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RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

O'MELVENY & MYERS LLP
610 Newport Center Drive, Suite 1700
Newport Beach, California 92660
Attention: Patricia J. Frobos, Esq.
(450,895-014)

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NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
FOUNDERS TITLE
BY: RDJ, DEPUTY - WI 19 p.

(Space Above for Recorder's Use Only)

Parcel I.D. Nos.: 26-15-400-004
26-14-300-004
26-13-300-001
26-24-200-001
26-24-400-001

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (the "Agreement") is made as of this 18th day of August, 2000, by KENNECOTT UTAH COPPER CORPORATION, a Delaware corporation ("Kennecott"), and MARGARET S. BASTIAN, individually and as Trustee of the Sheltered Trust under Will of Elmer P. Bastian, deceased, MARY E. BASTIAN, EMILY B. MARKHAM and DAVID S. BASTIAN (collectively, "Bastian"), with respect to the following:

F-51783

RECITALS:

A. Kennecott owns certain real property located in the County of Salt Lake, State of Utah, as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Kennecott West Parcel"), and certain real property located in the County of Salt Lake, State of Utah, as more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the "Kennecott East Parcel"). The Kennecott West Parcel and the Kennecott East Parcel shall herein, collectively, be referred to as the "Kennecott Parcels."

B. Bastian owns certain real property located between the Kennecott Parcels, as more particularly described on Exhibit C, attached hereto and incorporated herein by this reference (the "Bastian Parcel"). Kennecott, Bastian and their successors and assigns shall be referred to individually as an "Owner" and collectively as the "Owners."

C. By this Agreement, Kennecott intends to grant Bastian certain nonexclusive easements, more particularly described herein, for the purpose of providing pedestrian and vehicular ingress to and egress from the Bastian Parcel.

AGREEMENT

1. AGREEMENT REGARDING EASEMENTS

1.1 Grant of Access Easements.

(A) **West Easement.** Kennecott hereby grants and conveys to Bastian, subject to the terms and conditions herein, for the benefit of the Bastian Parcel and as a burden on the Kennecott West Parcel, a perpetual, nonexclusive easement (the "**West Easement**") over and across the Kennecott West Parcel in the location described on Exhibit D attached hereto and depicted on the map attached hereto as Exhibit E hereto, and both incorporated herein by this reference, for the sole and exclusive purpose of providing vehicular (including but not limited to agricultural equipment) and pedestrian ingress to and egress from Utah Highway 111 to the Bastian Parcel. The West Easement shall initially be one hundred twenty (120) feet wide in order to accommodate equipment used by Bastian in connection with farming operations on the Bastian Parcel. At such time as fifty percent (50%) or more of the total acreage of the western one-half of the Bastian Parcel is no longer used for agricultural purposes, as determined by Kennecott in Kennecott's reasonable discretion, following twenty (20) days prior written notice to Bastian, the West Easement shall be reduced to a width of sixty-six (66) feet.

(B) **East Easement.** Kennecott hereby grants and conveys to Bastian, subject to the terms and conditions herein, for the benefit of the Bastian Parcel and as a burden on certain property owned by Kennecott and located between the Bastian Parcel and 11800 South, a perpetual, nonexclusive easement (the "**East Easement**") over and across such property in the location described on Exhibit F attached hereto and depicted in the map attached hereto as Exhibit G, and both incorporated herein by this reference, for the sole and exclusive purpose of providing vehicular (including but not limited to agricultural equipment) and pedestrian ingress to and egress from 11800 South to the Bastian Parcel. The East Easement shall initially be one hundred twenty (120) feet wide in order to accommodate equipment used by Bastian in connection with farming operations on the Bastian Parcel. At such time as fifty percent (50%) or more of the total acreage of the eastern one-half of the Bastian Parcel is no longer used for agricultural purposes, as determined by Kennecott in Kennecott's reasonable discretion, following twenty (20) days prior written notice to Bastian, the East Easement shall be reduced to a width of sixty-six (66) feet.

1.2 **Maintenance of Easements.** Except as to any temporary alternative easements under Section 1.6 below (which shall be the responsibility of Kennecott to maintain, construct and repair), Bastian shall construct, repair, repave and otherwise maintain the West Easement and the East Easement (collectively, the "**Easements**") so that the Easements are at all times, maintained in a clean, sanitary, orderly, attractive and safe condition and in compliance with all applicable laws. If Kennecott uses the Easements, Bastian and Kennecott shall each be responsible for a pro rata share of the cost of such maintenance based on each party's proportional use of the Easements, and Kennecott shall reimburse Bastian for Kennecott's share of such costs within thirty (30) days of a written request therefor.

1.3 **Failure to Maintain or Repair.** If either party breaches any of its obligations under Section 1.2, to maintain, repair or reimburse, as the case may be, the other party may, but is not obligated to, send written notice requesting that the breaching party perform

immediately such obligations. If the breaching party fails to perform such obligations within ten (10) days after receipt of such notice, the other party may, but is not obligated to, perform, as applicable, any and all such obligations. The breaching party shall, immediately upon receipt of a demand (a "**Demand for Reimbursement**") from the other party, reimburse the other party for any and all costs and expenses incurred in connection with its performance of such obligations, together with interest at eighteen percent (18%) per annum. If three (3) times during any five (5) year period Bastian fails to reimburse Kennecott, immediately after a Demand for Reimbursement, for any maintenance performed by Kennecott on Bastian's behalf, which maintenance Bastian was required and obligated to perform but did not, Kennecott shall have the right upon written notice to Bastian to terminate the Easements. After such termination, Bastian shall have a one-time only right to reinstate the Easements by paying to Kennecott all amounts due (including interest) within ninety (90) days of the most recent Demand for Reimbursement by Kennecott. If Bastian so reinstates the Easements, Kennecott shall again have the right to terminate the Easements if Bastian fails 3 times during any 5-year period to reimburse Kennecott for maintenance performed by Kennecott on Bastian's behalf. If Kennecott so terminates, Bastian shall have no right to reinstate the Easements.

1.4 Restriction Against Construction. Without Kennecott's prior written consent, and excepting any routine repair and maintenance or landscaping performed in compliance with Section 1.2, Bastian shall not construct any improvements on the Kennecott Parcels, including on the Easements.

1.5 Right to Relocate East Easement. Kennecott shall have the right, in its sole and absolute discretion, without Bastian's consent, to relocate the East Easement to any other location designated by Kennecott on property owned by Kennecott and located between 11800 South and the Bastian Parcel, so long as such relocated easement is no farther west than the western-most boundary of the Bastian Parcel. Kennecott shall also have the right, with Bastian's prior written consent, in Bastian's reasonable discretion, to relocate the East Easement to a location west of the western-most boundary of the Bastian Parcel. Not less than twenty (20) days prior to any relocation of the East Easement, Kennecott shall deliver written notice of the relocation to Bastian, together with an amendment to this Agreement, in recordable form, setting forth the legal description and a map depicting the location of the relocated easement. The relocated easement shall be substantially comparable in terrain and distance to the East Easement, shall provide access from the Bastian Parcel to 11800 South and shall not materially increase the maintenance costs or expenses to Bastian for the East Easement.

1.6 Temporary Right to Close. Kennecott shall have the right, exercisable at any time and from time to time, to temporarily close either the West Easement or the East Easement if Kennecott determines, in its reasonable discretion, that such temporary closure is necessary for the use, development or operation of any real property owned by Kennecott. So long as one of the Easements remains open and available for Bastian's use, the closure of the other Easement may continue for such period of time as Kennecott deems reasonably necessary, up to thirty (30) days. In no event shall Kennecott have the right to temporarily close both Easements without the prior consent of Bastian, in Bastian's reasonable discretion. If Kennecott closes either of the Easements for a period in excess of thirty (30) consecutive days, Kennecott must provide, during such excess period, temporary alternative access, substantially comparable in size and condition, to and from the Bastian Parcel and either Utah Highway 111 or 11800 South.

1.7 **Right to Dedicate.** Kennecott shall have the right, exercisable at any time and from time to time, to dedicate, or otherwise transfer or convey, to the City of South Jordan, Salt Lake County or other governmental agency, all or a portion of the real property on which the West Easement or the East Easement is located; provided such dedication must be for a public roadway that, either standing alone, or together with any portion of the remaining Easements not affected by such dedication or other transfer, provides access to the Bastian Parcel as provided in this Agreement. At Kennecott's or such governmental agency's request, Bastian shall execute and deliver a quitclaim deed in recordable form confirming such termination, so long as Bastian shall continue to have access to the Bastian Parcel from such public roadway.

1.8 **Development of Bastian Property.** Nothing in this Agreement shall prevent or preclude Bastian or its representatives, heirs, successors or assigns from developing all or a portion of the Bastian Parcel, including, but not limited to, rezoning said property for residential, business or other commercial purposes. In such event, Bastian shall have the right to use the West Easement and the East Easement for the benefit of the Bastian Parcel and the owners and occupants thereof and their invitees and guests for such use and development as Bastian, in Bastian's sole discretion, deems appropriate, subject to the terms of this Agreement.

1.9 **Use of Easements.** Bastian shall have (i) no right to permit third parties, other than Bastian's invitees, guests and licensees to use the Easements to gain access to other than the Bastian Parcel, and (ii) no right to use the Easements to gain access to other than the Bastian Parcel.

1.10 **Character of Easements.** The Easements shall be non-exclusive and shall constitute easements on and covenants running with the land. The West Easement shall bind and burden the Kennecott West Parcel and each Owner thereof and benefit the Bastian Parcel. The East Easement shall bind and burden certain property owned by Kennecott, as described herein, and each Owner thereof and benefit the Bastian Parcel. The Easements are subordinate to and subject to all easements, covenants, conditions, restrictions, reservations, rights, and rights-of-way of record, apparent or known, existing as of the date of this Agreement.

1.11 **Indemnification.** Bastian hereby agrees to indemnify, defend and hold harmless Kennecott from and against any and all claims, damages, losses, costs, and expenses (including attorneys' fees and court costs) for all damage to or destruction of property and for death of or injury to any person caused by, arising out of, or resulting from the use of the Easements, by Bastian or its trustees, beneficiaries, employees, agents, contractors, servants, licensees, patrons, guests, invitees or any person acting on behalf of Bastian.

2. GENERAL PROVISIONS

2.1 **Cooperation.** Each party agrees to cooperate in the execution of any other documents reasonably requested to evidence and carry out the terms of this Agreement.

2.2 **Successors and Assigns.** This Agreement and the Easements granted herein shall run with the Kennecott West Parcel, the Kennecott property burdened by the East Easement, as described herein, and the Bastian Parcel, and shall inure to the benefit of and be binding upon the parties hereto and their respective transferees, representatives, agents, successors, assigns, heirs and all persons claiming by, through or under them.

2.3 **Term**. The Easements granted herein shall be perpetual in their term, and shall not be extinguished by nonuse or abandonment, or transfer of any interest in the properties affected by this Agreement.

2.4 **Attorneys' Fees**. If an Owner shall institute any action or proceeding, including any arbitration proceedings, relating to the provisions of this Agreement or any default or alleged default hereunder, then the unsuccessful Owner in such action or proceeding shall reimburse the successful Owner therein for the reasonable costs (including court costs and attorneys' fees) incurred therein by such successful Owner.

2.5 **No Rights in Public**. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Easements to or for the general public or for any public purpose whatsoever. This Agreement shall be strictly limited to and for the purposes herein expressed. The provisions of this Agreement are for the exclusive benefit of Bastian, and as expressly provided herein, Bastian's successors and assigns, and not for the benefit of any other third persons, and this Agreement shall not be deemed to have conferred any rights upon any other third person.

2.6 **Notices**. All notices or other communications provided for herein shall be in writing and shall be personally served or delivered by United States mail deposited in Utah, registered or certified, return receipt requested, first-class, postage prepaid, and addressed to the address known for the intended recipient after reasonable inquiry. Either Owner may by notice to the other Owner designate an address for notices, which shall then be the last known address for purposes of this Agreement. Any notice given as provided in this Section shall be deemed to have been received, if personally served, as of the date and time of service, or, if deposited in the mail as provided above, forty-eight (48) hours after deposit in the mail.

2.7 **General Interpretation**. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. If any term, provision, or condition contained in this Agreement (or the application of any such term, provision, or condition) shall to any extent be invalid or unenforceable, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

2.8 **Entire Agreement**. Other than the Purchase, Sale and Exchange Agreement executed by the parties hereto dated August 11, 2000, along with any amendments thereto, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements between the parties with respect to the matters contained in this Agreement. All prior or contemporaneous understandings, oral representations or agreements had among the parties with respect to this subject matter are merged and contained in this Agreement.

2.9 **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which shall together constitute one and the same document.

[signatures on next page]

IN WITNESS WHEREOF, Kennecott and Bastian have executed this Agreement as of the day and year first above written.

“KENNECOTT”:

KENNECOTT UTAH COPPER CORPORATION,
a Delaware corporation

By: W. B. Williams
Name: W. B. Williams
Title: Vice President

“BASTIAN”:

Margaret S. Bastian
Margaret S. Bastian

Margaret S. Bastian
Margaret S. Bastian, as Trustee of the
Sheltered Trust under Will of
Elmer P. Bastian, deceased

Mary E. Bastian
Mary E. Bastian

Emily B. Markham
Emily B. Markham

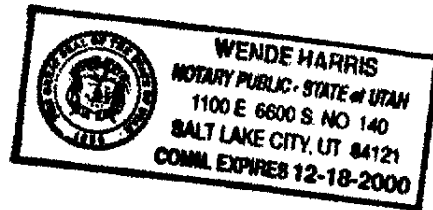
David S. Bastian
David S. Bastian

STATE OF Utah)
COUNTY OF Salt Lake)

On August 18 2000, before me, Wende Harris, a Notary Public in and for said State, personally appeared Margaret S. Bastian, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Wende Harris (Seal)

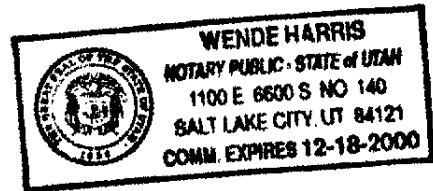


STATE OF Utah)
COUNTY OF Salt Lake)

On Aug. 18, 2000, before me, Wende Harris, a Notary Public in and for said State, personally appeared Margaret S. Bastian, Trustee, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Wende Harris (Seal)

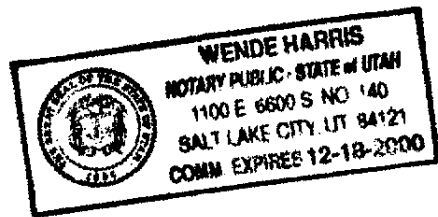


STATE OF Utah)
COUNTY OF Salt Lake)

On Aug-18, 2000, before me, Wende Harris, a Notary Public in and for said State, personally appeared Mary E. Bastian, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Wende Harris (Seal)

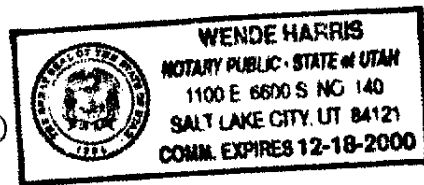


STATE OF Utah)
COUNTY OF Salt Lake)

On Aug 18, 2000, before me, Wende Harris, a Notary Public in and for said State, personally appeared Emily B Markham, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Wende Harris (Seal)

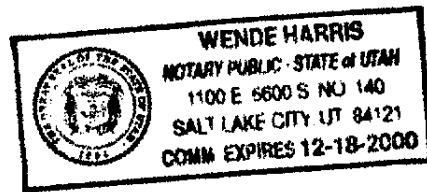


STATE OF Utah)
)
COUNTY OF Salt Lake)

On Aug 18th, 2000, before me, Wende Harris, a Notary Public in and for said State, personally appeared David S. Bastian, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Wende Harris (Seal)



STATE OF Utah)
)
COUNTY OF Salt Lake)

On August 18, 2000, before me, Wende Harris a Notary Public in and for said State, personally appeared William R. Williams Vice Pres of personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

*Kennecott
Utah
Copper
Corp*

WITNESS my hand and official seal:

Signature Wende Harris (Seal)

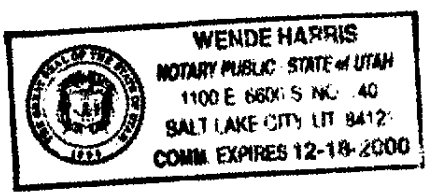


EXHIBIT "A"

KENNECOTT WEST PARCEL

ALL THAT CERTAIN REAL PROPERTY IN THE STATE OF UTAH, COUNTY OF SALT LAKE, DESCRIBED AS FOLLOWS:

The South 80 rods of Section 15, Township 3 South, Range 2 West, Salt Lake Base and Meridian.

Less and excepting the Railroad Tract, the tract deeded to State Road and the tract deeded to Kennecott Copper Corp.

Also less and excepting all oil, gas, and mineral rights.

(Contains 151.30 acres, more or less.)

EXHIBIT "B"

KENNECOTT EAST PARCEL

ALL THAT CERTAIN REAL PROPERTY IN THE STATE OF UTAH, COUNTY OF SALT LAKE, DESCRIBED AS FOLLOWS:

Parcel 1:

COMMENCING at the Southwest corner of Section 13, Township 3 South, Range 2 West, Salt Lake Base and Meridian; thence along the West line of Section 13, North 0°05'52" East 2688.89 feet; thence North 89°44'04" East 2724.99 feet; thence South 0°12'17" West 2701.03 feet to a point lying North 89°59'32" East 30 feet from the South Quarter corner and on the South line of Section 13; thence along the South line of Section 13, North 89°59'32" East 2702.02 feet to the point of BEGINNING.

Parcel 2:

COMMENCING at the South Quarter corner of Section 24, Township 3 South, Range 2 West, Salt Lake Base and Meridian; thence along the Quarter Section line of Section 24, North 0°11'37" East 5286.97 feet to the North Quarter corner of Section 24; thence along the North Section line of Section 24, North 89°59'32" East 30 feet; thence South 0°11'37" West 5287.00 feet, more or less, to a point on the South line of Section 24; thence along said South line North 89°55'47" West 30 feet, more or less, to the point of BEGINNING.

(Contains a combined total of 172.07 acres, more or less.)

EXHIBIT "C"

BASTIAN PARCEL

ALL THAT CERTAIN REAL PROPERTY IN THE STATE OF UTAH, COUNTY OF SALT LAKE, DESCRIBED AS FOLLOWS:

South 80 rods of Section 14, Township 3 South, Range 2 West, Salt Lake Base and Meridian, less tracts deeded to Utah Power & Light Co.

(Contains 151.05 acres, more or less.)

EXHIBIT "D"

DESCRIPTION OF WEST EASEMENT

ALL THAT CERTAIN REAL PROPERTY IN THE STATE OF UTAH, COUNTY OF SALT LAKE, DESCRIBED AS FOLLOWS:

The Southernmost 120 feet of Section 15, Township 3 South, Range 2 West, Salt Lake Base and Meridian.

Exhibit E

MAP OF WEST EASEMENT

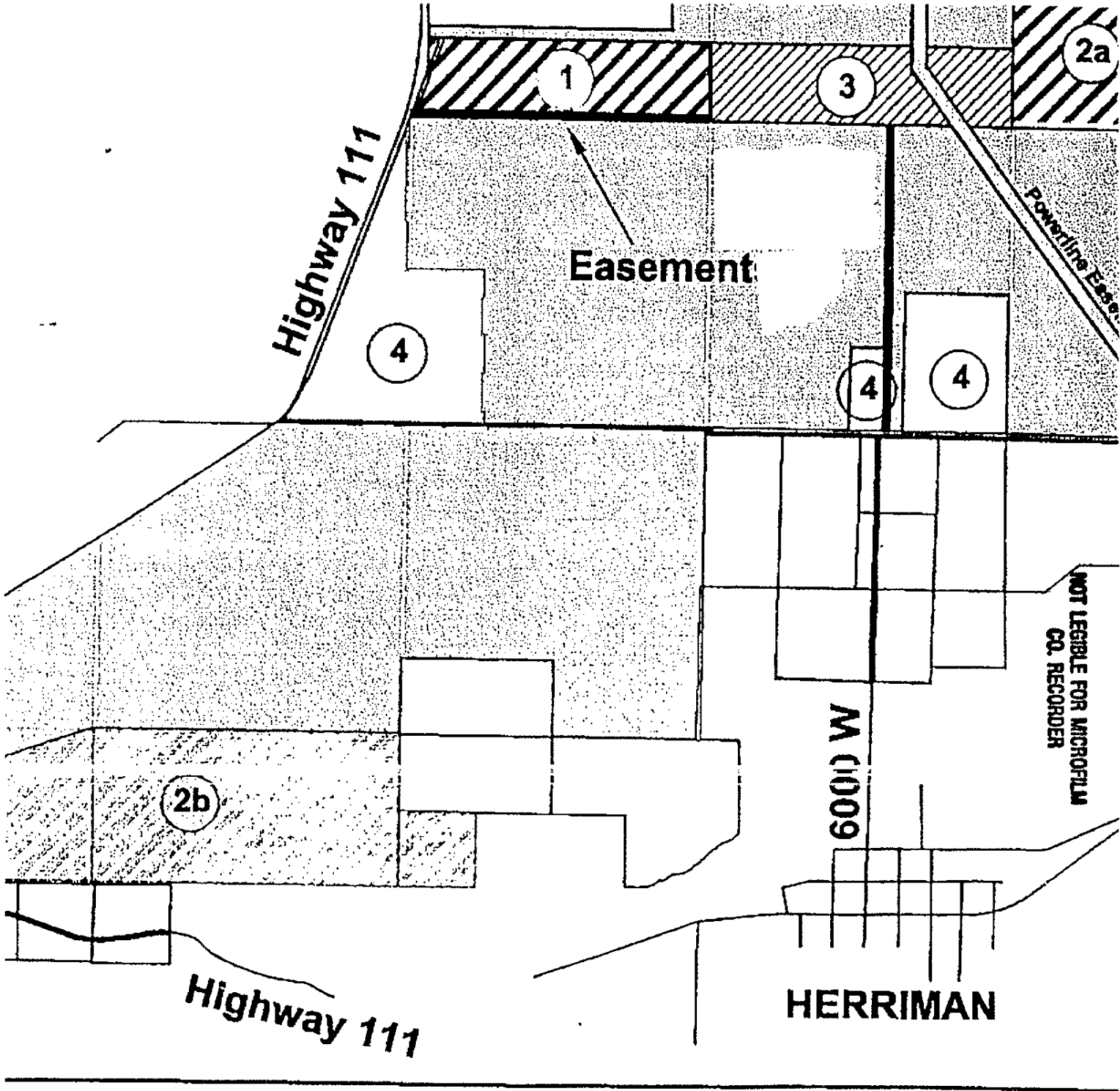


EXHIBIT "F"

DESCRIPTION OF EAST EASEMENT

ALL THAT CERTAIN REAL PROPERTY IN THE STATE OF UTAH, COUNTY OF SALT LAKE, DESCRIBED AS FOLLOWS:

BEGINNING 2130.24 feet West 33.62 feet North from the Southeast Corner of Section 23, Township 3 South, Range 2 West, Salt Lake Base and Meridian; thence North 0°4'18" East 5253.58 feet; thence North 89°56'7" East 120 feet; thence South 0°4'18" West 5253.75 feet; thence South 89°59' West 120 feet to the point of beginning.

Exhibit G

MAP OF EAST EASEMENT

