

WHEN RECORDED MAIL TO:

18357

Above Space for Recorder's Use

SPECIAL WARRANTY DEED

K. JAY HOLDSWORTH, as liquidating agent for Fred F. Auerbach, Madeline A. Werner, Manufacturers Hanover Trust Company and Jacques Mohr, Co-Personal Representatives of the Estate of Selma Mohr, and Georgette A. Koopman and Dorothy A. Schiro, all former shareholders of the now liquidated Utah corporation, Deseret Development Company, Inc., Grantor, hereby CONVEYS AND WARRANTS against all claiming by, through or under him to Dale V. Jones, an individual, and Leland Fitzgerald, an individual, as equal Tenants in Common, grantees, of 5620 Waterbury Way, Salt Lake County, State of Utah 84121, for the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the surface rights to the following described tracts of land in Utah County, State of Utah, said surface rights having been defined in Paragraphs 1. and 6. of a Purchase Agreement dated May 11, 1979, entered into between K. Jay Holdsworth, as agent for the above-designated principals, Seller, and Dale V. Jones and Leland Fitzgerald, Purchasers, a copy of which Paragraphs 1. and 6. of said Agreement is attached hereto and incorporated by this reference:

E 1/2 of NW 1/4 & W 1/2 of SE 1/4 of Sec. 36, T. 9 S., R. 2 W., SLM - Area 160 acres, more or less.

Commencing 10 ch. E. of SW cor of Lot 4 of Sec. 7, T. 10 S., R. 1 W., SLM; Th. E. 28.12 ch.; N. 20 ch.; W 28.12 ch.; S. 20 ch. to beg. Less 2.80 acres sold State Road Com. - Area 53.44 acres, more or less.

NE 1/4 of NW 1/4 of Sec. 18, T. 10 S., R. 1 W., SLM - Lots 1-2-3-4; SE 1/4 of NW 1/4 of Sec. 18 referred to - Area 241 acres, more or less.

NE 1/4 of NW 1/4 of Sec. 19, T. 10 S., R. 1 W., SLM - Also Lot 1 of Said Sec. 19 - Area 80 acres, more or less.

All of Sec 1, T. 10 S., R. 2 W., SLM - Area 640 acres, more or less.

All of Sec. 12, T. 10 S., R. 2 W., SLM - Area 640 acres, more or less.

All of Sec. 13, T. 10 S., R. 2 W., SLM - Area 640 acres, more or less.

SW 1/4 of SW 1/4 of Sec. 24, T. 10 S., R. 2 W., SLM - Area 40 acres, more or less.

E 1/2 of NW 1/4 & NE 1/4 of SW 1/4, SE 1/4 of SW 1/4 of Sec. 24, T. 10 S., R. 2 W., SLM - Area 160 acres, more or less.

NE 1/4; NE 1/4 of SE 1/4 & W 1/2 of SE 1/4 of Sec. 24, T. 10 S., R. 2 W., SLM - Area 280 acres, more or less.

W 1/2 of NW 1/4 of Sec. 24, T. 10 S., R. 2 W., SLM - Area 80 acres, more or less.

SW 1/4 of Sec. 25, T. 10 S., R. 2 W., SLM - Area 160 acres, more or less.

NW 1/4 of Sec. 25, T. 10 S., R. 2 W., SLM - Area 160 acres, more or less.

BOOK 1743 PAGE 667

IN WITNESS WHEREOF, the Grantor has executed this Special
Warranty Deed this 11th day of May, 1979.

GRANTOR:

Don Goldsmith

K. JAY MOLDSWORTH, as Agent for
Fred F. Auerbach, Madeline A.
Werner, Manufacturers Hanover
Trust Company and Jacques Mohr,
Co-Personal Representatives of the
Estate of Selma Mohr, and
Georgette A. Koopman and Dorothy
A. Schiro, all former shareholders
of the now liquidated Utah
corporation, Deseret Development
Company, Inc.

In the presence of:

STATE OF UTAH)
COUNTY OF SALT LAKE) SS.

On the 11th day of May, A.D. 1979, personally appeared before me K. JAY HOLDSWORTH, who being be me duly sworn did say that he is the duly authorized agent for Fred F. Auerbach, Madeline A. Werner, Manufacturers Hanover Trust Company and Jacques Mohr, Co-Personal Representatives of the Estate of Selma Mohr, and Georgette A. Koopman and Dorothy A. Schiro, all former shareholders of the now liquidated Utah corporation, Deseret Development Company, Inc., and acknowledged to me that he executed the foregoing instrument as such agent.



My Commissions Expires:

Notary Public
Residing at: Salt Lake City Utal

Paragraphs 1. and 6.

PURCHASE AGREEMENT

DATED May 11, 1979

1. Definition of "Surface Rights."

For all purposes of this Agreement the term "surface rights" shall have the following meaning:

(A) The term surface rights shall not include any right to extract, use, enjoy, sell, or require any payment for access to, oil, gas, coal, galena, minerals, metals, rare earths, clay, sand, gravel, rock, stone, riprap, fill, all geothermal resources, heat, hot water, steam and all other subsurface materials whether liquid, solid or gaseous, all of which are hereby reserved to Seller, except to the extent of water uses by Purchaser, described in (B) below.

(B) To the extent not in conflict with rights reserved in Seller, the provisions set forth in (A) above, in this part (B), and in (C) and (D) below, the term surface rights shall include the unrestricted right to use in any manner, enjoy, sell, assign, or otherwise transfer rights to use or occupy the surface of the Property. In particular, the term "surface right" shall include:

(i) the right to extract and consume underground water for stock watering, culinary uses, and irrigation uses, subject to rights hereby reserved to Seller of sufficient water within the subsurface necessary or appropriate to mine or extract all materials belonging to Seller and located beneath the surface of the Property and, at the option of Seller at any time, to refill cavities caused by, or to restore surface altered by, such mining or extraction. Provided, however, if Purchasers acquire any water stock or shares in any mutual water company or district, Purchasers will pay all charges and assessments on water or water stock used on or with said property.

(ii) the right to sue for recovery of any damages caused by erosion to the surface or subsurface whether due

to past, present or future mining activities by persons other than Seller or its assigns;

(iii) the right to grant easements to the operators of mines in the area for the piling of overburden or slag from the operation of the mines;

(iv) the right to grant easements for the construction, maintenance and operation of ditches, canals, reservoirs and ponds or other structures to enable the subsurface to absorb water, liquids or other excess materials from mines located in the surrounding area; and

(v) the right to harvest and remove timber, grass and other vegetative matter which now grow or which can be made to grow upon and within the surface.

(C) All of the surface rights to be sold to Purchaser, including those described in (B), immediately above, are subject to rights hereby reserved in Seller to engage in mining and extraction activities within and under the Property, free from unreasonable interference by the Purchasers, and are further subject to rights hereby reserved in Seller of access over and within all surface rights being conveyed as may be necessary or appropriate to facilitate all mining or extraction activities of Seller. Further provided that Seller's rights to geothermal resource extraction will take priority over any application by Purchaser for ground water rights.

(D) Seller does not warrant that the surface rights are free from adverse uses, whether visible, recorded, intermittent or continuous, ripened or in the process of being ripened. In particular, and without limiting the generality of the foregoing, the conveyance is subject to the following:

(i) the right-of-way of Highway 6-50 and all uses incident thereto, and all limitations on access, if any, to or from Highway 6-50, and all existing roads and all existing rights to roads;

(ii) all drainage, and erosion incident thereto, in connection with the operation of the Burgin Mine in the

past or in the future, or in connection with the operation of any other mine;

(iii) all access to and from the 40 acres consisting of the Northwest Quarter of the Southwest Quarter of Section 24, Township 10 South, Range 2 West, Salt Lake Base and Meridian which are or were owned by Hazel Toppert, Charles Weirch and Arthur Weirch, or the grantees of any or all of them.

(iv) The rights-of-way of The Denver & Rio Grande Railroad and any other railroad, including spurs, sidings and all uses related thereto.

(v) all uses by one or more adjoining landowners and the mesnes successors and transferees thereof;

(vi) all encroachments by existing fences or other boundary demarcations;

(vii) all existing rights to transport or utilize water which flows upon, over or through the surface, including all ditches, canals, springs, reservoirs, runoff from natural precipitation and runoff from upstream mining activity;

(viii) any rights to graze livestock upon any part of the surface or to transport livestock for grazing or stock watering or other purposes across any part of the conveyed surface; and

(ix) any right of any water user to transport surface waters across, through or within the surface.

6. Purchasers' Liabilities and Responsibilities Upon Failure to Complete Payment.

If Purchasers obtain a reconveyance of some portion of the total acreage and then fail to complete payment for the purchase, and accordingly do not receive a reconveyance of the total acreage, Purchasers shall:

(A) Compensate Seller for any damage to the unreconveyed acreage resulting from, or occasioned by, Purchasers' use of the reconveyed acreage, including, but not limited to: (1)

all drainage to or upon the unreconveyed acreage from the reconveyed acreage; and (2) all utilization of any part or all of the reconveyed acreage including use for livestock grazing.

(B) Indemnify and hold Seller harmless from all damages resulting from or occasioned by Purchasers' use of the reconveyed acreage, including, but not limited to, liability to users of Highway 6-50 due to hazards occasioned by Purchasers' use of the reconveyed acreage.

(C) Bear all costs and expenses of fencing, surveying, locating and otherwise establishing the boundary between the reconveyed acreage and the unreconveyed acreage, to the extent reasonably requested by Seller.

(D) Limit access to or from any part or all of the reconveyed acreage only over the reconveyed acreage from and to U.S. Highway 6-50, and from and to other public roads and existing access routes. There shall be no right of access in Purchaser over, through or across any of the unreconveyed acreage to or from the reconveyed acreage.

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BOOK 1743 PAGE 642