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REC FOR: WEBER BASIN WATER CONSERV DIST

Account # 31326

Contract D-3

PETITION TO WEBER BASIN WATER CONSERVANCY DISTRICT
FOR THE ALLOTMENT OF WATER

Hulon Development LLC (herein "Petitioner"), hereby applies to the Weber Basin Water Conservancy District, (herein "District"), for the allotment of the beneficial use of 1.0 acre-foot of untreated water annually, for irrigation and domestic purposes, on land situated in Weber County, Utah, legally described as follows:

Section 14, Township 6N, Range 2E, Acres 5.08

Tax I.D. No. (s): 21-136-0002

**ALL OF LOT 2, MOUNTAIN PRIME SUBDIVISION, WEBER COUNTY,
UTAH. TOGETHER WITH AND SUBJECT TO A 20 FOOT SHARED ACCESS
EASEMENT AS DISCLOSED ON PLAT RECORDED APRIL 30, 2015 AS ENTRY
NO.2733227.**

1. In consideration of such allotment and upon condition that this petition is granted by the District, Petitioner agrees as follows:

(a) \$257.54 per acre-foot of water purchased, a portion thereof 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 amount so fixed shall be paid whether or not the Petitioner actually takes and uses the water allotted.

The amounts so fixed shall be a tax lien upon the above-described land and the Petitioner shall be bound by the provisions of the Water Conservancy Act of Utah and the rules and regulations of the District's Board of Trustees. Nothing contained herein shall be construed to exempt the Petitioner from paying the taxes levied pursuant to Sections 17A-2-1426 and 17A-2-1427, Utah Code Annotated 1990, as amended.

2. The use of the water allotted hereby shall be solely for the replacement of underground water diverted, withdrawn or to be diverted or withdrawn by means of a well or spring for irrigation and domestic purposes at a point located on the land hereinabove described, and for no other use of purpose.

3. Petitioner's use of the water hereby allotted as replacement water shall be subject to such rules and regulations as the Utah State Engineer may from time to time prescribe. The Petitioner shall not use the allotted water in any way without first receiving an approved exchange application from the Utah State Engineer. It is the responsibility of the Petitioner to obtain such approved exchange application.

4. Delivery of the water hereby allotted by the District shall be as directed by the Utah State Engineer or his representative at the outlet works of Pineview reservoir.

5. The District shall have no obligation to provide works or facilities of any type to conduct the water hereby allotted from its point of delivery to its ultimate place of use.

6. 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 arise against the District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom to Petitioner and the payments to the District provided for herein shall not be abated or 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. The Petitioner shall construct, operate and maintain, without cost to the District, the well or spring and appurtenant facilities necessary to secure and accurately measure Petitioner's water supply. The metering or other measuring device installed by Petitioner shall be satisfactory to the Utah State Engineer. The District has no responsibility for the quality or quantity of water that Petitioner is able to secure through the source of Petitioner's well or spring.

8. The basis, the measure and the limit of the right of the Petitioner in the use of water shall rest perpetually in the beneficial application thereof, and the Petitioner agrees to put the water allotted Petitioner hereby to beneficial use in accordance with law.

9. The Petitioner agrees to fully comply 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.

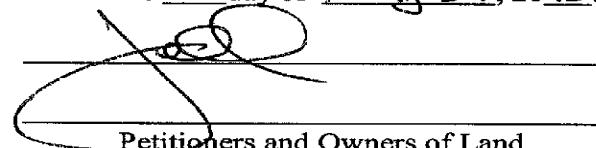
10. Petitioner recognizes that in addition to the tax lien referred to in paragraph 1 above, the above-described land is presently encumbered by a lien created by District Contract No. 30503 in the name of Howard Kent Inc. hereinafter the "contract lien." There is presently an outstanding balance owed the District of \$0, which petitioner hereby assumes and

agrees to discharge. The unpaid balance of the contract lien shall be assessed simple interest at the rate of n/a % per annum. Petitioner recognizes that the unpaid balance of the contract lien together with the accrued interest shall remain a lien upon the land until discharged. The parties agree further that in the event the in indebtedness represented by the contract lien and accrued interest is not fully discharged on or before n/a, District may cancel this contract, retain both its contract lien and tax lien and inform the State Engineer of the cancellation and request that the corresponding exchange application be invalidated. The District may also elect to foreclose its contract lien against the land.

11. The provisions of this Contract shall apply to and bind the successors and assigns of the parties hereto but as long as payments are required under Articles 1 (a) and (b) above neither this contract or any assignment or transfer of this contract or any part thereof or interest therein shall be valid until approved by the District's Board of Trustees.

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 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.

Dated this 27 day of August, 2015.



Petitioners and Owners of Land
above-described

Hulon Development LLC

2848 N 2175 E

Layton, UT 84040

Address

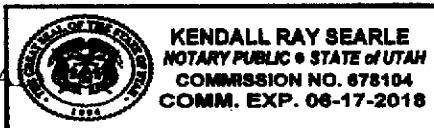
STATE OF Utah)
: ss.
COUNTY OF Davis)

On the 27 day of August, 2015 personally appeared before me
Nolan Jonathas, the signer(s) of the above instrument, who duly
acknowledged to me that he executed the same.



NOTARY PUBLIC

(SEA



ORDER ON PETITION

DUE NOTICE having been given and hearing had, IT IS ORDERED that the foregoing petition of Hulon Development LLC, be granted and an allotment of 1.0 acre-foot of water is hereby made to the lands therein described, upon the terms, at the rates, and payable in the manner as in said petition set forth.

DATED this 24 day of September, 2015.

WEBER BASIN WATER CONSERVANCY
DISTRICT

By Kerry W. Gibson
Chairman, Board of Trustees
Kerry W. Gibson

ATTEST:


Secretary
Tage I. Flint

(SEAL)

