# SPECIAL WARRANTY DEED OF WATER RIGHTS AND ASSIGNMENT OF RELATED PROPERTIES

THIS DEED OF WATER RIGHTS AND ASSIGNMENT OF RELATED PROPERTY ("Deed and Assignment") made and entered into as of the day of August, 1990 by and from EAST CARBON DEVELOPMENT CORPORATION ("East Carbon"), a Utah corporation, whose address is 1480 East Maple Hills Drive, Bountiful, Utah 84010 ("Grantor") to SUNNYSIDE COGENERATION ASSOCIATES, a Utah joint venture organized and existing under the laws of the State of Utah, and having an address at 2920 North Academy Boulevard, Colorado Springs, Colorado 80917 ("SCA"), ("Grantee").

A. Grantor is the owner of certain water rights including, but not limited to, water rights filed with the Utah State Engineer, together with easements, rights-of-way, pipelines, reservoirs, etc., concerning use of said water rights all as more particularly described at Exhibit "A" attached hereto and made a part hereof (collectively referred to as the "Water Rights").

B. Grantee desires to purchase all right, title and interest of Grantor in and to the Water Rights.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid to Grantor and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Grantor hereby conveys and warrants title to Grantee to the following property against all persons claiming under grantor:

All of Grantor's right, title and interest in the Water Rights, including but not limited to, Water Rights filed with the Utah State Engineer, described in Exhibit "A" attached hereto and made a part hereof.

All of Grantor's right, title and interest in easements, rights-of-way, pipelines, reservoirs, etc., in connection with said Water Rights, more particularly described at Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Grantor has caused its corporate name and seal to be affixed by its duly authorized officer this as of the date first written above.

**GRANTOR:** 

RECORDED AT THE REQUEST OF PROFESSIONAL TITLE SERVICES

EAST CARBON DEVELOPMENT CORPORATION

PTS 5314

STATE OF UTAH

COUNTY OF SALT LAKE

: ss.

On this 201 day of work 1990, personally appeared before me R. Steve Creamer whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn, did say that he is the President of EAST CARBON DEVELOPMENT CORPORATION, and that this document was signed by him in behalf of said corporation by authority of its bylaws, and said R. Steve Creamer acknowledged to me that said corporation executed the same.

Notary Public

Residing at Satt Lake City, UT

<u>7.14.93</u>

DAD:081890A

### EXHIBIT "A"

Grantor's right, title and interest to an Easement Agreement dated June 9, 1950, granted by B. W. McMahon to United States Steel Corporation to construct, maintain and operate a road over and across lands, more particularly described as follows:

Rights affecting the following lands located in Carbon County, Utah:

"A right-of-way 100 feet in width, being 50 feet on each side of the following-described center line:

\*Beginning at a point 25.0 feet East of the West 1/4 Corner of Section 1, Township 15 South, Range 13 East, SLB&M; thence North 65°34' East 235 feet to Station 2 + 35 PC of a 200-foot radius curve left; thence around the arc of said curve 245 feet to PT Station 4 + 80; thence North 0°43' East 410 feet to Station 8+ 90 PC of a 250-foot radius curve left; thence around the arc of said curve 240 feet to PT Station 11 + 30; thence North 54°07' West 310 feet to a point on the West line of Section 1, said point bears South 0°43' West 1530 feet from the Northwest Corner of said Section 1, containing 3.306 acres, more or less."

Grantor's right, title and interest to stock watering rights in Carbon County, Utah, as evidenced by Water Users Claim Nos. 91-3522 and 91-3524, registered with the Utah State Engineer.

Grantor's right, title and interest to Right of Way No. 314 dated August 29, 1950 granted by the State of Utah to United States Steel Corporation, for a road over and across lands, more particularly described as follows:

Rights affecting the following lands located in Carbon County, Utah:

"A right of way One Hundred (100) feet in width, being Fifty (50) feet on each side of the following-described center line:

### Parcel [

o Beginning at a point South 0°43' West Fifteen Hundred Thirty (1530) feet from the Northeast corner of Section Two (2), Township Fifteen (15) South, Range Thirteen (13) East, Salt Lake Base and Meridian; thence North 29°43' West Seventeen Hundred Sixty (1760) feet to a point on the North line of Section Two (2), said point bears South 89°45' West Nine Hundred (900) feet from the Northeast corner of Section Two (2), containing Four and 040/1000 (4.040) acres, more or less.

### Parcel II

o Beginning at a point on the East line of Section Sixteen (16), Township Fourteen (14) South, Range Thirteen (13) East, Salt Lake Base and Meridian, said point of beginning bears North 0°01' West Twenty-four Hundred (2400) feet from the Southeast corner of Section Sixteen (16); thence North 34°30' West Thirty-five Hundred (3500) feet to a point on the North line of said Section which point is North 89°54' West Two Thousand (2000) feet from the Northeast corner of said Section Sixteen (16), containing Eight and 035/1000 (8.035) acres, more or less.

Said parcels extending in total 996/1000 (.996) mile, more or less, and containing in total Twelve and 075/1000 (12.075) acres, more or less."

Grantor's right, title and interest to the following described water rights in Carbon County, Utah, as evidenced by Utah State Engineer's Certificates:

Application No.	Certificate No.	Water Users Claim No.
a-2682	a-531	91-361
15620	5510	91-143
15621	5684	91-145
19136	5670	91-159
8256	1580	91-71
19041	7792	91-158
a-3442	a-532	91-118

Subject, however, to the inclusion of said water rights, claims and applications in that certain Joint Venture Agreement dated September 17, 1951 between Kaiser Coal Corporation and Geneva Steel Company, as amended and supplemented, relating to the ownership, operation, management and use of water and water rights in the East Carbon County area.

Grantor's right, title and interest to Pipeline Crossing Agreements Nos. 21905 dated September 24, 1956, and 22938 dated October 14, 1959, granted by Denver and Rio Grande Western Railroad to United States Steel Corporation to construct, maintain and operate water pipelines across and under the railroad right of way, as more particularly described as follows:

A. Pipeline Crossing License No. 21905 dated September 24, 1956.

"An 8-inch diameter wrapped and coated steel water pipeline beginning at a collection basin located on the "Big Springs Ranch" of the Denver and Rio Grande Western Railroad Company 290 feet west from the center of Section 18, Township 15 South, Range 13 East, Salt Lake Base and Meridian, near Dragerton, Carbon County, Utah, thence extending northeasterly across the north half of said Section 18, the south-east quarter of Section 1, and the south half of said Section 8, all in said Township and Range, to a point in the east boundary of said Ranch, said point being in the east line of said Section 8 a distance of 200 feet south from the east quarter corner of said Section 8, said pipeline also extends northeasterly at an angle of 30 degrees 09 minutes across the 200-foot wide right of way and under the main track of said Railroad Company's Sunnyside Branch at Mile Post 10 plus 4076 feet, near said Dragerton, within the north-east quarter of the southwest quarter of Section 9, said Township and Range, said pipeline to be encased in 60 feet of 12-inch diameter No. 14 gauge galvanized corrugated metal pipe where it crosses under said track, said pipeline also enters the right of way of said Railroad Company's Sunnyside Branch at a point 100 feet northwesterly at right angles from the centerline of said track opposite Mile Post 13 plus 4202 feet; said point also being west 370.0 feet distant and south 640.0 feet distant from the north quarter corner of Section 11, Township 15 South, Range 13 East, Salt Lake Base and Meridian; thence extending northwesterly at a minimum of 16 feet northwesterly at right angles from and approximately parallel with the centerline of the tangent section of said track lying next easterly from said point of entrance to said right of way to a point opposite Mile Post 15 plus about 820 feet; thence northeasterly to a point in the northwesterly line of said right of way 100 feet northwesterly at right angles from the centerline of said track opposite Mile Post 15 plus 1378.1 feet, said point also being North 32 degrees 18 minutes West 1320.0 feet distant from the southeast corner of Section 1, Township 15 South, Range 13 East, Salt Lake Base and Meridian, within the north half of Section II and the south half of Section 1, said Township and Range, at said Dragerton, said pipeline on right of way buried about 3 feet below ground."

B. Pipeline Crossing Agreement No. 22938 dated October 14, 1959:

"A 2-inch diameter galvanized iron water pipeline extending north at right angles across the 100-foot wide right of way and under the Sunnyside Branch main track of the Denver and Rio Grande Western Railroad Company at Mile Post 9 plus 2588 feet, near Columbia Junction, Carbon County, Utah, within the northwest quarter of the southeast quarter of Section 7, Township 15 South, Range 13 East, Salt Lake Base and Meridian, said pipeline to be encased in 40 feet of 8-inch diameter, No. 16 gauge, Melcor pipe, or equal, laid at a depth of not less than 5 feet below the base of rails in said tracks."

Grantor's right, title and interest to an Easement dated September 4, 1956, granted by Nick Charles Bikakis and his wife Mae J. Bikakis to United States Steel Corporation for an 8" water pipeline upon, over and across the lands more particularly described as follows:

"A parcel of land situated in the NE 1/4 of the NW 1/4 of Sec. 11, T. 15 S., R. 13 E., SLB&M Carbon County, Utah, said parcel of land being 10 feet on each side of the following described center line: Beginning at the point of intersection of the center line of the proposed pipeline and the west boundary of the Bikakis property, which point of beginning bears E. 1320 feet and S. 850 feet from the NW corner of said Sec. 11; thence N. 77 degrees 26 minutes E. 1040 feet to a point on the northwesterly right-of-way line of the D&RGW RR, which point bears W. 370 feet and S. 640 feet from the N 1/4 corner of said Sec. 11, containing .38 acres more or less."

Grantor's right, title and interest to a Pipeline Agreement and License dated January 8, 1956 granted by the Utah State Road Commission to United States Steel Corporation to operate and maintain an 8" water pipeline within the right of way limits of State Highways Nos. 123 and 124, as more particularly described as follows:

"Highway 123; Along the south side thereof adjacent to right of way line between Highway Engineer's Stations 463+95 and 467+95, extension of F.A.S. 7, a distance of 400 feet. Highway 124; Crossing said highway near its junction with Highway 123 on a line approximately 40 feet south of center line of said Highway 123 from Highway Engineer's Station 436+80 to Station 437+80 of F.A.S. 7, a distance of 100 feet, concerning lands located in Carbon County, Utah".

 $$\operatorname{\textbf{This}}$$  transfer is subject to consent by the Utah State Road Commission.

Grantor's right, title and interest to an Agreement for Buried Utility Line dated July 22, 1960, granted by the Utah State Road Commission to United States Steel Corporation to maintain and operate a 2" water pipeline across and under lands of Utah State Highway U-123, as more particularly described as follows:

• "Commencing at a point on the South right-of-way line of Utah. State Highway U-123; said point bears S. 50 degrees 21 minutes 24 seconds E., 3880.19 feet from the NW Cor. of Sec. 7, T. 15 S., R. 13 E., S.L.B. & M. Carbon County, Utah; thence N. 8 degrees 10 minutes 26 seconds W; 100.00 feet, and at right angles to said highway; to a point on the North right-of-way line. Said point bears S. 51 degrees 22 minutes 02 seconds E., 3806.69 feet from the NW Cor. of said Sec. 7. Location further described as: Enter highway from south and cross under at right angles at Engr's. Sta. 183+58 of Project FAS-7A-1."

 $$\operatorname{\textbf{This}}$$  transfer is subject to consent by the Utah State Road Commission.

Grantor's right, title and interest under and to that Memorandum Agreement dated September 17, 1951, (unrecorded), by and between Geneva Steel Company and Kaiser Steel Corporation, a Nevada corporation, as amended and supplemented by Amendment Letter of January 6, 1953, Supplemental Agreement of March 19, 1957, Second Supplemental Agreement of March 1, 1958, and Amendment of May 31, 1960, relating to the ownership and operation of the Grassy Trail Creek Reservoir, located in the NW/4 of Section 7, Township 14 South, Range 14 East, SLM; including incidental facilities for the purposes of storing and supplying water in the East Carbon County area. Said Memorandum Agreement pertains to various water rights, including those described as follows:

## Water Rights Associated with the Grassy Trail Creek Reservoir:

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Application No.	Certificate No.	Water User's Claim No.
a-2682	a-531	91-361
15620	5510	91-143
15621	5384	91-145
19136	5670	91-159
8256	1580	91-71
19041	7792	91-158
a-3442	a-532	91-118

Grantor's right, title and interest to Pipeline Easements dated October 9, 1956, and October 29, 1956, granted by Carbon County, a body corporate and politic of the State of Utah, to United States Steel Corporation to construct, maintain and operate water pipelines across and under lands of certain county roads, as more particularly described as follows:

Pipeline Easement within the Rights—of—way of the following County roads:

- "A Carbon County road to the Dragerton Airport which intersects pipe center line at Station 167+00 and bears S. 12 degrees 35 minutes E., said Station bears North 521 feet and West 1210 feet from the center of Section 10, T. 15 S., R. 13 E., S.L.B. & M."
- "A Carbon County road to the Dragerton sewage disposal area which intersects pipe center line at Station 236+03 and bears S. 1 degree 19 minutes W., said Station being 467 feet South and 2620 feet West of the NE corner of Section 11, T. 15 S., R. 13 E., S.L.B. & M."
- 3. "A Carbon County road to David Menotti's which intersects pipe center line at Station 257+30 bears S. 12 degrees 48 minutes E., said Station bears 4 feet North and 546 feet West of the NE corner of Section 11, T. 15 S., R. 13 E., S.L.B. & M."

This transfer is subject to consent by Carbon County.

Grantor's right, title and interest to a ten to twelve inch steel water pipeline, 28,175.6 feet in length, and all suspension bridges, valves, valve boxes, fixtures, parts and appurtenances, and ancillary lateral service pipelines thereto, beginning at the Grassy Trail Creek Reservoir to a point above East Carbon City designated as Meter No. 36, and located along a centerline which is more particularly described as follows:

Steel Water Pipeline located along Grassy Trail Creek as described in that "Instrument of Conveyance, Transfer and Assignment" dated May 19, 1947, from Reconstruction Finance Corporation to Geneva Steel Company, predecessor to U.S. Steel, and located along a centerline more particularly described as follows:

Beginning at a point being on the West property line of the Utah Fuel Company and which point is also on the West boundary of the NEI/4 SW1/4 of Section 6, T. 15 S., R. 14 E., S.L.B. & M., and which point is station 1+0.0 of the pipe line survey and bears 308.56 feet Southerly from the Northwest corner of said NEI/4 SW1/4 of Section 6;

Thence N 81 Deg. 11' E 350.0 feet to station 4+50.0;

Thence N 79 Deg. 07'  $\pm$  506.0 feet to a station 9+56.0 which is same point as station 15+0.0 for line stationing shead;

Thence N 59 Deg. 20' E 150.0 feet to station 16+50.00;

Thence N 33 Deg. 20' E 240.0 feet to station 18+90.00;

Thence N 77 Deg. 46' E 765.0 feet to station 26+55.0 which is same point as station 26+0.0 for line stationing shead:

Thence N 66 Deg. 31' E. 345.0 feet to station 30+00 at which point the pipeline leaves the property of Utah Fuel Company and enters the right of way of Utah State Road Commission;

Thence N 66 Deg. 31' E 500.0 feet to station 35+0.0;

Thence N 70 Deg. 54' E 430.0 feet to station 39+30.0;

Thence N 64 Deg. 36' E 313.0 feet to station 42+43.0:

Thence N 44 Deg. 13' E 213.0 feet to station 44+56.0;

Thence N 35 Deg. 05' E 712.0 feet to station 51+68.0 which is the intersection of the East line of Section 6, T. 15 S., R. 14 E., at 1045 feet, more or less, Southerly from the Northeast corner of said Section 6;

Thence N 35 Deg. 05' E 432.0 feet to station 56+0.0;

Thence N 38 Deg. 35' E 336.0 feet to station 59+36.0;

Thence N 33 Deg. 21' E 509.0 feet to station 64+45.0;

Thence N 21 Deg. 51' E 47.0 feet to a station 64+92.0 which is the intersection of the South line of Section 32, T. 14 S., R. 14 E., S.L.B. & M. at 730 feet, more or less, Easterly from the Southwest corner of said Section 32;

Thence N 21 Deg. 51' E 341.0 feet to a station 68+33.0;

Thence N 28 Deg. 31' E 443.0 feet to a station 72+76.0;

Thence N 45 Deg. 41' E 324.0 feet to station 76+0.0;

Thence N 58 Deg. 31' E 172.0 feet to station 77+72.0;

Thence N 75 Deg. 06' E 669.0 feet to station 84+41.0;

Thence N 64 Deg. 57' E 285.0 feet to station 87+26.0;

Thence N 43 Deg. 08' E 233.0 feet to station 89+59.0;

Thence N 13 Deg. 51' E 301.0 feet to station 92+60.0 at which point the pipeline leaves the right of way of Utah State Road Commission and enters the property of Utah Fuel Company;

Thence N 13 Deg. 51' E 635.2 feet to station 98+95.2 at which point the pipeline leaves the property of Utah Fuel Company and enters the right of way of the Denver and Rio Grande Western Railroad Company;

Thence N 13 Deg. 51' E 54.8 feet to station 99+50;

Thence N 23 Deg. 09' W 84.0 feet to station 100+34.00;

Thence N 15 Deg. 49' W 680.0 feet to station 107+14.0;

Thence N 10 Deg. 55' & 1151.0 feet to station 118+65.0;

Thence N 10 Deg. 40° E 703.0 feet to station 125+68.0 at which point the pipeline leaves the right of way of the Denver and Rio Grande Western Railroad Company and enters the property of the Utah Fuel Company;

Thence N 10 Deg. 40° E 76.0 feet to station 126+44.0;

Thence N 55 Deg. 40' E 128.0 feet to station 127+64.0;

Thence N 11 Deg. 69° E 60.0 feet to station 128+24.0 which is the intersection of the North line of Section 32, T. 14 S., R. 14 E., S.L.B. & M., at 255 feet, more or less, Easterly from North

quarter corner of said Section 32;

Thence N 11 Deg. 69' E 1484.0 feet to station 138;

Thence N 17 Deg. 32' E 1242.0 feet to station 151+0.0;

Thence N 15 Deg. 40' E 578.0 feet to station 156+78.0;

Thence N 6 Deg. 34' W 322.0 feet to station 160+0.0;

Thence N 3 Deg. 34' W 381.0 feet to station 163+81.0;

Thence N 3 Deg. 50' E 419.0 feet to station 168+0.0;

Thence N 3 Deg. 13' W 400.0 feet to station 172+0.0;

Thence N 8 Deg. 49' W 500.0 feet to station 177+0.0;

Thence N 19 Deg. 30' W 208.0 feet to station 179+08.0;

Thence N 36 Deg. 50' W 215.0 feet to station 181+23.0 which is the intersection of the North line of Section 29, T. 14 S., R. 14 E., S.L.B. & M., at 900 feet, more or less, Easterly from the North quarter corner of said Section 29;

Thence N 36 Deg. 50' W 517.0 feet to station 186+40.0;

Thence N 11 Deg. 51' E 723.0 feet to station 193+63.0:

Thence N 13 Deg. 45' W 2557.0 feet to station 219-10.0;

Thence N 55 Deg. 28' W 568.0 feet to station 224+88.0;

Thence N 62 Deg. 58' W 570.0 feet to station 230+58.0;

Thence N 58 Deg. 32' W 531.0 feet to station 235+89.0;

Thence N 39 Deg. 31' W 247.0 feet to station 238+36.0;

Thence N 11 Deg. 37° W 480.0 feet to station 243+16.0 which is the intersection of the North line of Section 20, T. 14 S., R. 14 E., S.L.B. & M., at 1110.0 feet, more or less, Easterly from the Northwest corner of said Section 20:

Thence N 11 Deg. 37' W 961.0 feet to station 252+77.0;

Thence N 05 Deg. 07' W 224.04 feet to station 255+01.4;

Thence N 04 Deg. 46' W 201.4 feet to station 257+02.8;

Thence N 07 Deg. 37' W 100.3 feet to station 258+03.1;

Thence N 14 Deg. 50' W 374.6 feet to station 261+77.7;

Thence N 15 Deg. 53' W 139.4 feet to station 263+17.1;

Thence N 49 Deg. 33' W 130.4 feet to station 264+47.5;

Thence N 50 Deg. 11' W 187.8 feet to station 266+35.3;

Thence N 50 Deg. 19' W 243.0 feet to station 268+78.3;

Thence N 45 Deg. 51' W 238.4 feet to station 271+16.7;

Thence N 15 Deg. 30' W 458.3 feet to station 275+75.0;

Thence N 15 Deg. 38' W 70.0 feet to station 276+45.0 which is the intersection of the section line between Sections 17 and 18, T. 14 S., R. 14 E., S.L.B. & M., at 2160 feet, more or less, Southerly from the Northeast corner of said Section 18;

Thence N 15 Deg. 38' W 194.7 feet to station 276+39.7;

Thence N 13 Deg. 19' W 167.6 feet to station 280+07.3;

Thence N 30 Deg. 45' W 113.3 feet to station 281+20.6;

Thence N 33 Deg. 37' W 332.0 feet to station 285+52.6;

Thence N 44 Deg. 34' W 210.0 feet to station 286+62.6;

Thence N 44 Deg. 12' W 102.0 feet to station 287+64.6 which is the point of diversion of pipeline from Grassy Trail Creek and which point bears S 25 Deg. 0' W 1325 feet, more or less, from the Northeast corner of Section 18, T. 14 S., R. 14 E., S.L.8. 6 M.

Affecting lands located in Carbon County, Utah.

Grantor's right, title and interest in and to that Lease Agreement dated September 24, 1956 (Recorded in Book 43 at page 230) between the Denver & Rio Grande Wester Railroad Company, Lessor, and the United States Steel Corporation, Lessee, relating to the lease of these parcels of land situated in Carbon County, Utah, and more particularly described in Exhibit "A" attached hereto; in addition to the water rights appurtenant to said land, including, but not limited to those water rights described as follows:

A. Lands situated in Carbon County, Utah; known as "Big Springs Ranch":

### Parcel 1

"The south half of Section 7; the south half of Section 8; the north half and the southwest quarter of Section 13; the southwest quarter of the northwest quarter of Section 17, and Lot 1 of Section 19 - all in Township 15 South, Range 13 East, Salt Lake Base and Meridian, containing 1,200 acres more or less, together with all buildings and improvements located thereon and thereunto belonging."

#### Parcel 2

"Lots 1, 2, 3, and 4, the southwest quarter of the northeast quarter, the west half of the southeast quarter, and the southeast quarter of the southwest quarter of Section 24; Lots 1, 2, and 3, the northwest quarter of the northeast quarter, and the northeast quarter of the northwest quarter of Section 25, all in Township 15 South, Range 12 East, Salt Lake Base and Meridian; also Lot 4 in Section 19; Lots 1, 2, and 3, the east half of the northwest quarter and the northeast quarter of the southwest quarter of Section 30; and the southwest quarter of the Southwest quarter of Section  $\overline{32}$  all in Township 15 South, Range 13 East, Salt Lake Base and Meridian, containing 840 acres more or less, together with all improvements located thereon and thereunto belonging; reserving, however, to said Lessor the six and five-eighths inch (6-5/8") steel Big Springs to Cedar water pipeline now constructed over and across said land with the right to operate, maintain or reconstruct the same, and subject to the provisions of that certain lease entered into the 1st day of July, 1952, by and between said Lessor and Tom Notestine, 215 Atlas Building, Salt Lake City, Utah."

8. Water Rights appurtenent to lands described at Paragraph A above:

### Water User's Claim Nos.

91-372

91-3761

91-364

91-37

This Assignment is subject to a Sublease dated September 24, 1966 (Recorded in Book 43 at page 223) by and between United States Steel Corporation, lessor, and Woodrow Pilling, lessee, and subject to consent to assignment of said Lease by lessor, Denver & Rio Grande Western Railroad Company.

Entry No. 30747
Indexed
Abstracted

STATE OF UTAH
COUNTY OF CARBON SS
FILED AND RECORDED FOR
Professional Title

Professional Titl

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