.82 feet along the Section Line which is the North Boundary Line of a parcel of land described in a warranty deed Book M86 Page 318 as recorded in the Office of the Morgan County Recorder; thence East 1769.18 feet to the Northeast Corner of said Section 9; thence South 5225.22 feet along the Section Line to the Southeast Corner of said Section 9; thence North 86°28'12" West 1402.66 feet along the Section line to the Southeast corner of a parcel known as the Mortensen Trade; thence North 00°00'24" West 1164.27 feet along the East line of said Parcel; thence North 89°50'37" West 366.53 feet; thence North 00°02'11" West 3973.59 feet along the East line of said parcel to the point of beginning; excepting a Morgan County Road known as Highway 66 shown on plat map as #2-63-NA Morgan Co. t-96 containing 0.6 acres as recorded in the Office of the Morgan County Recorder.

Tax I.D. No. (s):01-002-063 Parcel I.D. No. : 00-0000-1824