

WHEN RECORDED, RETURN TO:
Community Water Company
6282 N. Old Ranch Road
Park City, UT 84098

ENTRY NO. 00803013

01/25/2007 04:02:35 PM B: 1843 P: 1371
Easements PAGE 1 / 8
ALAN SPRIGGS, SUMMIT COUNTY RECORDER
FEE \$ 30.00 BY U S TITLE OF UTAH



EASEMENT AGREEMENT
(Waterline Easement)
[Lower Village No. 86]

THIS EASEMENT AGREEMENT (this "Agreement") is executed as of _____, 2006, by and between WOLF MOUNTAIN RESORTS, L.C., a Utah limited liability company ("Wolf Mountain"), as "Grantor", and COMMUNITY WATER COMPANY, a Utah corporation, as "Grantee".

RECITALS

A. Grantor owns or may later own portions of certain Parcels (the "Grantor's Parcels") more particularly described on Exhibit A attached hereto and incorporated herein.

B. Grantor desires to grant to Grantee an easement on, over, across and through Grantor's Parcels at the locations and on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Grant of Easement.** Grantor hereby conveys, assigns, transfers and grants to Grantee a nonexclusive easement on, over, across and through the portion of the area more particularly described on Exhibit B attached hereto and incorporated herein by this reference (the "Easement Area") which are located on Grantor's Parcels, for the purpose of providing culinary water services, together with the right to install, construct, maintain, operate, repair and replace thereon all necessary underground culinary water pipes and other manner of improvements or appurtenances that may be used or required for the delivery of culinary water services (collectively, the "Waterline Improvements").

2. **Relocation of Easement Area.** Grantor may, at its sole cost and expense, move the portion of the Easement Area located on such Grantor's Parcel to another location on Grantor's Parcels, provided that: (i) such Grantor constructs and installs Waterline Improvements to replace the Waterline Improvements located in the Easement Area to be relocated; (ii) such Grantor conveys an easement to Grantee for the relocated easement; and (iii) the easement, as relocated, still connects with the Waterline Improvements on adjacent parcels of real property.

3. **Grantor Improvements.** Grantor, at its sole cost and expense, may use, construct, install, maintain and repair improvements on, over, across and through the Easement Area on Grantor's Parcels ("Grantor Improvements"), including without limitation underground

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utilities, curbs, gutters, sidewalks and/or roadways, landscaping, fences, walls, temporary structures and other similar improvements, provided that such improvements shall not unreasonably interfere with the use, operation, maintenance and repair of Waterline Improvements within the Easement Area. If any Grantor Improvements unreasonably interfere with the use, operation, maintenance and repair of Waterline Improvements within the Easement Area, Grantee may provide written notice of such interference to Grantor, provided, however, Grantee hereby consents to the improvement (including the installation of landscaping, fairways, greens, tee boxes, pedestrian and golf cart pathways and other golf course-related improvements), and the use and operation, of that portion of the Easement Area used as a golf course by the owner of the golf course and its successors, as a golf course. Within thirty (30) days after such notice, or within such other period of time as may be reasonably necessary under the circumstances, of the Grantor's receipt of such written notice, Grantor, at its sole cost, shall remove the portion of the Grantor Improvements reasonably necessary to allow Grantee to use, operate, maintain, and repair the Waterline Improvements. If such Grantor fails to timely remove such Grantor Improvements, Grantee may, at such Grantor's cost, remove such Grantor Improvements.

4. No Public Dedication. Nothing contained in this Agreement shall be deemed to be a gift or dedication of any portion of the Grantor's Parcels, including the Easement Area, to or for the general public or for any public purposes whatsoever, it being the intention of Grantors and Grantee that this Agreement be strictly limited to and for the purposes expressed herein.

5. Covenants to Run with the Land. Each of the easements and rights contained in this Agreement (whether affirmative or negative in nature) shall: (i) constitute covenants running with the land; (ii) bind every person having a fee, leasehold or other interest in any portion of any Parcel at any time or from time to time to the extent such portion is affected or bound by the easement or right in question, or to the extent such easement or right is to be performed on such portion; and (iii) shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

6. Notices. Any and all notices required or permitted hereunder shall be given in writing and personally delivered, delivered by certified mail, return receipt requested, postage prepaid, or delivered by generally recognized overnight courier providing proof of delivery, addressed as follows:

To Wolf Mountain:

Bradley E. Rauch
Hirsch & Westheimer, P.C.
700 Louisiana, 25th Floor
Houston, TX 77002

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To Grantee:

Community Water Company
6282 N. Old Ranch Road
Park City, UT 84098

7. The easement granted herein is subject to the condition that the Grantee shall indemnify and hold harmless the Grantor, and its successors and assigns against any and all liability caused by the acts of the Grantee, its contractors or agents, during the installation, construction, maintenance, operation, overrotation, repair and replacement of the water pipeline or other components or improvements related thereto provided for in this easement; the Grantor's right to indemnification or to be held harmless by the Grantee under the terms of this paragraph is expressly conditioned upon prompt and immediate notice by Grantors, or any one of them, to the Grantee of any claim or demand of which it has actual knowledge which would cause a claim for indemnification against the Grantee and upon the Grantees right to defend any claim against the Grantors which would cause a claim of indemnification against the Grantee. This provision shall not be interpreted or construed to waive the rights of the Grantee to the affirmative defenses to claims provided under the Utah Governmental Immunity Act.

8. **Miscellaneous.**

(a) This Agreement and the easements and undertakings contained herein shall be perpetual.

(b) This Agreement contains the entire agreement between the parties hereto with respect to the matters addressed herein. This Agreement cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties.

(c) The parties hereto do not by this Agreement, in any way or for any purpose, become partners or joint venturers of each other in the conduct of their respective businesses or otherwise.

(d) The parties hereto shall execute and deliver all documents, provide all information, take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

(e) This Agreement shall be construed in accordance with and governed by the laws of the State of Utah.

(f) In the event it becomes necessary for any party hereto to employ the services of an attorney in connection herewith, either with or without litigation, the losing party of such controversy shall pay to the successful party reasonable attorneys' fees and, in addition, such costs and expenses as are incurred in enforcing this Agreement.

(g) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

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[SIGNATURES TO FOLLOW]

SIGNATURE PAGE FOR WOLF MOUNTAIN RESORTS, L.C.

WOLF MOUNTAIN RESORTS, L.C., a Utah limited liability company

By:

Name:

Title:

Kenneth Griswold
Kenneth Griswold
Managing Member

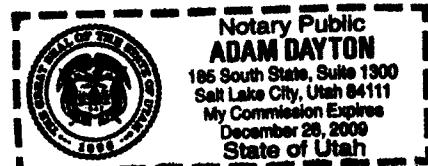
STATE OF UTAH)
:ss
COUNTY OF Summit)

The foregoing instrument was acknowledged before me this 15th day of October, 2006, by Kenneth Griswold, Managing Member of Wolf Mountain Resorts, L.C.

R. J. Dayton
NOTARY PUBLIC

Residing at: Salt Lake City

My commission expires:



SIGNATURE PAGE FOR COMMUNITY WATER COMPANY

COMMUNITY WATER COMPANY, a Utah corporation

By: JM
Name: John M. NADALIN
Title: VICE PRESIDENT

STATE OF UTAH)
COUNTY OF Summit)
:ss

The foregoing instrument was acknowledged before me this 23 day of January,
2008, by John NADALIN, VP President of Community Water
Company, a Utah corporation.

Dana W. Kent
NOTARY PUBLIC
Residing at: Summit County, UT

My commission expires: 1/9/2009

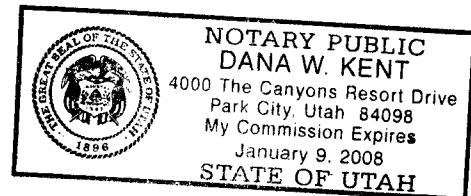


EXHIBIT A

Description of Wolf Parcels

PARCEL F:

COMMENCING at a point which is 1014.78 feet North of the Southwest corner of Section 31, Township 1 South, Range 4 East, Salt Lake Base and Meridian; and running thence North along said Section line 425 feet, more or less, to a point on the North boundary line of the Park West Drive right of way; thence Northeasterly 50 feet, more or less, along said North right of way line and along the arc of a 320 foot radius curve to the left to a point of tangency; thence North 48°30' East along said North right of way line 255.19 feet to a point on a 15 foot radius curve to the left; thence Northerly along the arc of said curve 23.56 feet to a point of tangency; thence North 41°30' West 114.95 feet to a point on a 254 foot radius curve to the left; thence Northwesterly along the arc of said curve 117.48 feet to a point of tangency; thence North 68°00" West 76.72 feet to a point on a 416 foot radius curve to the right; thence Northwesterly along the arc of said curve 203.29 feet to a point of tangency; thence North 40°00' West 57.53 feet; thence North 50°00' East 36 feet; thence South 40°00' East 57.53 feet to a point on a 380 foot radius curve to the left; thence Southeasterly along the arc of said curve, 185.70 feet to a point of tangency; thence South 68°00' East 76.72 feet; thence along the arc of a 290 foot radius curve to the right 134.129 feet through a central angle of 26°30'00", (chord bears South 54°45' East 132.936 feet;) thence South 41°30' East 114.95 feet to a point on a 15 foot radius curve to the left; thence Easterly along the arc of said curve 23.56 to a point of reverse curvature on a 972 foot radius curve to the right, which point is on the North right of way line of a right of way formerly known as Park West Drive; thence Easterly along the arc of said curve and along said North right of way, 704.02 feet to a point of tangency; thence East along the aforesaid North right of way line, 264.4 feet, more or less, to a point on the West boundary line of the U-224 access right of way, which point is approximately North 1929 feet and East 1188.59 feet from the Southwest corner of said Section 31; and running thence South along said West boundary 78.39 feet to a point on the South boundary of said right of way; thence South 86°29'46" East, along said South boundary, 167.71 feet; thence Southeasterly along the East boundary line of the U-224 right of way and along the arc of a 1230.92 foot radius curve to the left 293.77 feet, more or less, to a point which is North 1544 from the South Section line of said Section 31; thence West 694 feet, more or less, to a point of the West boundary line of Lot 8, of the vacated plat of Park City West, Plat No. 1; according to the Official Plat thereof, on file and of record in the Office of the Summit County Recorder; thence South 290 feet; thence East 139.96 feet; thence South 240.22 feet, more or less, to a point which is North 1013.78 feet from the South Section line of Section 31; thence West 850 feet, more or less, to the point of commencement, together with one-half of the vacated street located adjacent to the lots within the bounds of this description within the bounds of the vacated plat of Park City West, Plat No. 1.

LESS AND EXCEPTING therefrom the following described parcels:

COMMENCING at a point which is North 1836.89 feet and East 957.35 feet from the Southwest corner of the aforesaid Section 31; and running thence South 144 feet; thence West 100 feet; thence North 144 feet; thence East 100 feet, more or less, to the point of commencement.

All of Parcel 1, LOWER VILLAGE PARCEL 1 PLAT, according to the Official Plat thereof, on file and of record in the Office of the Summit County Recorder.

TAX ID NO. PP-102-C-2, PP-102-B-3, PP-102-B-3-A, PP-102-D-3-E

EXHIBIT B

Description of Easement Area

LEGAL DESCRIPTION for an easement being 10.0 feet on each side of the following described centerline, as shown on the proposed Lower Village Development Area Master Plat as Easement 86, more particularly described as follows;

Commencing at a point which is North 00°00'31" East, a distance of 1318.73 feet along the section line from the Southwest corner of Section 31, Township 1 South, Range 4 East, Salt Lake Base and Meridian; (basis of bearing being South 89°44'59" East, a distance of 2694.30 feet between the South quarter corner of said Section 31 and the said Southwest corner of Section 31); thence North 74°14'44" East a distance of 168.01 feet; thence North 75°49'47" East a distance of 74.35 feet; thence North 72°52'32" East a distance of 55.60 feet; thence North 86°41'16" East a distance of 1155.12 feet to the point of terminus, said point being on the westerly right of way of Highway 224.

PP-102-C-2