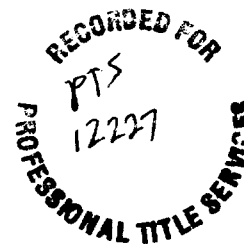


**OPTION TO PURCHASE FEE TITLE
AND
PURCHASE AGREEMENT**

THIS OPTION TO PURCHASE FEE TITLE AND PURCHASE AGREEMENT (the "Agreement") is entered into this 18th day of December, 2002, by and between **DOUBLE J. TRIANGLE, a.k.a. K. C. JENSEN** ("Seller") whose address is Post Office Box 415, Helper, Utah 84526, and **RICHARD G. GATHERUM** whose address is 1983 East Forest Creek Ln, Salt Lake City, Utah 84121 ("**Buyer**"), the **STATE OF UTAH, DEPARTMENT OF NATURAL RESOURCES, DIVISION OF WILDLIFE RESOURCES**, a government entity, having an address at 1594 W. North Temple, Suite 2110, Box 146301, Salt Lake City, Utah 84114-6301 ("**DWR**"). The Seller, Buyer, and DWR, and are collectively referred to herein as the "**Parties**." The following exhibits are attached to and made a part of this Agreement:

- Exhibit A - Description of Property
- Exhibit B - Map of the Property
- Exhibit C - Deed and Title Commitment for Property
- Exhibit D - Conservation Easement attached to Deed



A. RECITALS

WHEREAS, Buyer desires an Option to purchase from Seller, and Seller desires to sell to Buyer all right title and interest in and to all that certain real property, including without limitation the land and all buildings, improvements and fixture thereon, all mineral, water, grazing and other surface and subsurface rights, permits, hereditaments, easements, incidents and appurtenances belonging and associated thereto, located in the County of Carbon, State of Utah, more particularly described in Exhibit A to this Agreement (the "**Property**"), on all of the terms, conditions, and exceptions set forth below; and

WHEREAS, Buyer desires to purchase that portion of the Property described in Exhibit A and all easements and rights-of-way held by seller on the Property, and on adjacent properties which provides ingress and egress to the Property, with the exceptions described in Subsection C, Paragraph 1.

NOW, THEREFORE, in consideration of the recitals, promises, payments, covenants and undertakings hereinafter set forth, and other good and valuable consideration, which is hereby acknowledged and receipted for, Buyer and Seller agree as follows, to-wit:

B. OPTION PROVISIONS

1. In consideration of the sum of \$10,000.00 (Option Consideration) paid by

DWR to Seller, receipt of which is hereby acknowledged, and of mutual covenants contained in this Agreement, Seller hereby grants to Buyer, the exclusive right and option (the "Option") to, within one year from the date of last signature, purchase all title, rights and interests to that certain real property as identified in Exhibit A, and further referred to in paragraph 1 of "Purchase Provisions." All terms and conditions administering the Option are set forth as follows:

In the event Buyer elects to not exercise its Option under this Agreement, DWR shall have the right to assume and exercise the Option as it currently exists for Buyer, immediately upon Buyer's notification to not exercise the Option. DWR will have the remainder of the Option period or 15 working days, which ever is longer, to exercise the assumed Option, and 60 days following exercise of the option to close on said purchase under the terms, conditions and provisions of this Agreement as applied to Buyer.

2. The total purchase price of \$900,000.00 for the Property, as described above, minus \$600,000.00 for the Conservation Easement shall leave a remainder of THREE HUNDRED THOUSAND and NO/100 DOLLARS (\$300,000.00) to be paid under this Agreement.

3. At such time as Buyer elects to exercise its option, it shall do so by giving written notice to Seller within 30 days prior to the one-year anniversary date of last signature. The Option may be exercised by Buyer giving written notice to Seller at the address set forth in paragraph D.6. through mail, postage prepaid. Such notice shall be deemed to have been given upon the date shown postmarked on the envelope in which such notice is sent. Buyer may, in its sole discretion, elect not to exercise the Option, in which case DWR shall be notified of its first-right-of-refusal as specified in paragraph B.1. The Parties understand and agree that the right of the Buyer to exercise this option is contingent upon the Seller having previously sold a conservation easement to DWR on the same Property. If Buyer elects to exercise the Option, it shall do so by following the procedures set forth in paragraph B.5. of this Agreement.

4. Seller shall obtain a preliminary title commitment, for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter the "Option Preliminary Commitment") and copies of all exception documents pursuant to which such title company is prepared to issue said Owner's policy of title insurance in the amount of the total purchase price for the Property then being considered for purchase, which policy shall be paid for by Seller. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to this Paragraph. Within thirty (30) calendar days of receipt of the Option Preliminary Commitment, Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to Buyer (hereinafter "Title Notice). Following giving of Title Notice, no additional encumbrances or exceptions affecting the Property shall arise from the date of the Title Notice through the Closing Date. Any additional encumbrance or exception that Seller desires to affect on the Property shall require the prior written approval of the Buyer, which approval shall be in the sole and absolute discretion of the Buyer.

C. PURCHASE PROVISIONS

1. Seller hereby agrees to sell and the Buyer hereby agrees to purchase the Property legally described in Exhibit A, including all easements and rights-of-way held by Seller on the Property, or on adjacent property providing ingress and egress to and from the subject Property.

Exceptions and Retentions :

a. Seller retains approximately 60 acres located generally in the S2SE4 Section 7, and the SW4SW4 Section 8, all within Township 13 South, Range 9 East, SLB&M. The exact location of this parcel will jointly be determined hereafter by Seller and Buyers.

b. Upon request, and at any time during Seller's lifetime, Buyer shall transfer to Seller a 40-acre parcel of land containing a 3-acre building site, as provided in that Conservation Easement recorded in the records of Carbon County on 4-28-2003, ~~2002~~, Entry No. 98257, Book 531, Page 643. The 3-acre building site (and 40-acre parcel) identified above, shall be the only building site authorized under this Agreement in that location referred to as "Lone Pine," provided said 3-acre building site within the 40-acre parcel is not contiguous with or adjacent to any public land boundary. Buyer shall perpetually have full rights of access to and across 37-acre parcel as herein after described. Buyer is subject to the same right of access stipulations on said 37 acres as is reserved by Seller described in Section C. paragraph 1.e. of this Agreement. Further, 37 acres of the said 40-acre parcel not containing the building site, shall remain encumbered by the above Conservation Easement.

Said site shall be identified within five (5) years of the date hereof. Upon identification, a competent legal description shall be provided to the Division who will record it with the Carbon County Recorder and attach it as an exhibit to the Easement. Further, at such time as the Building Site is selected, as specified above, Buyer shall grant Seller a 21 foot right of way from the nearest existing road to the building site.

c. Water Rights: Seller shall retain 50% interest in all water and water rights appurtenant to, but not limited to, Water Rights number 91-3887 and 91-3643 as specified in that certain Warranty Deed recorded in the Carbon County Recorder's office on August 11, 1997 as Entry No. 61313, in Book 392, Page 787.

Seller shall retain all water rights remaining at spring referred to as Foys Property located at mine entrance referred to as Liberty Fuels or Latuda, including existing access seller retains with Foys.

- d. Seller retains a right-of-way to bury a waterline for the purpose of transporting water from spring sources to the locations identified above in Section C.1.a & b. Said water line is to be buried, where possible, under existing road rights-of-way. Once the water line has been installed, all disturbed surfaces will be returned to, as much as possible, to their original condition.

Further, Seller, Buyer and Division agree to reciprocally provide the other party a utility easement for power and water to permitted residences, structures and livestock at such time as their location is identified and they are constructed. Said utilities shall be buried and surface reclaimed returned to, as much as possible, to their original condition.

- e. Seller reserves to himself and his immediate family members perpetual access over and upon the Property, subject to the following conditions:
- i. This right of access may be transferred only to the bona fide buyer(s) of the 60- acre parcel described in Section C.1.a. and/or the 40-acre parcel described in Section C.1.b. of this Agreement.
 - ii. Guests of Seller, his immediate family members, or successors in interest may utilize this right of access only when personally accompanied by Seller or at least one immediate family member (or successors in interest), with a limit not to exceed 5 individuals a day.

Access by means of motorized vehicles shall be confined to existing roads at least five feet in width. Equestrian and pedestrian use may occur over any portion of the Property, provided such use does not significantly impair the Conservation Values sought to be protected in that certain Conservation Easement referred to above C.1.b.

Access for any commercial purpose is strictly prohibited. Nothing herein shall be construed as reserving or granting to Seller or his immediate family members any right or opportunity to hunt or fish on the Property.

- f. Excepting all existing right-of-ways, easements and encumbrances of record on the Property held by third parties.
- h. Seller has two (2) years to remove all personal property, including but not limited to: six 40 foot cargo containers, one 40 foot travel trailer, two small camp trailers, and all timbers located at railroad crossing on the lower property on south side of the county road within the S1/2SE1/4 of Sec.7 and within SW1/4SW1/4 of Sec 8, all within Township 13 South, Range 9 East SLB&M.

2. As stated in paragraph B2 of this Agreement, the total purchase price of

\$900,000.00 for the Property, as described above, minus \$600,000.00 for the Conservation Easement shall leave a remainder of THREE HUNDRED THOUSAND and NO/100 DOLLARS (\$300,000.00) to be paid under this Agreement.

3. Buyer shall have until and through midnight on April 28, 2004 (the "Notification Deadline") on which to notify Seller as to whether the conditions precedent, as described in Paragraph C.6. below, to Buyer's purchase of the Property, have been satisfied or waived.

4. Buyer shall notify Seller in writing, by mail postage prepaid, that the conditions precedent have either been satisfied or are waived by Buyer. Such notice shall be deemed to have been given upon the date shown postmarked on the envelope in which such notice is sent. This Agreement is deemed terminated with Buyer if no notice is given.

5. Buyer's obligation to purchase the Property as provided herein shall be subject to Seller satisfying the following conditions:

From Professional Title Services' Commitment No. C-9912- Order No. 12227, dated May 17, 2002, the following exceptions from Schedule B of the title commitment must cured and removed from the Carbon County records, or are made subordinate to this Agreement and any deeds of transfer: paragraphs 1 thru 29 consecutively, and paragraphs 51 thru 54 consecutively.

From Professional Title Services' Commitment No. C-9912- Order No. 7408, dated May 15, 2002, the following exceptions from Schedule B of the title commitment must cured and removed from the Carbon County records, or are made subordinate to this Agreement and any deeds of transfer: paragraphs 1 thru 17 consecutively, and paragraphs 36 thru 38 consecutively.

From Professional Title Services' Commitment No. C-9912- Order No. 9864, dated April 25, 2002, the following exceptions from Schedule of the title commitment must cured and removed from the Carbon County records, or are made subordinate to this Agreement and any deeds of transfer: paragraphs 1 thru 9 consecutively, and paragraphs 15 thru 19 consecutively.

The foregoing conditions are for the sole benefit of Buyer. If any of those conditions are not satisfied or waived by Buyer, in its sole discretion, on or before the Notification Deadline, or if Seller is not in full compliance with this Agreement or Seller's representations and warranties are not true and accurate at the time of closing, then Buyer may, at its sole election, terminate this Agreement upon written notice thereof to Seller, without any further liability to either party.

6 Buyer will obtain for the Property a preliminary commitment for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter the "Preliminary Commitment") from Professional Title Services, Price, Utah, pursuant to which such title company is prepared to

issue said Owner's policy of title insurance in the amount of the total purchase price for the Property, which policy shall be paid for by Seller. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to this Paragraph C.5. Within thirty (30) days of execution of this Agreement, Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to Buyer (hereinafter "Title Notice"). Following giving of Title Notice, no additional encumbrances or exceptions affecting the Property shall arise from the date of the Title Notice through the Closing Date. Any additional encumbrance or exception that Seller desires to affect the Property shall require the prior written approval of the Buyer, which approval shall be in the sole and absolute discretion of Buyer.

7 Closing and delivery of deed shall take place on _____
in the office of Professional Title Company.

- (a) At closing Seller shall deliver to Buyer or to the escrow agent for the benefit of Buyer the following:
 - (i) A good and fully executed and acknowledged General Warranty Deed conveying to Buyer good and marketable title to the Property, free and clear of all liens, tenancies and encumbrances except those set forth in Paragraph C5 of this Agreement;
 - (ii) A current update of the title commitment, at Seller's expense, showing title subject only to the permitted exceptions determined by Paragraph C5. Seller shall cause the Title Company to issue to Buyer its standard form Owner's Policy of Title Insurance insuring good and marketable title in Buyer as to the Property, and subject only to the permitted exceptions as determined in Paragraph C5 of this Agreement;
 - (iii) Seller's closing costs which include Seller's portion of the pro-rated taxes and other assessments affecting the Property, all incidental costs and fees customarily paid by sellers in Carbon County, Utah and one-half the cost of any escrow/closing fee;
 - (iv) An affidavit as contemplated by the Internal Revenue Code Section 1445 as to the non-foreign person status of Seller;
 - (v) Any other documents required by this Agreement to be delivered by Seller to Title Company or reasonably required by Buyer or Title Company in connection herewith.
- (b) At closing Buyer shall deliver to Seller:

- (i) The applicable purchase price, by cash, certified funds, electronic funds transfer or other good funds for the Property; and
- (ii) Buyer's closing costs, which include all incidental costs and fees customarily paid by buyers in Carbon County, Utah and one-half the cost of any escrow/closing fee.

10. All risk of loss or damage to the Property shall pass from Seller to Buyer at Closing. In the event that any material loss or damage occurs before the Closing, Buyer may refuse, without liability herein, to accept the conveyance of title, in which event this Agreement shall terminate. Seller shall deliver possession of the Property being acquired to Buyer on the date of the Closing.

D. MISCELLANEOUS TERMS AND CONDITIONS

1. **Taxes:** Seller agrees that all taxes, assessments and encumbrances that will be a lien against the Property being purchased at closing, including all deferred taxes and any other charges that could be imposed on the Property in the future by recapture or otherwise as a result of any classification of the Property for assessment purposes existing prior to closing, including without limitation any compensating tax, additional tax, deferred timber tax, agricultural use tax, open space tax, or any other tax, interest, and penalties, whether or not those charges would constitute a lien against the Property at settlement, shall be satisfied of record by Seller at or before closing. If Seller shall fail to do so, Buyer may pay any such tax, assessment, encumbrance, or other charge and deduct an amount equal to any such payment from the purchase price of the Property. Regular real property taxes due and payable for the year in which closing shall occur shall be prorated as of closing. Seller shall not pay roll-back taxes.

2. **Real Estate Commission:** Each party represents to the other that it has not contracted with any broker or finder with regard to this transaction, and each agrees to indemnify and defend the other and hold the other harmless from and against all liability, claims, demands, damages and costs of any kind arising from or connected with any broker's or finder's type of fee, commission or charges claimed to be due any person arising from such party's conduct with respect to this transaction.

3. **Assignment:** Seller shall not assign its rights and obligations hereunder unless Buyer first consents thereto in writing, which consent shall not be unreasonably withheld. Seller agrees that so long as Buyer is not in default hereunder, Seller shall not sell or convey any of the Property except to Buyer pursuant to this Agreement. Buyer may not assign its rights to purchase all or a portion of the Property unless Seller first consents thereto in writing, which consent shall not be unreasonably withheld.

4. **Right of First Refusal.** In the event Seller chooses to sell or convey any of the retained interests in the Property, Buyer or DWR shall have the Right-of-First-Refusal to

purchase said retained interests at a value equal to any bona fide offer to purchase said retained interests.

5. **Amendment:** Any amendment to this Agreement must be in writing and signed by both Seller and Buyer.

6. **Entire Agreement:** This Agreement, including exhibits, contains the entire contract, understanding, and agreement between the Parties and supersedes all prior understandings, warranties, representations, letters of intent, all of which are by execution hereof rendered null and void.

7. **Notice:** Except as expressly set forth above, any notices, demands or other communications required or permitted to be given hereunder shall be given in writing and shall be delivered (i) in person, against receipt, (ii) by certified mail, postage prepaid, return receipt requested, (iii) by U.S. Express Mail or a commercial overnight courier that guarantees delivery within the next two business days, or (iv) by telephone facsimile. Such notices shall be addressed as follows:

TO SELLER:
P.O. Box 415
Helper, Utah 84526

TO BUYER:
1983 East Forest Creek Ln.
Salt Lake City, Utah 84121

copy to: DWR
Habitat Section, Land Acquisitions
1594 West North Temple, Suite 2110
Salt Lake City, Utah 84114-6301

Notice of change of address shall be effective only when done in accordance with this Paragraph. All notices complying with this Paragraph shall be effective only upon delivery, except that the notice of exercise of option set forth in Paragraph B4 shall be effective upon the date shown postmarked on the envelope in which such notice is sent.

8. **Governing Law:** The validity and effect of this Agreement shall be determined in accordance with the laws of the State of Utah.

9. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Facsimile signatures shall be acceptable to and binding upon all parties.

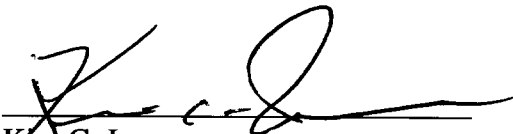
10. **Severability:** If any part of this Agreement is found, decreed or held to be void or unenforceable such finding, decree or holding shall not affect the other remaining provisions of this Agreement which shall remain in full force and effect.

11. **Captions:** The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

IN WITNESS WHEREOF, Seller, Buyer and DWR have executed this Agreement on the dates set forth in their respective acknowledgments intending that this Agreement be effective as of the day and year first above set forth.

THE SELLER:

BUYER:



Kim C. Jensen



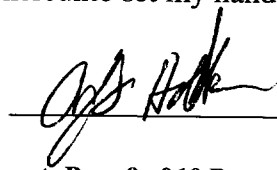
UTAH DIVISION OF WILDLIFE
RESOURCES


~~Kevin K. Conway~~, Director
Brent K Hutchings

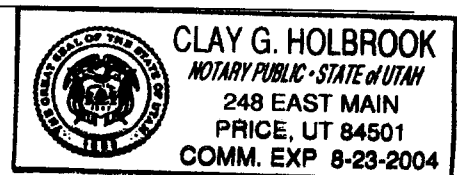
STATE OF UTAH)
 : ss.
County of Carbon)

On this 18th day of December 2002, Kim C. Jensen, representing Double J. Triangle, a.k.a. K.C. Jensen, known to me to be the person(s) whose name(s) (is) (are) subscribed to the instrument set forth above, personally appeared before me, Clay G. Holbrook, a Notary Public for the State of Utah, and acknowledged that he (she) (they) executed the same on behalf of Double J. Triangle, a.k.a. K.C. Jensen.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date above written.



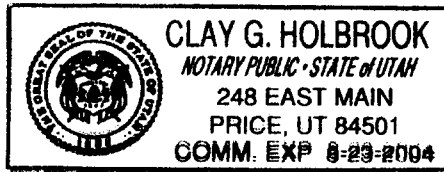
Option to Purchase, and Purchase Agreement- Page 9 of 10 Pages



Notary Public for the State of Utah
Residing at Price, Utah
My commission expires 8-23-04

STATE OF UTAH)
)ss.
COUNTY OF Carbon)

On the 18th Day of December, 2002, personally appeared before me Richard G. Gatherum, a signer of the foregoing Offer, who duly acknowledged to me that he executed the same.



Clay G. Holbrook
Notary Public
Residing at: Price, Utah
My Commission Expires: 8/23/04

State of Utah)
) SS
County of Salt Lake)

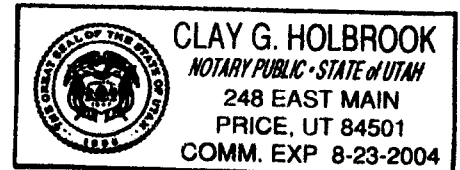
On this 18th day of December, 2002, personally appeared before me Brent K. Hutchings ~~Kevin K. Conway~~, who being first duly sworn said that he is the ^{Acting} Director of the Division of Wildlife Resources, for the State of Utah, that the foregoing instrument was executed pursuant to authority granted him by The Wildlife Resources Code of Utah (23-21-1), and he acknowledged to me that he executed the same

NOTARY PUBLIC *Clay G. Holbrook*

My Commission Expires: 8/23/04

Residing: Price, Utah

Option to Purchase, and Purchase Agreement- Page 10 of 10 Pages



**Option to purchase Fee Title
And
Purchase Agreement
Exhibit "A" Description**

Note: The legal descriptions described below are compiled from three separate title reports and from a portion of a deed not included in the title report. The descriptions will be listed from the title order numbers entered above each of the descriptions for which it applies. The deed description, not from a title report will be identified separately.

THE SURFACE RIGHTS ONLY IN AND TO THE FOLLOWING DESCRIBED TRACTS OF LAND:

Title report 12227

Township 12 South, Range 8 East, Salt Lake Base and Meridian:

ZA-307 Section 34 Lots 1 and 2; N1/2 SE1/4
ZA-310 Section 35: Lots 1, 2, 3 and 4; N1/2 S1/2; S1/2 N1/2

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

ZA-867 Section 1: NW1/4; N1/2 SW1/4; N1/2 SE1/4; SE1/4 SE1/4;
Part of SE1/4 SW1/4: BEGINNING at a point on the North line of the SE1/4 SW1/4 340 feet East of the Northwest Corner thereof, and running thence South 3°30' West 385 feet; thence South 81°30' East 950 feet, more or less, to the East line thereof; thence North long said East line 515 feet, more or less, to the Northeast Corner thereof; thence West along the North line 941 feet, more or less, to the point of beginning.
Part of SW1/4 SE1/4: BEGINNING at the Northwest Corner thereof, and running thence South 515 feet, more or less, along the West line thereof; thence South 81°30' East 535 feet; thence South 4°30' East 700 feet to the South line thereof; thence East to the Southeast Corner; thence North along the East line to the Northeast Corner; thence West along the North line to the point of beginning.

ZA-909 Section 3: All

ZA-909 Section 4: SE1/4; SE1/4 NE1/4

ZA-936 Section 11: SE1/4 NE1/4

ZA-987 Section 12: SW1/4 NW1/4; NE1/4 NW1/4; N1/2 NE1/4
LESS the North 261 feet of the NE1/4 NW1/4 and the North 261 feet of the NW1/4 NE1/4.
ALSO LESS: BEGINNING at a point South 4°11' East 261 feet from the, Northeast Corner of the NW1/4, and running thence South 89°32' West 1290 feet to West line of NE1/4 NW1/4; thence South 3°56' East 100 feet; thence North 89°02' East 1290 feet; thence North 4°11' West 100 feet to the point of beginning.
ALSO LESS: That portion of the NE1/4 NE1/4 lying South of the, County Road.

Township 13 South, Range 9 East, Salt Lake Base and Meridian:

ZA-1031-1 Section 6: Lots 5, 6, and 7; E1/2 SW1/4; SW1/4 SE1/4;

Those portions of the SE1/4 SE1/4, NE1/4 SE1/4, NW1/4 SE1/4, SW1/4 NE1/4, and SE1/4 NW1/4 lying Southwesterly of the following described boundary line: BEGINNING at a point halfway between the NE Corner of the SE1/4 SE1/4 and the SE Corner of the SE1/4 SE1/4, and running thence Northwesterly on a line intersecting the Center of the subdivision (quarter quarter) boundaries through which it passes to the Center of the North line of the SE1/4 NW1/4.

2A-1036 Section 7: That portion of the following described lands lying to the North of the (former) Denver & Rio Grande Railway right-of-way: Lot 1; NE1/4 SW1/4; E1/2 NW1/4; W1/2 NE1/4; ALSO BEGINNING at a point 875 feet North and 825 feet West of the Southeast Corner of Lot 2, and running thence North 39°30' West along County road 70 feet; thence North 40°0' East 75 feet; thence South 39°30' East 70 feet; thence South 40°0' West 75 feet, more or less, to the point of beginning. Right-of-Way in parts of Lots 2 and 3 as per Book 3-F, Page 558. EXCEPTING, a portion of the SW1/4 NE1/4 described as BEGINNING at a point 550 feet North and 2305 feet West, more or less, from the East Quarter Corner of said Section 7, thence North 49°30' East 58.0 feet; thence North 40°30' West 71.0 feet; thence South 49°30' West 58.0 feet; thence South 40°30' East 71.0 feet to the point of beginning.

EXCEPTING therefrom the following:

BEGINNING at the Southeast Corner of the southwest Quarter of the Northeast Quarter of Section 7, Township 13 South, Range 9 East, Salt Lake Base and Meridian, and running thence North 800 feet; thence West 550 feet; thence south 385 feet, more or less, to the Northerly line of the D. & G.W.R.R. right-of-way; thence Easterly and Southeasterly along the said right-of-way line to the East line of the Northwest Quarter of the Southeast Quarter of said Section 7; Thence North along said ;East line to the point of beginning.

Title Report 9864

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

2A-827 Section 12: SE1/4 NW1/4; SW1/4 NE1/4; N1/2 SW1/4; NW1/4 SE1/4

Title Report 7408

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

2A-807 Section 1: SW1/4 SW1/4

2A-807-1 Section 2: SE1/4 SE1/4

2A-826 Section 11: NE1/4 NE1/4

2A-831 Section 12: S1/2 S1/2; NW1/4 NW1/4; NE1/4 SE1/4; thence North 261 feet of the NE1/4 NW1/4; the North 261 feet of the NW1/4 NE1/4.

ALSO, Beginning at a point South 4°11' East 261 feet from the Northeast Corner of the NW1/4 and running thence South 89°32' West 1290 feet to the West line of the NE1/4 NW1/4; thence South 3°56' East 100 feet; thence

North 89°32' East 1290 feet; thence North 4°11' West 100 feet to point of beginning.

ALSO, the North 990 feet to the SE1/4 NE1/4. That part of the NE1/4 lying South of the county road.

NE 1/4 of the
RAH
J.G.

Township 13 South, Range 9 East, Salt Lake Base and Meridian:

ZA-1036

Section 7: The SW1/4 NW1/4, Less the following: Beginning at a point 460 feet East of the Southwest Corner and running thence North 78° East 268.4 feet; thence North 12° West 278 feet; thence South 85° West 95 feet; thence South to a point 115.2 feet North of South line; thence South 78° West 127.5 feet; thence South 12° East 90 feet to beginning.

ALSO, LESS the land described in those certain Quit Claim Deeds recorded in the office of the County Recorder of Carbon County, Utah in Book 15 at Pages 627-638.

That portion of the North 6.5 acres of the NE1/4 SW1/4 lying to the North of the (former) Denver & Rio Grande Railroad right-of-way.

EXCEPTING from said lands the interests of the Denver and Rio Grande Western Railroad Company, acquired under that certain Deed recorded

December 20, 1926, in Book 5-L of Deeds at Page 199, as Entry No. 12912.

ALSO EXCEPTING the interests of Carbon County acquired under that certain Quit Claim Deed recorded September 9, 1939, as Entry No. 34979, in Book 3-U, at Page 8, and Correction of Quit Claim Deed recorded May 16, 1940, as Entry No. 30069, in Book 3-U, at page 406, of Official Records.

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

EXCEPTING that portion lying in the South 1/2 of Section 1 identified in this Agreement and the Deed of Conservation Easement (Section III.A) totaling 12 acres.

Township 13 South, Range 9 East, Salt Lake Base and Meridian:

ZA-1036

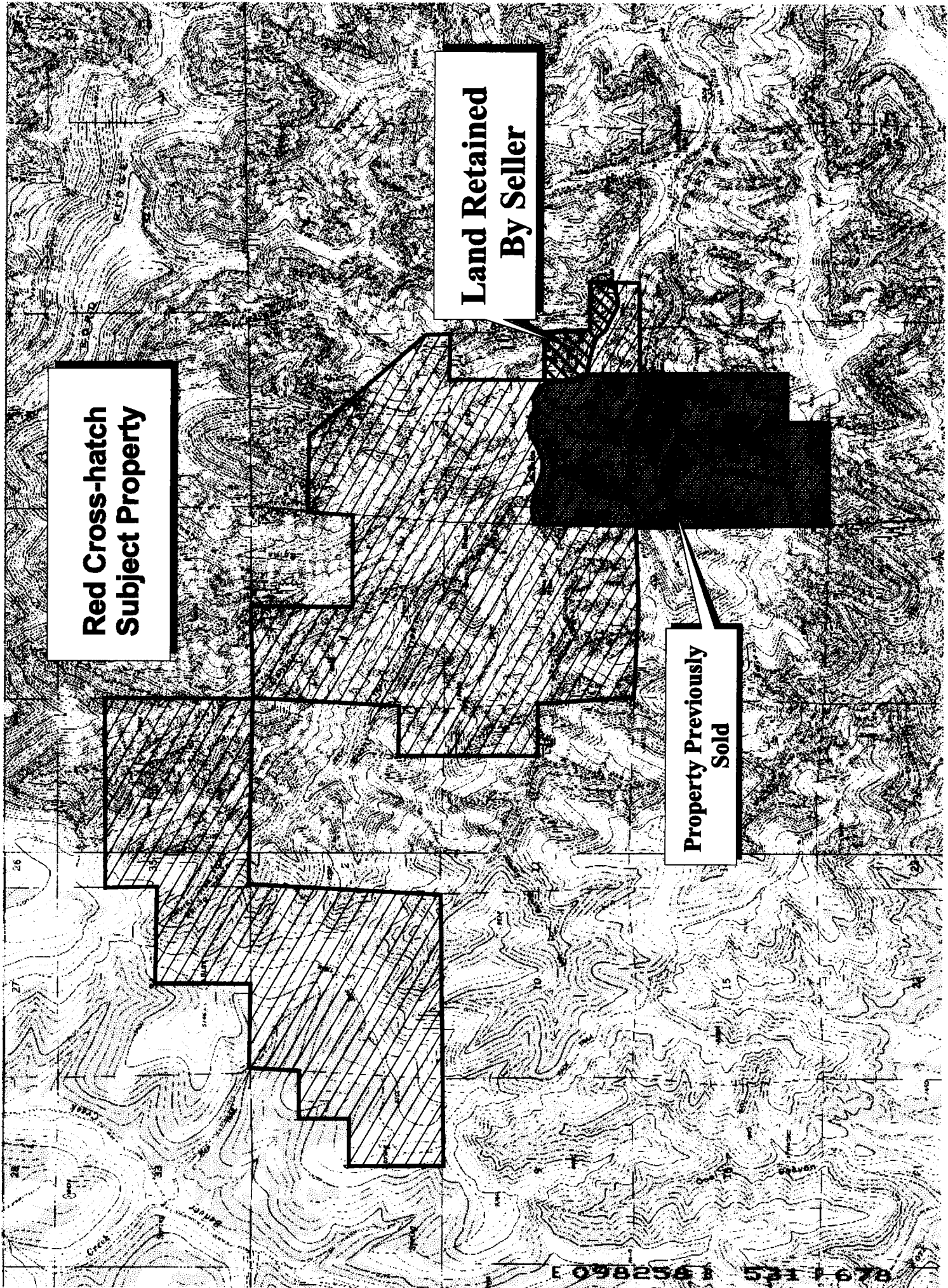
Section 7: That portion of the S1/2SE1/4 lying south of the county road.

ZA-1057-2

Section 8: That portion of the SW1/4SW1/4 lying south of the county road.

RAH
J.G.

EXHIBIT B



**Red Cross-hatch
Subject Property**

**Land Retained
By Seller**

**Property Previously
Sold**

Exhibit C

Deed and Title Commitment for property

This Exhibit will be available at a later date just prior to closing when an new title commitment will be accomplished and the deed will reflect any acceptable exceptions from the new title commitment.

Option to Purchase Fee Title And Purchase Agreement

EXHIBIT D

DEED OF CONSERVATION EASEMENT

(Spring Canyon)

THIS DEED OF CONSERVATION EASEMENT made as of this _____ day of _____, 200___, by **DOUBLE J. TRIANGLE L.L.C.**, whose address is Post Office Box 415, Helper, Utah 84526 ("**Grantor**"), and the **UTAH DEPARTMENT OF NATURAL RESOURCES, DIVISION OF WILDLIFE RESOURCES** ("**Division**") whose address is 1594 West North Temple, Suite 2110, Salt lake City, Utah 84114;

WITNESSETH:

WHEREAS, the purpose of this Easement is to protect or enhance forever the natural wildlife habitat and open space of the real property described in attachment Exhibit A; and

WHEREAS, Grantor is the owner of all the real property in **Carbon County, State of Utah**, described in the attached Exhibit A ("**Property**") and approximately located on the map attached as Exhibit B; and

WHEREAS, the Property has significant wildlife habitat values, ecological and open space values as recognized in the Utah Land Conservation Easement Act, (Utah Code Ann. §§ 57-18-1 to 57-18-7); and Grantor intends to convey this Easement under the statutory provisions of that Act and other applicable provisions of Utah statutory and common law; and

WHEREAS, the Property constitutes a valuable element of the natural habitat of the **Spring Canyon** watershed and ecosystem and the ecosystem's ecological and open space values, including flora, fauna, and soils; the Property provides significant wildlife habitat, and the maintenance of such natural habitat helps support wildlife populations in the **Upper Price River** ecosystem. All these natural habitat, ecological, wildlife, water resource, and open space values ("**Conservation Values**") are worthy of conservation and of great importance to Grantor, the Division, and the State of Utah; and

WHEREAS, Grantor desires and intends that the Conservation Values of the Property be protected and maintained by the continuation, initiation, or introduction of activities on the Property that will not compromise the Conservation Values, including such activities as ranching, hunting, fishing, hiking, camping, various winter activities such as snowmobiling, 4-wheeling on the existing roads, tubing, cross-country skiing, and equestrian uses ("**Primary Uses**"); and

WHEREAS, Grantor, as the fee owner of the Property, holds the right to identify, conserve, enhance, and protect in perpetuity the Conservation Values of the Property; and

WHEREAS, Grantor desires and intends to transfer certain of such rights to the Division, provided Grantor's right to use the Property for the Primary Uses is also protected and conserved in the manner set forth in this Easement; and

WHEREAS, the State of Utah has recognized the importance of both public and private efforts to conserve and protect the state's natural resources by the enactment of Utah Code Ann. §§ 57-18-1 to 57-18-7; and

WHEREAS, the Division undertakes the responsibility to conserve and protect natural areas and significant wildlife habitat for ecological, scientific, recreational, and educational purposes; and the Division is a non-profit, tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and a qualified conservation easement holder under Utah Code Ann. § 57-18-3; and the Division is a qualified organization under Section 170(h)(3) of the Internal Revenue Code to receive and hold conservation easements; and

WHEREAS, the Parties desire that any interpretation of this Easement be construed to further the conservation, protection, and enhancement of the Property's Conservation Values.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and pursuant to Utah Code Ann. §§ 57-18-1 to 57-18-7, and other applicable provisions of Utah statutory and common law, Grantor hereby conveys and warrants to the Division this perpetual Easement over the Property. The scope of this Easement is set forth in this deed.

SECTION I - RIGHTS OF THE DIVISION

The total Property owned by Grantor which will be encumbered by this Conservation Easement as described in Exhibit A and as depicted in Exhibit B. The Division recognizes that Grantor does not own the mineral estate on the entire Property and that this Easement is subordinate to all existing rights and encumbrances of record. The rights conveyed by Grantor to the Department to perpetually maintain the Conservation Values of the Property in this Easement include the following:

A. Identification and Protection. The Division has the right to identify, conserve and protect in perpetuity, and to enhance by mutual agreement the Conservation Values on the Property in the manner set forth in this Easement, subject to Grantor's reserved rights in this Easement.

B. Access. The general public is not granted access to the Property under this Easement, however, the Grantor and the Division agree to share big game hunting opportunities, licenses, tags or permits on the Property on the basis of a minimum of 1/3 of each hunting opportunity being available to the public. Public hunters shall be selected by DWR. It is further agreed that public hunters, and one or two hunting companions accompanying each hunter, shall be granted free access to the Property and surrounding or adjacent public lands otherwise open to hunting, free of charge. Public hunters are required to contact the landowner to obtain

permission and instructions on use and protection of resources on the Property. If the Property is licensed as a Cooperative Wildlife Management Unit, the rules and policies governing that program will prevail on the Property except that the Parties agree to equally share hunting opportunities as noted above. The Division has the right to enter upon the Property to inspect, monitor, and enforce compliance with this Easement at reasonable times. The Division also has the right to enter upon the Property with advance notice and permission from Grantor or Grantor's agent to observe or study the natural resources protected by this Easement in a manner that will not unreasonably interfere with the use of the Property by Grantor.

The Division shall have the unilateral right of immediate entry upon the Property if, in the Division's sole judgement, such entry is necessary to prevent immediate damage or destruction to the Conservation Values of this Easement.

C. Conservation, Enforcement, Injunction, and Restoration. The Division has the right to prevent any activity on, or use of the Property that is inconsistent with this Easement. The Division is entitled to take any legal action to prevent such activity, including but not limited to, obtaining an injunction in a court of competent jurisdiction. The Division further has the right to enforce the reasonable restoration of such areas or features of the Property damaged or impaired by any activities or omissions to prevent such activities inconsistent with this Easement. The Division and Grantor each shall be entitled to recover its reasonable attorney's fees in enforcing its rights under this Easement.

D. Signs. The Division has the right to place signs on the Property to identify it as being protected by this Easement. The number and location of the signs are subject to Grantor's approval, which will not be unreasonably withheld.


SECTION II- GENERAL EFFECT OF EASEMENT

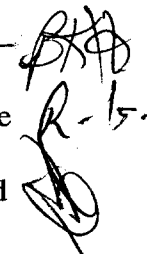
A. Perpetual Restrictions. This Easement shall run with and encumber the title to the Property in perpetuity and shall bind Grantor and all future owners, assigns, and tenants of the Property.

B. Permitted Uses in General. This Easement shall confine the use of the Property to activities such as the Primary Uses or Permitted Uses, consistent with the purposes and terms of this Easement. Any activity by the landowner or his employees or designees on the property or any use of the Property by the landowner or his employees or designees that is inconsistent with the purposes or terms of this Easement or detrimental to the Conservation Values expressed in this Easement is expressly prohibited.

C. Dedication of Property. Pursuant to the terms of Utah Code Ann. §§ 57-18-1 to 57-18-7, the Property conserved by this Easement, as described in Exhibit A and B, is declared open space and natural land, and may not be converted or directed to any uses other than those provided in this Easement.

SECTION III - PERMITTED USES AND PRACTICES

The following uses and practices, while not an exhaustive recital of permitted uses and practices, are consistent with this Easement. The uses and practices described in this section may not be precluded or prevented by this Easement, except under the following circumstances. The uses and practices may be precluded when this Easement requires the Division's prior approval of an activity as provided in Section IV of this Easement or when such uses or practices are conducted or allowed to take place in a manner which violates the terms of this Easement, poses a serious threat of material damage to the Conservation Values protected by this Easement, or constitutes a prohibited use or practice as set forth in Section V of this Easement. 

A. Residential or Recreational Facilities. The Grantor retains the right to construct up to six single-family homes and associated structures and outbuildings for personal family use on 6 three acre building sites located adjacent to the existing road. One of these building sites may consist of no more than 40 acres provided that 37 contiguous acres of the parcel remain encumbered by this Easement. ~~The exact location of the building envelopes, the location of the structure(s) within the building envelopes, the materials used in construction, and etc. will be as mutually agreed by the Parties prior to construction.~~ ^{To be Determined by Seller} Until such time as the building envelopes are selected and described, the property will be managed as Easement Property along with the Property identified by this Easement. Fee title to the 37 acres (within the 40 acre parcel specified in this paragraph) may be transferred to any fee purchaser of the 3-acre building site. However the said 37 acres will remain subject to this Conservation Easement. 

B. Ranching Facilities. Grantor may maintain, replace, and repair, for ranching and recreational purposes, the fences, roads, and other improvements located on the Property as of the date of this Easement, as identified in the baseline inventory referred to in Section X. Grantor may maintain, replace, and repair the existing fences, roads, and other improvements identified in the baseline inventory referred to in Section X, as may be necessary for ranching and the other uses permitted by this Easement, provided such fence, road, corral, barn, shed, or improvement is maintained, replaced or repaired in its original approximate size and general location. If any or all of such facilities are removed or destroyed, Grantor may replace them with similar structures of the same approximate size in the same general location.

Grantor may construct additional fences, roads, corrals, barns, and sheds as may be necessary for ranching and the other agricultural uses permitted by this Easement upon prior written approval by the Division, as provided in Section IV of this Easement. Grantor may construct fences along the exterior border of the Property without prior approval of the Division. Drift fences may be constructed as necessary to control drifting snow. Big game proof fences are permitted around harvested crops (e.g. haystacks) or domestic gardens. No other big game proof fences will be constructed on the Property or on the exterior boundary of the Property.

Replacement or repair of existing fences within the Property boundaries and construction of new fences on the Property's exterior boundary shall be constructed in such a manner and with such materials as not to unduly endanger wildlife safety or to materially inhibit wildlife

movement. The Division's prior written approval, consistent with Section IV of this Easement, must be obtained prior to replacing, repairing, or constructing any fencing on the Property that **may** unduly endanger wildlife safety or materially inhibit wildlife movement.

C. Ranching and Farming Activities. Grantor may use the Property for historical or common ranching and farming activities, including grazing, feeding, breeding, raising, and managing livestock, provided these activities do not materially jeopardize the wildlife habitat values. Generally, the term "livestock" includes traditional livestock.

D. Subdivision. The Property may be subdivided into no more than three parcels provided that no one parcel shall be smaller than 320 acres. Further division or subdivision of the Property is prohibited except as permitted in Section III.A.

E. Livestock Grazing. Good range stewardship and proper management of domestic livestock are integral to the conservation goals of this Easement. Livestock grazing shall not exceed a degree of use described as Moderate Use (for Spring Grazing) or Full use for all other grazing seasons by the United States Department of Agriculture - Natural Resource Conservation Service, as identified in Exhibit C attached hereto, and shall not materially degrade or deteriorate the range resource and wildlife habitat. The Property is utilized as a forage base for wildlife, therefore, all domestic livestock grazing activity will be governed by a Grazing Management Plan ("GMP") prepared by a qualified natural resource specialist(s) and reviewed and approved by the Division, as provided in Section IV. The Division reserves the right, at its sole cost, to have consultants or employees, including range scientists, fisheries biologists, hydrologists, ecologists, foresters, and wildlife biologists review the GMP and make on-site evaluations to provide recommendations to the Division.

The GMP shall be prepared, completed, and incorporated into this Easement as Exhibit C. The GMP may be modified following the execution of this Easement where changing needs and uses precipitate grazing practice changes, or when required or desirable to ensure compliance with the terms of this Easement and protection of the Conservation Values identified therein. The GMP will consider the long-term health of the range resource and wildlife habitat. The GMP will describe appropriate use levels, seasons of use, kinds of livestock that will be grazing and necessary management practices. The GMP must meet all applicable state and federal laws, policies, guidelines, and regulations.

F. Hunting and Fishing. Hunting, trapping and fishing are permitted on the Property only to the extent such activities are consistent with state and federal laws and regulations. The intent of this provision is to permit levels of hunting, trapping and/or fishing which are not detrimental to sustainable levels of wildlife and fish populations. The Parties agree and acknowledge that hunting may be a desirable management tool to balance wildlife numbers with range and habitat condition.

G. Water Resources. Grantor may improve water resources on the Property if such improvement is necessary or beneficial to grazing livestock, wildlife, or fisheries on the Property.

Such improvements must be consistent with the terms of this Easement and the Conservation Values protected therein, as well as comply with all applicable laws and regulations. Such improvements include dug-out development and watering tank installation, provided the improvement does not result in any water pollution having a detrimental effect on fish, aquatic life, wildlife, their habitat, or their passage.

Upon approval by the Division as required in Section IV of this Easement, Grantor may also carry out activities to restore and enhance aquatic, terrestrial, and wetland habitat for fish and wildlife use and production. Such activities may include stream bank stabilization, improvement to the quality and quantity of water available, and development of watering facilities and ponds; provided such activities are conducted in a manner consistent with accepted waterway stabilization, rehabilitation, and enhancement methods, state and federal laws and regulations, and the terms and intent of this Easement.

Water usage or distribution on the Property shall not be altered in such a manner as to compromise the terms of this Easement or the Conservation Values protected therein, as identified in the Baseline Inventory.

H. Agrichemicals and Biological Controls. Grantor may use agrichemicals and biological controls on the Property, including but not limited to insects, fertilizers, biocides, herbicides, pesticides, insecticides and rodenticides. Agrichemical and biological controls may only be used in accordance with all applicable laws, and in those amounts and with that frequency of application constituting the minimum necessary to accomplish reasonable ranching and grazing objectives. The use of such agents shall be conducted in a manner to minimize any adverse effect on the natural values of the Property and to avoid any impairment of the natural ecosystems and their processes.

I. Predators. Grantor may use legal methods to control predatory and problem animals as permitted by state and federal laws.

J. Forest Management. Maintenance of a healthy forest and tree cover is integral to wildlife, wildlife habitat, values of this Easement. All activities affecting the forest and tree cover will be conducted in a manner that maintains long-term forest health and sustains and perpetuates the mix of naturally occurring species in representative ages and group sizes, in accordance with good and sound silvicultural practices and with best management practices. Consistent with these recognitions, Grantor may: 1) cut trees for posts and poles for use on the Property; 2) cut and gather dead, dying and down trees for firewood for personal use on the Property; and 3) cut or prune trees and brush, which constitute a hazard to persons, property, or roads.

All other proposed timber harvesting, including the cutting and removal of trees to abate disease or infestation, to perpetuate a healthy forest, or to provide or enhance diverse habitat for wildlife, will be conducted in accordance with the approved Timber Management Plan (TMP) prepared by a qualified natural resource manager. The Division reserves the right to have

consultants or employees such as professional botanists, biologists, hydrologists, ecologists, zoologists, foresters, etc. review the TMP and make on-site evaluations to provide recommendations to the Division. Such review shall be at the Division's sole cost and expense.

The TMP will encompass the long-term management objectives for the forested land which will include providing diverse wildlife habitat, perpetuating healthy forest conditions, maintaining scenic qualities, and abating erosion. Timber harvest activity will be undertaken at times and by methods that minimize disruption and adverse impact to wildlife using the Property. All applicable state and federal forestry laws, plans, practices, guidelines and regulations must be satisfied. The TMP may incorporate requirements from forest practice regulations in other states or jurisdictions as enforceable contractual provisions between the parties.

K. Residual Rights. Except as expressly limited by this Easement, Grantor may exercise and enjoy all rights as owner of the Property, including the right to use the Property for any purpose not inconsistent with this Easement.

SECTION IV - PRIOR APPROVAL OF ACTIONS BY DIVISION

If any provision of this Easement requires Grantor to obtain the Division's approval prior to performing any act or undertaking any enterprise, Grantor shall not perform that act or undertake that enterprise until the notice and approval provisions of this Section have been fully satisfied. Nothing in this Section shall in any way prohibit or limit the Division's ability to obtain writs or injunctive relief relating to any violation of this Easement.

A. Grantor's Written Notice. Prior to the commencement of any activity, use or enterprise which requires the Division's approval, Grantor will first notify the Division in writing of the proposed activity, use or enterprise. The notice must fully inform the Division of all material aspects of the proposed activity, use or enterprise. Grantor will send such notices to the Division by registered or certified mail, return receipt requested, addressed to the Utah Division of Wildlife Resources at P.O. Box 146301, 1594 West North Temple, Salt Lake City, Utah 84114-6301, Attention: Habitat Section, or to such other address as the Division may designate in writing.

B. Division's Response. The Division shall have forty five (45) days from the date such notice is received (as indicated by the registered or certified return receipt) to review the proposed activity, use, or enterprise and to notify Grantor of any objections it may have to the activity, use, or enterprise. The objections, if any, shall be based upon the Division's opinion that the proposed activity, use or enterprise is likely to cause material damage to the Property's Conservation Values or is otherwise inconsistent with the purpose and/or provisions of this Easement. If, in the Division's judgment, the proposal presented by Grantor can be modified to avoid material damage to the Conservation Values and otherwise comply with the purpose and provisions of this Easement, then the response shall inform Grantor how the proposed activity, use or enterprise may be modified to conform with this Easement. Except as provided in

Subsection C of this Section, Grantor may commence the proposed activity, use, or enterprise only after it receives the Division's express written approval, and only in the manner explicitly proposed by the Grantor and approved by the Division. The Division will send such response to Grantor by registered or certified mail, return receipt requested, addressed to Grantor at Post Office Box 415, Helper, Utah 84526, or to such other address as Grantor may designate in writing.

C. Division's Failure to Respond. If the Division fails to post its response to a proposal presented by Grantor within forty five (45) days after it receives the proposal by registered or certified mail, or within forty five (45) days after the Division has received adequate information to evaluate the proposed activity, whichever is later, then the proposed activity, use or enterprise shall be deemed consistent with the terms of this Easement, and the Division will have no further right to object to the activity, use or enterprise described in the proposal. The forty five (45) day period shall not begin to run for purposes of this paragraph until such time the Division has received adequate information from Grantor to effectively evaluate the proposed activity. In the event the Division requires additional information to evaluate the proposed activity, the Division shall request the information from Grantor as soon as practicable and in any case not later than 45 days after the receipt of the notice of the proposed activity.

D. Force Majeure. Grantor will not be obligated to send a notice to the Division, and the Division will not be entitled to bring an action against Grantor for undertaking any prudent activity in a bona fide emergency situation to prevent, abate, or mitigate the immediate threat of significant damage to the Property resulting from causes beyond Grantor's control, including fire, flood, storm, and earth movement. Grantor will promptly notify the Division of any injury to the Property caused by such events or the efforts to prevent, abate, or mitigated any damage caused by such events.

SECTION V - PROHIBITED USES AND PRACTICES

Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement and which is likely to cause material damage to the Conservation Values is expressly prohibited. Grantor agrees that the following uses and practices, though not an exhaustive recital of inconsistent uses and practices, are explicitly deemed inconsistent with the purposes of this Easement, and shall be prohibited.

A. Commercial Facilities and Activities. Grantor will not establish or conduct any commercial or industrial facilities or activities on the Property (other than those necessary or beneficial in the operation or use of the Property expressly permitted by this Easement), including but not limited to any restaurant, night club, campground, trailer park, bed and breakfast, motel, hotel, lodge, swimming pool, gas station, retail outlet or facility for the manufacture or distribution of any product. This paragraph, nor any part of this agreement shall be interpreted as forbidding the construction and/or operation of a home for the care of troubled teens (see SECTION III, part A above) or activities associated with the care of troubled teens by the owner of the property.

B. Game Farming or Game Farm Animals. Grantor will not construct or operate a game farm on the Property, nor will Grantor raise or hold game farm animals on the Property. Game farm animals include game farm animals regulated or prohibited by the Utah Legislature, the Division of Wildlife Resources, or the Department of Agriculture and Food.

C. Wildlife Disturbance or Harassment. Harassment of wildlife on the Property by people, vehicles or domestic animals is prohibited. Legal hunting, fishing or trapping and other legitimate uses of wildlife specifically sanctioned by DWR shall NOT be considered to be wildlife disturbance or harassment.

D. Alternation of Watercourses and Topography. Grantor will not change, disturb, alter, excavate, or impair any watercourse or wetland or the topography of the ground on the Property, except as expressly permitted by Section III, Subsection G of this Easement.

E. Non-native Species. Grantor will not introduce into the general area of the Property any non-native plant or animal species other than those generally accepted for ranching, farming, residential landscaping and domestic gardening within the residential lot, except as provided for in Section III, Subsection H of this Easement.

F. Subdivision. Grantor does not have the right nor will any attempt be made to divide, subdivide, or take any action which creates an actual or *de facto* subdivision of the Property, except as expressly provided for in Section III, Subsection D of this Easement.

G. Construction. The Grantor will not construct any structures or facilities on the Property except as specifically provided for in Section III, Subsections A and B.

H. Roads. Grantor will not construct any new roads except as specifically provided for in Section III, Subsection B. Any new road construction requires the prior approval of the Division, as provided in Section IV of this Easement. Any new road approved by the Division and constructed for temporary use will be reclaimed and restored to its original condition within six (6) months following discontinued use.

I. Off-Road Vehicles. Grantor will not use vehicles off the existing roads and travelways in a manner which may result in; 1) significant soil erosion or compaction, 2) adverse impacts to the natural appearance of the Property, 3) interference with vegetation, or 4) interference with the natural habitats of animal species occurring on the Property. The parties recognize, however, that use of off-road vehicles may be necessary in ranch operations and retrieval of harvested big game animals, and such limited use is therefore expressly permitted, provided that all reasonable efforts are made to minimize any adverse impact of the use consistent with the terms and intent of this Easement.

J. Commercial Feed Lot. Grantor will not establish or maintain any commercial feed lot on the Property. For purposes of this Easement, a commercial feed lot is defined as a

permanently constructed, confined area or facility, within which the land is not grazed or cropped annually, used for purposes of engaging in the business of receiving and feeding livestock for hire.

K. Dumping. Trash, debris, ashes, sawdust, and other non-compostable refuse may not be dumped or otherwise disposed of on the Property, except that generated by normal ranching operations, and as permitted by applicable state and federal laws.

L. Utilities. Additional utility structures and systems are prohibited, unless such structures or systems are necessary for permitted ranching operations or residential/care of troubled teens uses. Absent the Division's prior approval as required in Section IV of this Easement, any additional permitted utility structures or systems must be buried and the disturbed area restored.

M. Mineral Activities. Exploration or extraction of oil, gas, rock, gravel, sand, minerals, artifacts, or other materials found in, on, or under the Property is prohibited by open-pit or surface mining methods. No sub-surface exploration or extraction of oil, gas, rock, gravel, sand, minerals, artifacts, or other materials (including the lease, sale, or other disposition of the rights to such materials) may impair or destroy the Property's Conservation Values. No mineral activities inconsistent with §170(h)(5)(B) of the Internal Revenue Code are permitted.

N. Timber Harvesting. Grantor does not have the right to harvest timber on the Property except as specifically allowed in Section III, Subsection J.

O. Raptor Nests. Grantor will not move or destroy any known or readily identifiable raptor nest at any time, regardless of its active/inactive or occupied/unoccupied status. Grantor will not cut or disturb any trees or other vegetation within 300 feet of any known or readily identifiable active raptor nest during the nesting season, or remove any crown trees or over story vegetation within 300 feet of any known or readily identifiable active raptor nest at any time. However, as specifically allowed in Section III, Subsection J, diseased trees not containing a raptor nest may be cut down and removed during the non-nesting season to abate infestations.

P. Billboards. Grantor will not construct, maintain, or erect any commercial signs or billboards on the Property. Small signs may be displayed, however, to advertise the Property for sale, to identify the Property owner, to post the Property as private, or to post the Property as protected by this Easement.

Q. Aircraft Facilities. Grantor will not construct or erect any aircraft facilities or aircraft landing facilities on the Property.

R. Cultivation or Farming. Additional sodbusting is prohibited. Sodbusting may only occur on those lands identified as cultivated or farmed lands in the Baseline Inventory referred to in Section X. Projects designed to improve, create, or maintain specific wildlife

habitats and mutually agreed to by the Parties are permitted even though some limited sod busting may result from these projects.

SECTION VI - BREACH, RESTORATION, AND REMEDIES

A. Breach and Restoration. Where the Division becomes aware of a violation or potential violation of any restriction contained in this Easement, or becomes aware of any damage or potential damage to the Conservation Values associated with the Property, whether precipitated by Grantor or by a third party, the Division may notify Grantor in writing of such violation, potential violation, damage or potential damage. Upon Grantor's receipt of such notice, Grantor agrees to immediately take action to prevent or stop the activity which potentially or actually violates the terms or intent of this Easement.

Grantor shall have thirty (30) days after receipt of such notice to undertake actions, including restoration of the Property, that are reasonably calculated to swiftly correct the conditions caused by such violation. If Grantor fails to take such corrective action, the Division may undertake appropriate action, including legal action, to effect such corrections. The cost of such corrections, including the Division's expenses, court costs, and legal fees, shall be paid by Grantor. In the event Grantor is found not in violation of this Easement, then Grantor's legal fees shall be paid by the Division.

B. Injunctive and Other Relief. In the event Grantor undertakes or causes to be undertaken any activity on the Property that requires the Division's prior approval and such approval is not obtained consistent with Section IV of this Easement, or where Grantor undertakes or causes to be undertaken any activity in violation or potential violation of the terms of this Easement; the Division shall have the right to obtain injunctive relief or writs from courts of competent jurisdiction to stop any unauthorized activities and/or force the restoration of that portion of the Property affected by such activity to a similar or equivalent condition that existed prior to the unauthorized activity. Such restoration may include, but is not limited to, restoring soils, replanting suitable native vegetation, and/or taking such other action as the Division deems necessary to achieve restoration. In such case, the costs of restoration and litigation, including reasonable attorney's fees, shall be borne by Grantor or those of its successors or assigns against whom a judgment is entered. In the event a judgment is entered against the Division in an effort to seek injunctive relief or restoration and Grantor is held not to be in violation of this Easement, the Division shall pay Grantor's costs of litigation, including reasonable attorney's fees.

C. Actual or Threatened Non-Compliance. Grantor acknowledges that actual or threatened instances of non-compliance under this Easement constitute immediate and irreparable harm. The Division is entitled to invoke the equitable jurisdiction of any court to enforce this Easement.

D. Cumulative Remedies. The Division's remedies set forth in this Easement are cumulative. Any, or all, of the remedies may be invoked by the Division if there is an actual or threatened violation of this Easement.

E. Delay in Enforcement. A delay in enforcement shall not be construed as a waiver of the Division's right to enforce the terms of this Easement.

SECTION VII - COSTS AND TAXES

Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including responsibility for the control of noxious weeds in accordance with all applicable Utah laws. Grantor shall pay any and all lawful taxes, assessments, fees, and charges levied by competent authority on the Property.

SECTION VIII - INDEMNITY

Grantor agrees to bear all costs of operation, upkeep and maintenance of the Property, and agrees to indemnify the Division against all claims and obligations arising from such operation, upkeep, and maintenance activities. Grantor also agrees to defend and indemnify the Division against obligations arising from past, present or future dumping of hazardous materials on the Property, and any obligations associated with their cleanup or containment.

SECTION IX - ASSIGNMENT OF EASEMENT

The Division may not transfer or assign its interest in the Property created by this Easement without first notifying the landowner and may not transfer or assign any interest in the Property created by this Easement except to a "qualified organization" (within the meaning of Section 170(h) (3) of the Internal Revenue Code) which is organized or operated primarily or substantially for one or more of the conservation purposes specified in Section 170(h) (4) (a) of said Code. Any such qualified organization shall agree to enforce the conservation purposes protected by this Easement.

SECTION X - BASELINE DATA

The Parties acknowledge that an inventory of baseline data relating to the Property has been completed by competent professionals familiar with the Property, and furnished to the Division by Grantor. Copies of this inventory of baseline data are on file in the Divisions' Salt Lake City, Utah offices. The Parties acknowledge that this collection of baseline data contains an accurate representation of the Property's condition and natural resources as of the date of the execution of this Easement in accordance with Treasury Regulation 1.170A-14(g)(5)(I).

Notwithstanding the foregoing, should a future controversy arise over the biological and/or physical condition of the Property, the Parties may use all relevant documents, surveys, reports and other information to assist in resolving the controversy.

If range or habitat conditions significantly improve on the Property, the Parties may agree to prepare an updated inventory of baseline data to document the improved conditions. The updated inventory of the baseline data must be approved in writing by the Parties. Upon approval, the updated inventory of baseline data will be used as the baseline for future monitoring.

SECTION XI - EXTINGUISHMENT OF DEVELOPMENT RIGHTS

Grantor hereby acknowledges the extinguishment of all development rights associated with the Property, except those specifically reserved herein. Grantor agrees that all rights or interests in such development rights are terminated and extinguished, and may not be used on or transferred to any portion of the Property as it now or hereafter may be described, or to any other adjacent property, nor used for the purpose of calculating permissible lot yield or density of the Property or any other property with regard to any land use or zoning which affects, or may affect, the Property.

SECTION XII SUBSEQUENT SALE, EXCHANGE, OR INVOLUNTARY CONVERSION

Grantor and the Division agree that the conveyance of this Easement creates a property right immediately vested in the Division. The Division's property right in this Easement shall be based on the condition and improvements on the Property at the time the Easement is established, and this condition shall be documented as referred to in Section X, above. For purposes of this Section, the property right shall be deemed to have a fair market value at least equal to the proportionate value this Easement bears to the entire value of the Property as a whole at the time of its creation. That proportionate value of the Division's property rights shall remain constant. Should a change in conditions give rise to the extinguishment of this Easement, as provided in Treasury Regulation Section 1.170A-14(g)(6)(I), or extinguishment of a portion of the Division's rights under this Easement, the Division on a subsequent sale, exchange, conveyance, or involuntary conversion of the Property or a portion of the Property shall be entitled to a portion of the proceeds at least equal to such proportionate value of this Easement as established at the time of its creation. All interpretations of the Division's property rights shall follow Treasury Regulation Section 1.170.

Whenever all or part of the Property is taken in exercise of eminent domain, or under claim of rights of eminent domain, by public, corporate, or other authority so as to abrogate the restrictions imposed by this Easement, Grantor shall and the Division may join in appropriate

actions to recover the full value of the Property taken and all incidental or direct damages resulting from such taking. All reasonable expenses incurred by Grantor or the Division in any such action shall first be reimbursed out of the recovered proceeds; the remainder of such proceeds shall be divided between Grantor and the Division in proportion to their interest in the Property, as provided in the first paragraph of this Section.

Grantor agrees that reference to this Easement will be made in any subsequent deed, or other legal instrument, by means of which any interest in the Property (including any leasehold interest) is conveyed, and that a copy of this Easement will be attached thereto. Grantor will notify the Division in writing of any conveyance of interest by sending written notice to the Division as provided in Section IV, Subsection A. Grantor agrees to provide notice of this Easement to all successors in interest, and to any potential purchasers or subsequent owners. In the event Grantor elects to sell the Property, Grantor agrees to provide notice of this Easement in any sale or solicitation materials or information. Any failure to comply with the terms of this paragraph shall in no manner render this Easement or any provisions of this Easement unenforceable.

SECTION XIII - MISCELLANEOUS PROVISIONS

A. Partial Invalidity. If any provision of this Easement, or the application of this Easement, or the application of this Easement to any person or circumstance is found to be invalid, the remainder of the provisions of this Easement, and the application of such provisions to persons or circumstances other than those to which it is found to be invalid, shall not be affected thereby.

B. Enforcement. Grantor intends that enforcement of the terms and provisions of this Easement shall be at the discretion of the Division, and that the Division's failure to exercise its rights under this Easement, in the event of any breach by Grantor, shall not be considered a waiver of the Division's rights under this Easement in the event of any subsequent breach.

C. "Grantor" and "Division". The term "Grantor", as used in this Easement, and any pronouns used in place thereof shall mean and include the above-named Grantor, and its heirs, personal representatives, executors, successors and assigns. The term "Division", as used in this Easement, and any pronouns used in place thereof shall mean the Division of Wildlife Resources of the Utah Department of Natural Resources and its successors and assigns.

D. Titles. Section and Subsection titles and subtitles are for convenience only and shall not be deemed to have legal effect.

E. Amendment. Nothing in this Easement shall be construed to preclude Grantor from making a subsequent conveyance of rights in the Property to further protect its Conservation Values, provided, however, that any such subsequent conveyance shall not impair any conservation purpose sought to be advanced by this Easement.

F. Liberal Construction. This Easement shall be liberally construed in favor of maintaining the Conservation Values of the Property, and in accordance with Utah Code Ann. §§ 57-18-1 to 57-18-7. The parties acknowledge that each has reviewed and revised this Easement with the assistance of counsel, and that no rule of construction resolving ambiguities against the drafting party shall be employed in interpreting this Easement.

G. Successors. This Easement is binding upon, and will inure to the benefit of Grantor's and the Division's successors in interest and assigns. All subsequent owners of the Property are bound to all provisions of this Easement to the same extent as Grantor.

H. Governing Law. This Easement will be interpreted and construed in accordance with applicable Utah laws.

I. Entire Agreement. This Easement sets forth the entire agreement of the Parties. It is intended to supersede all prior discussions or understandings.

J. Compliance With Law. All uses and practices permitted by this Easement, including the Primary Uses, shall comply with all applicable state and federal laws.

Effective Date. The effective date of this Easement will be the date signed by all Parties.

L. Notice Requirements. Grantor hereby acknowledges that the Division, at least three days prior to the execution of this Easement, discussed with it the types of conservation easements available, the legal effect of each easement, and the advisability of consulting legal counsel concerning the possible legal and tax implications associated with granting this Easement.

M. Right of First Refusal. In the event Grantor chooses to sell or convey the remaining interest in the Property encumbered by this Easement, The Division shall have the Right-of-First-Refusal to purchase said remaining interest at a value equal to any bona fide offer to purchase the remaining interest. It is understood that water is essential to the maintenance of the Conservation Values associated with the Easement Property, therefore, water rights associated with the property may be sold or otherwise disposed of only by mutual agreement. In the event that water rights are sold or otherwise disposed of, any proceeds from the sale will be split between the parties on the same basis as described in Section XII above.

N. Change of Conditions. The fact that any use of the Property expressly prohibited by this Easement or otherwise determined inconsistent with the purpose of this Easement may become significantly more valuable or economical than permitted uses, or that neighboring properties may in the future be put entirely to uses inconsistent with this Easement, has been considered by Grantor in granting this Easement. It is Grantor's belief that any such changes will increase the public's benefit and interest in the continuation of this Easement, and it is the intent

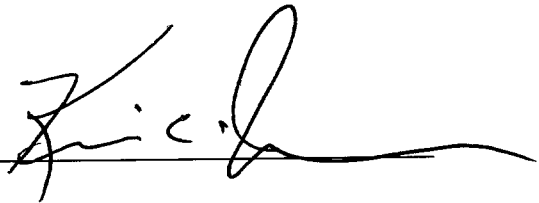
of both Grantor and the Division that any such changes not be considered circumstances sufficient to terminate this Easement, in whole or in part. In addition, the inability to carry on any or all of the permitted uses, or the unprofitability of doing so, shall not impair the validity of this Easement or be considered grounds for its termination.

IN WITNESS WHEREOF, Grantor and the Division execute this Easement.

GRANTOR:

DIVISION:
 UTAH DIVISION OF WILDLIFE
 RESOURCES

By
 Its



 Kevin K. Conway, Director

STATE OF UTAH)
 : ss.
 County of _____)

On this ___ day of _____, 2002, _____, representing _____, known to me to be the person(s) whose name(s) is (are) subscribed to the instrument set forth above, personally appeared before me, _____, a Notary Public for the State of _____, and acknowledged that (he) (she) (they) executed the same on behalf of _____.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date above written.

 Notary Public for the State of _____
 Residing at _____
 My commission expires _____

State of Utah)
) SS
 County of Salt Lake)

On this _____ day of _____, 200__, personally appeared before me **Kevin K Conway**, who being first duly sworn said that he is the Director of the Division of Wildlife Resources, for the State of Utah, that the foregoing instrument was executed pursuant to authority granted him by The Wildlife Resources Code of Utah (23-21-1), and he acknowledged to me that he executed the same

Notary Public for the State of _____
Residing at _____
My commission expires _____

Deed of Conservation Easement Description

Exhibit "A"

Note: The legal descriptions described below are compiled from three separate title reports and from a portion of a deed not included in the title report. The descriptions will be listed from the title order numbers entered above each of the descriptions for which it applies. The deed description, not from a title report will be identified separately.

THE SURFACE RIGHTS ONLY IN AND TO THE FOLLOWING DESCRIBED TRACTS OF LAND:

Title report 12227

Township 12 South, Range 8 East, Salt Lake Base and Meridian:

Section 34 Lots 1 and 2; N1/2 SE1/4

Section 35: Lots 1, 2, 3 and 4; N1/2 S1/2; S1/2 N1/2

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

Section 1: NW1/4; N1/2 SW1/4; N1/2 SE1/4; SE1/4 SE1/4;

Part of SE1/4 SW1/4: BEGINNING at a point on the North line of the SE1/4 SW1/4 340 feet East of the Northwest Corner thereof, and running thence South 3°30' West 385 feet; thence South 81°30' East 950 feet, more or less, to the East line thereof; thence North long said East line 515 feet, more or less, to the Northeast Corner thereof; thence West along the North line 941 feet, more or less, to the point of beginning.

Part of SW1/4 SE1/4: BEGINNING at the Northwest Corner thereof, and running thence South 515 feet, more or less, along the West line thereof; thence South 81°30' East 535 feet; thence South 4°30' East 700 feet to the South line thereof; thence East to the Southeast Corner; thence North along the East line to the Northeast Corner; thence West along the North line to the point of beginning.

Section 3: All

Section 4: SE1/4; SE1/4 NE1/4

Section 11: SE1/4 NE1/4

Section 12: SW1/4 NW1/4; NE1/4 NW1/4; N1/2 NE1/4

LESS the North 261 feet of the NE1/4 NW1/4 and the North 261 feet of the NW1/4 NE1/4.

ALSO LESS: BEGINNING at a point South 4°11' East 261 feet from the, Northeast Corner of the NW1/4, and running thence South 89°32' West 1290 feet to West line of NE1/4 NW1/4; thence South 3°56' East 100 feet; thence North 89°02' East 1290 feet; thence North 4°11' West 100 feet to the point of beginning.

ALSO LESS: That portion of the NE1/4 NE1/4 lying South of the, County Road.

Township 13 South, Range 9 East, Salt Lake Base and Meridian:

Section 6: Lots 5, 6, and 7; E1/2 SW1/4; SW1/4 SE1/4;
Those portions of the SE1/4 SE1/4, NE1/4 SE1/4, NW1/4 SE1/4,
SW1/4 NE1/4, and SE1/4 NW1/4 lying Southwesterly of the following
described boundary line: BEGINNING at a point halfway between the
NE Corner of the SE1/4 SE1/4 and the SE Corner of the SE1/4
SE1/4, and running thence Northwesterly on a line intersecting
the Center of the subdivision (quarter quarter) boundaries
through which it passes to the Center of the North line of the
SE1/4 NW1/4.

Section 7: That portion of the following described lands lying to
the North of the (former) Denver & Rio Grande Railway right-of-
way: Lot 1; NE1/4 SW1/4; E1/2 NW1/4; W1/2 NE1/4;
ALSO BEGINNING at a point 875 feet North and 825 feet West of the
Southeast Corner of Lot 2, and running thence North 39°30' West
along
County road 70 feet; thence North 40°0' East 75 feet; thence
South 39°30'
East 70 feet; thence South 40°0' West 75 feet, more or less, to
the point of beginning.
Right-of-Way in parts of Lots 2 and 3 as per Book 3-F, Page 558.
EXCEPTING, a portion of the SW1/4 NE1/4 described as BEGINNING at
a point 550 feet North and 2305 feet West, more or less, from the
East Quarter Corner of said Section 7, thence North 49°30' East
58.0 feet; thence North 40°30' West 71.0 feet; thence South
49°30' West 58.0 feet; thence South 40°30' East 71.0 feet to the
point of beginning.

EXCEPTING therefrom the following:

BEGINNING at the Southeast Corner of the southwest Quarter of the
Northeast Quarter of Section 7, Township 13 South, Range 9 East,
Salt Lake Base and Meridian, and running thence North 800 feet;
thence West 550 feet; thence south 385 feet, more or less, to the
Northerly line of the D. & G.W.R.R. right-of-way; thence Easterly
and Southeasterly along the said right-of-way line to the East
line of the Northwest Quarter of the Southeast Quarter of said
Section 7; Thence North along said ;East line to the point of
beginning.

Title Report 9864

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

Section 12: SE1/4 NW1/4; SW1/4 NE1/4; N1/2 SW1/4; NW1/4 SE1/4

Title Report 7408

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

Section 1: SW1/4 SW1/4

Section 2: SE1/4 SE1/4

Section 11: NE1/4NE1/4

Section 12: S1/2 S1/2; NW1/4 NW1/4; NE1/4 SE1/4; thence North 261 feet of the NE1/4 NW1/4; the North 261 feet of the NW1/4 NE1/4. ALSO, Beginning at a point South 4°11' East 261 feet from the Northeast Corner of the NW1/4 and running thence South 89°32' West 1290 feet to the West line of the NE1/4 NW1/4; thence South 3°56' East 100 feet; thence North 89°32' East 1290 feet; thence North 4°11' West 100 feet to point of beginning. ALSO, the North 990 feet ~~to~~ of the SE1/4 NE1/4. That part of the NE1/4 lying South of the county road.

NE 1/4 of the
BXH
R.B.
H

Township 13 South, Range 9 East, Salt Lake Base and Meridian:

Section 7: The SW1/4 NW1/4, Less the following: Beginning at a point 460 feet East of the Southwest Corner and running thence North 78° East 268.4 feet; thence North 12° West 278 feet; thence South 85° West 95 feet; thence South to a point 115.2 feet North of South line; thence South 78° West 127.5 feet; thence South 12° East 90 feet to beginning.

ALSO, LESS the land described in those certain Quit Claim Deeds recorded in the office of the County Recorder of Carbon County, Utah in Book 15 at Pages 627-638.

That portion of the North 6.5 acres of the NE1/4 SW1/4 lying to the North of the (former) Denver & Rio Grande Railroad right-of-way.

EXCEPTING from said lands the interests of the Denver and Rio Grande Western Railroad Company, acquired under that certain Deed recorded December 20, 1926, in Book 5-L of Deeds at Page 199, as Entry No. 12912.

ALSO EXCEPTING the interests of Carbon County acquired under that certain Quit Claim Deed recorded September 9, 1939, as Entry No. 34979, in Book 3-U, at Page 8, and Correction of Quit Claim Deed recorded May 16, 1940, as Entry No. 30069, in Book 3-U, at page 406, of Official Records.

Township 13 South, Range 8 East, Salt Lake Base and Meridian:

EXCEPTING that portion lying in the South 1/2 of Section 1 identified in this Agreement and the Deed of Conservation Easement (Section III.A) totaling 12 acres.

BXH
R.B.

EXHIBIT B

**Red Cross-hatch Property
Encumbered by
Conservation Easement**

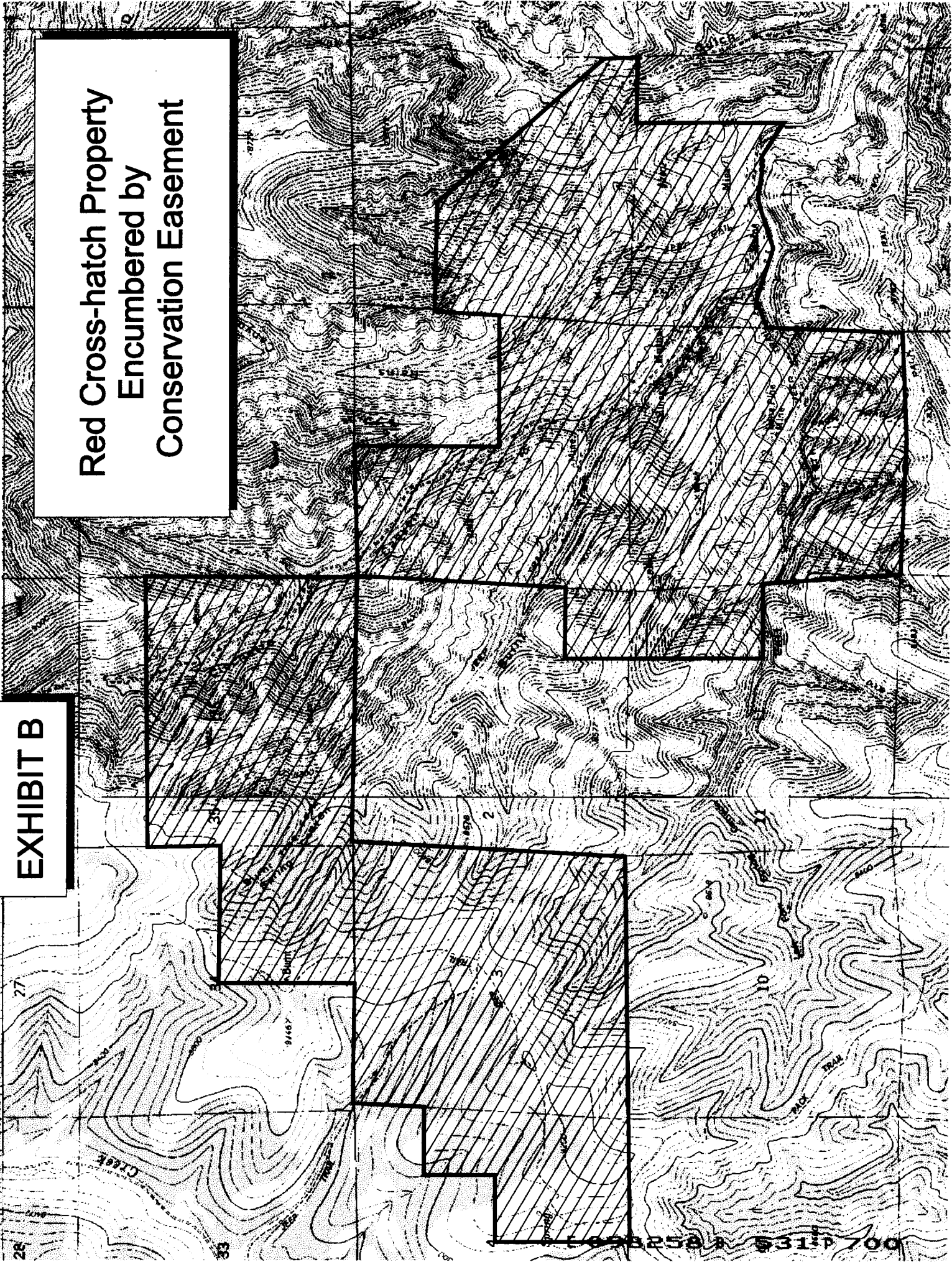


Exhibit C
Of
Deed of Conservation Easement

NRCS Degree of Use

UNITED STATES DEPARTMENT OF AGRICULTURE
Soil Conservation Service

MT-JS-WS-502
RANGE (Rev. July 1986)

Guide to Degree of Use

Degree of Use Description

Unused

0 percent No livestock use.

Slight

1-20 percent Practically undisturbed. Only choice areas and Choice forage grazed.

Moderate

21-40 percent Most of the accessible range shows grazing. Little or no use of poor forage. Little trailing to grazing.

Full (*This or less Use is Proper Use*)

41-50 percent All fully accessible areas are grazed. Major sites have key forage species properly utilized. Overused areas less than 10 percent of pasture area.

Close

51-60 percent All accessible range plainly shows use and major sections are closely cropped. Livestock forced to use much poorer forage.

Severe

61-80 percent Key forage species almost completely used. Low-value forage carrying grazing load. Trampling damage is wide-spread in accessible area.

Extreme

81-100 percent. Range appears stripped of vegetation. Key forage species are weak from continual grazing of regrowth. Poor quality forage closely grazed

1. Determine the degree of use at or near the end of the grazing period.
2. Proper use determination is based on key species on major sites, not total vegetation.
3. When properly grazed, the vegetation left will supply adequate cover for soil protection and will maintain or improve the quantity and quality of desirable vegetation.

Proper use of Annual Growth Depends on SEASON OF USE:

Spring Use	(Moderate)
Summer and Early Fall Use	(Full)
Late Fall and Winter Use	Dormant season (Close)