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Record at request of *Union Pacific R.R. Co.*  
FEB 15 1951 at 2:33 P.M. *EMILY T. ELDREDGE* Fee Paid 6.00  
*Margaret P. Bourne* Deputy Clerk *23* *Richland County*  
Page *95*

## C O N T R A C T

L. D. No. 14746

Audit No. \_\_\_\_\_

Between

OREGON SHORT LINE RAILROAD COMPANY,  
UNION PACIFIC RAILROAD COMPANY,

and

PHILLIPS PETROLEUM COMPANY

Corrugated Metal Pipe Containing Two Oil Lines under  
Cannery Spur

at

Woods Cross, Utah

This agreement supersedes and terminates, as of the effective date hereof, previous agreement LD No. 12874, Audit A-60942, dated July 22, 1946, between Railroad Company and Wasatch Oil Refining Company, assigned by the latter to Licensee herein.

THIS AGREEMENT, made and entered into this *2nd* day of *January*, 1951, by and between ~~the~~ **SHORT LINE RAILROAD COMPANY**, a corporation of the State of Utah, and its Lessee, **UNION PACIFIC RAILROAD COMPANY**, a corporation of the State of Utah, (hereinafter collectively called "Railroad Company"), parties of the first part, and

**PHILLIPS PETROLEUM COMPANY**, a Delaware corporation,

(hereinafter called "Licensee"), party of the second part. WITNESSETH:

WHEREAS, the Licensee desires to ~~use~~ maintain and operate a ~~steel~~ pipe line (hereinafter called "pipe line") extending underground across the right of way and underneath the roadbed and track of the Railroad Company which pipe line contains two 6-inch oil lines, at Woods Cross, Davis County, Utah, in the location described as follows, to-wit:

Said pipe line crosses center line of Cannery Spur of the Railroad Company at an angle of 74° 20' to the right at Engineer's Station 6 + 39.4, which is 93.7 feet northwesterly, measured along said center line, from its intersection with the North and South center line of Section 24, Township 2 North, Range 1 West, Salt Lake Meridian, substantially in the location shown in yellow on the attached print, dated December 8, 1950, marked Exhibit "A" and hereby made a part hereof.

IT IS THEREFORE AGREED, by and between the parties hereto as follows, to-wit:

1. RAILROAD COMPANY GRANTS RIGHT TO LICENSEE:

The Railroad Company does hereby grant unto the Licensee the right ~~to use~~ ~~to maintain and operate~~ during the term hereof, to maintain and operate the said pipe line in the location hereinbefore described, which grant is made expressly subject to the observance and performance by the Licensee of all and singular the conditions, covenants and agreements hereinafter contained to be by the Licensee kept, observed

and performed; it being hereby stipulated that a waiver by the Railroad Company of any breach of any such conditions, covenants and agreements shall in no way impair the right of the Railroad Company to avail itself of any subsequent breach thereof.

**2. SIZE AND KIND OF PIPE:**

The said pipe line where it crosses underneath the said roadbed and track is ~~shall~~ constructed of **corrugated metal**

pipe with an internal diameter of **twenty-four (24)** inch ~~8~~ and the same shall be ~~relocated~~ maintained at such an elevation that the top thereof shall not be less than **three (3) feet below** the base of the rails of said track

**3. LICENSEE TO BEAR ENTIRE EXPENSE:**

The Licensee shall bear the entire cost and expense in connection with the ~~original~~ maintenance, repair or renewal of said pipe line, including any and all expense which may be incurred by the Railroad Company in connection therewith for supervision, inspection, or otherwise; but all the work upon the same within the limits of the right of way of the Railroad Company shall be done under the direction of and according to the plans and specifications approved by the Railroad Company.

**4. PERMIT SUBJECT TO NEEDS OF RAILROAD COMPANY:**

The Railroad Company notwithstanding the aforesaid grant shall have the right to retain its existing track at and in the vicinity of said pipe line in its present location, and nothing shall be done or suffered to be done by the Licensee at any time that shall in any manner impair the usefulness or safety of such track or of any other tracks that may hereafter be constructed within the limits of said right of way; and the Railroad Company reserves and shall have the right at any and all times to make such changes in said existing track and structures, or in the present standard thereof, and to construct, maintain and operate such additional tracks or structures where said pipe line is ~~original~~ constructed, and across the same, as from time to time it may elect; and the Licensees shall bear the expense of moving, removing or making such modifications in said pipe line as may be required by the Railroad Company in connection with such changes in said track and structures, or in the present standard thereof, and such additional tracks or structures. The obligation of the Licensee in this agreement prescribed with reference to the maintenance, repair and renewal of said pipe line as originally constructed shall apply to said pipe line as relocated, changed or modified within the contemplation of this section.

**5. PIPE LINE NOT TO INTERFERE WITH OPERATION OF RAILROAD:**

The said pipe line and all parts thereof within and outside of the limits of the right of way and premises of the Railroad Company, shall be ~~relocated~~ at all times maintained, repaired, renewed and operated by the Licensee in such a manner as to cause no interference whatsoever with the constant, continuous and uninterrupted use of the tracks, property and premises of the Railroad Company, both as regards operation, maintenance, repairs or renewals, or possible new construction by the Railroad Company.

**6. SALE OF RIGHT OF WAY:**

In the event the Railroad Company shall dispose of any portion of its property on which the pipe line is located as herein provided, the right or license herein granted, with respect to such portion of the pipe line as may be located on the property of the Railroad Company so disposed of, shall forthwith cease and determine.

**7. LIABILITY:**

The Licensee shall indemnify and hold harmless the Railroad Company from and against any and all damages, claims, demands, actions, causes of action, costs and expenses of whatsoever nature which may result from the death of or injury to any person whomsoever, or from the loss of or damage to property of any kind or nature, including damage to the roadbed, tracks, equipment or other property of the Railroad Company, when such death, injury, loss or damage is due to the existence of said pipe line or to the ~~NONEXISTENCE~~ maintenance, operation, repair or renewal, thereof, or to the contents therein or therefrom.

**8. DISUSE OF PIPE LINE:**

Disuse of said pipe line 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 the Licensee and of the grant herein made, and in case of such an abandonment or the breach by the Licensee of any of the conditions, agreements and covenants herein contained, the Railroad Company shall have the right to terminate this agreement at any time by giving thirty (30) days notice in writing to the Licensee of its intention to terminate the same, and at the expiration of said thirty (30) days notice the license herein granted shall terminate and be at an end, and the Licensee shall be without recourse or redress of any character against the Railroad Company by reason thereof.

**9. REMOVAL OF PROPERTY OF LICENSEE:**

Within fifteen (15) days after the termination of this agreement however, the Licensee shall remove all property of the Licensee herein provided for from that portion of the right of way of the Railroad Company not occupied by the said roadbed and tracks, and shall restore the same to its original condition to the satisfaction of the Railroad Company; and if the Licensee fails so to do the Railroad Company may do such work of removal and restoration at the cost and expense of the Licensee. The Railroad Company may, at its option, upon such termination, at the entire cost and expense of the Licensee, remove that portion of said pipe line located underneath said roadbed and tracks and restore said roadbed to its original condition, or it may permit the Licensee to do such work of removal and restoration under the supervision of the Railroad Company; and in the event of the removal by the Railroad Company of the property of the Licensee as herein provided; and of the restoration of said roadbed and right of way to their former condition, the Railroad Company shall in no manner be liable to the Licensee for any damage sustained by the Licensee for or on account thereof, and such removal and restoration shall in no manner prejudice or impair any right of action for damages or otherwise that the Railroad Company may have against the Licensee.

**10. AGREEMENT NOT TO BE ASSIGNED:**

The Licensee shall not assign this agreement or any of the rights hereunder without the consent, in writing, of the Railroad Company first had and obtained.

**11. EFFECTIVE DATE:**

This agreement shall be effective from and after the day and date first hereinabove written and shall continue in full force and effect until terminated as provided, and all of the covenants, agreements and conditions herein contained on the part of the Licensee to be kept, observed and performed shall attach to and run with the system of which said pipe line is a part.

## 12. SUCCESSORS AND ASSIGNS:

This agreement shall be binding upon and inure to the benefit of the Railroad Company, its successors and assigns, the Licensee and the successors in interest of the Licensee.

## 13. PREVIOUS AGREEMENT SUPERSEDED:

This agreement supersedes and terminates, as of the effective date hereof, previous agreement L.D. No. 12874, Audit No. A-60942, dated July 22, 1946, between the Railroad Company and Wasatch Oil Refining Company, assigned by the latter to Phillips Petroleum Company.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the day and year first herein written.

OREGON SHORT LINE RAILROAD COMPANY,  
UNION PACIFIC RAILROAD COMPANY,

By R. D. Price  
General Manager

Witness:

W. H. L. - 100

PHILLIPS PETROLEUM COMPANY,  
By B. B. Dreyer  
Its W. B.

Attest:

J. L. McDonald  
Secretary

STATE OF UTAH )  
County of Salt Lake ) 33

On the 27<sup>th</sup> day of March, 1943, before me, a notary public, personally appeared F. C. PAULSEN, to me personally known to be the General Manager of OREGON SHORT LINE RAILROAD COMPANY, and UNION PACIFIC RAILROAD COMPANY, who being duly sworn did say that the foregoing instrument was signed, sealed and executed in behalf of said corporations by authority duly conferred by their By-Laws, and acknowledged to me said instrument to be the free act and deed of said corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and  
affixed my official seal the day and year first in this,  
my certificate, written.

My Commission Expires:

Notary Public

1-13, 1957 Residing at Salt Lake City, Utah.

STATE OF the Commonwealth of Massachusetts )  
County of Barnstable ) 38

On the 2nd day of January, 1941, before me, a Notary Public, personally appeared John Macarthur, to me personally known to be the President of the PHILLIPS PETROLEUM COMPANY, who being duly sworn did say that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed, sealed and executed in behalf of said corporation by authority duly conferred according to law, and acknowledged to me said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and  
affixed my official seal the day and year first in this,  
my certificate, written.

My Commission Expires:

Notary Public

Residing at

Dyer F. Lemire  
Dyer Lemire