City of Gill	ette, Gillette, WY 827	Page 1 of 1 Check Nur	mber: 00205993
Invoice Date	Invoice Number	Description	Invoice Amount
09/09/2014	5067-02 SCHURICHT	PERMANENT WATERLINE & TEMPORARY CONST EASEMENT Voucher - 15504 Comment: PERMANENT WATERLINE EASEMENT - \$12,730 TEMPORARY CONSTRUCTION EASEMENT - \$2,500 TEMPORARY CONSTRUCTION EASEMENT - \$2,620 TEMPORARY CONSTRUCTION EASEMENT - \$2,425 FLAT FEE FOR WAIVERS - \$2,000 RECORDING FEE - \$350	\$22,625.00



Vendor Number 1859

Check Date

09/09/2014

Check No.

00205993

Check Date 09/09/2014 Check Number 00205993

Check Amount \$22,625.00

\$22,625.00

Pay Twenty Two Thousand Six Hundred Twenty Five Dollars and 00 cents ******

Vendor Name

FIRST AMERICAN TITLE

00205993

To The Order Of

Vendor No.

1859

FIRST AMERICAN TITLE PO BOX 190 SUNDANCE, WY 82729 FILE COPY NON-NEGOTIABLE



CITY OF GILLETTE

Utilities
P.O. Box 3003 • Gillette, Wyoming 82717-3003
Phone (307) 686-5262
www.gillettewy.gov

First american
First american
Title Surdane

July 24, 2014

Ken Schuricht P.O. Box 758 Moorcroft, WY 82721

Dear Ken,

You will find enclosed new proposed easement forms for the Permanent and Temporary Easements the City of Gillette is requesting on the Madison water line. I have incorporated as much of your sample as I thought the City Council could agree to. I have, unlike the sample, separated the permanent and temporary easements into two separate documents and forms. I kept my notes as I went through this process and I'd be happy to share my reasoning with you as to any particular point I may have removed or added.

I forwarded you the additional title commitment we ordered, and it confirms that title to all the lands we're discussing is properly vested in Schurict Land and Real Estate Limited Partnership. I have informed the surveyors and ordered corrected documents for the SE1/4 NW1/4 of Sec 7, T50N, R.67W, 6th P.M.

I have gone back through my calculations and I believe I can revise our offer upward somewhat. We find that we'll need some Temporary Construction Easement along Highway 14 where the actual pipeline will be placed in the highway right of way. I have paid some people in this area \$500.00 per acre for temporary easement. I think it would be appropriate to offer this amount to your group and to extend that price to all temporary easement we'd buy from you. No permanent rights would go to us for this price. We could also pay the \$500.00 per acre rate for grazing damage over our "old" Madison easement. We'd intend this to also cover any entry or exit from federal lands enclosed in your property. With these modifications the figures look like this:

- 1.) 100' Permanent Waterline Easement (per enclosed form) 12.73 acres @ \$1,000.00 per acre =s \$12,730.00.
- 2.) 40' wide grazing fee over old pipeline (evidenced by a Temporary Construction Easement) and entry and exit from any landlocked government property; 5 acres @ \$500.00 per acre =s \$2,500.00.
- 3.) 40' wide Temporary Construction Easement along the north and west side of the new pipeline easement; 5.24 acres @ \$500.00 per acre =s \$2,620.00.
- 4.) 30' wide Temporary Construction Easement along the west side of the Highway 14 right of way; 4.85 acres @ \$500.00 per acre =s 2,425.00. (Survey map not yet available, easement will be prepared in advance of closing.)

5.) We will also pay a flat fee of \$2,000.00 for waivers in writing of any subsequent reclamation efforts not caused by City negligence or that of our contractors and providing any other reclamation efforts after the first reclamation and reseeding will be paid for by your group.

TOTAL COMPENSATION = \$22,275.00 (Prior offer was \$14,302.00)

This gives the City some additional benefit and raises our offer almost \$8,000.00. If I divide this new total by the surveyor's figure for total rods of permanent easement I get; \$22,275.00 ÷ 334 rods of permanent easement =s \$66.70 per rod.

I discussed the easement width with the engineers and they remain committed to the 100' width. They ascribe this to the extraordinary size of the pipeline and the depth and difficulties of getting to it or working with it. They are however, completely comfortable with the pipeline easement being only for water use and only containing one water pipeline. They also are fine with notification in advance of going into the pipeline easement except, of course, in the event of an emergency.

All the other provisions of previous offers remain "on the table" as long as they aren't inconsistent with what I've said here or the form of easement I've drafted. When you get this give me a call and I'll answer any questions if I can. I think we should get back together sometime; here in Gillette or out at your place.

Thanks for your consideration of this offer.

Yours Very Truly,

R. Douglas Dumbrill Land Consultant 307-686-5361

RDD/tlo

Shuricht Land and Real Estate Limited Partnership

BY: Expronnesschuricht

OFFICE: General fartnes

DATE: 8-29-/4/

TEMPORARY CONSTRUCTION EASEMENT Schuricht Land and Real Estate Limited Partnership 5067-02

Schuricht Land and Real Estate Limited Partnership, c/o Ken Schuricht, of P.O. Box 758, Moorcroft, Wyoming 82721, hereinafter GRANTOR[S], for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged does Grant and Convey to the City of Gillette, Wyoming, a municipal corporation and city of the first class, of 201 East Fifth Street, Gillette, Wyoming, hereinafter GRANTEE a Temporary Construction Easement in and to the following described tracts of land:

See attached Exhibits "A", "A-1", "A-2", "A-3", "A-4" and "A-5" and maps "B-1", "B-2", and "B-3" which are incorporated herein by reference.

This grant is made to Grantee, its successors, licensees and assigns to have and to hold the lands described above as a TEMPORARY CONSTRUCTION EASEMENT to be used during construction activities of the new Gillette Regional Water Supply Project ("Madison" project). Grantee, its successors, licensees and assigns, shall have the right of ingress and egress, and also the right to temporarily operate, and park machinery upon the land described above during construction of the new Gillette Regional Water Supply Project ("Madison" project). The easement also includes an immediate right to use the property to survey, lay-out, prepare, construct, and complete the project.

No construction or other activities of the Grantee including pipe storage, shall occur beyond or outside the boundaries of this Temporary Construction Easement (and the associated Permanent Easement[s]) unless agreed to by the parties. If such violation occurs, Grantee shall immediately seed and restore all property back to preconstruction condition and pay Grantor for loss of actual use and actual damages which in no case shall be less than \$500.00 per occurrence.

During any construction within or at the site of this easement by the Grantee or its agents, Grantee shall maintain continuous access to both the north and south portions of Grantors' property.

This Temporary Construction Easement shall not be made of record by either party in the ordinary course of their dealings. It terminates automatically upon the conclusion of all construction and reclamation work on the new Madison pipeline where it crosses the Grantor's property. This Temporary Construction Easement in no way waives, rescinds, or otherwise affects whatsoever the City's permanent easement rights to any of the described property.

At the conclusion of construction and any reconstruction or repair activities within the easement, GRANTEE shall restore the surface and any improvements damaged and any adjacent areas disturbed during the construction activities to a condition substantially equal to the condition of the disturbed or damaged areas before the construction within the easement. The signer below represents that he signs with full authority and consent of the Grantor[s] identified above.

DATED THIS day of, 2014.
GRANTOR[S]: Schuricht Land and Real Estate Limited Partnership
BY: Esponneskhuicht
Office: Leneral tartrer (Please Print)
STATE OF Nyoming)) ss. County of Campbell)
The above and foregoing instrument was acknowledged before me by EVONNE Schwickt, the <u>Separal Former</u> of the Schuricht Land and Real Estate Limited Partnership this 29 day of <u>August</u> , 2014, who states that their signature hereto is the free and voluntary act of Schuricht Land and Real Estate Limited Partnership.
County of Blade of Wyoming Wyoming

Legal Description – Temporary Construction Easement #1 5067-02 Schuricht Land and Real Estate Limited Partnership

A 40 foot wide temporary construction easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the southerly limits lying northerly 100 feet and the northerly limits lying northerly 140 feet of the following described line:

Commencing at the east quarter corner of said Section 7, being monumented by a 1949 BLM brass cap;

Thence N17°20′52″W, 1396.97 feet to a point on the south line of said N1/2NE1/4 of said Section 7 and being the point of beginning;

Thence N57°00′53″E, 2466.39 feet to a point on the south section line of aforementioned Section 5 and being the point of termination, from which the south quarter corner of said Section 5 lies S89°43′10″E, 1044.54 feet, monumented by a 1949 BLM brass cap.

The sidelines of said temporary easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-1".

Said temporary easement contains 99135 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-1" is Wyoming State Plane Grid, NAD83, East Zone (4901).

Legal Description – Temporary Construction Easement #2 5067-02 Schuricht Land and Real Estate Limited Partnership

A 40 foot wide temporary construction easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the southerly limits lying northerly 100 feet and the northerly limits lying northerly 140 feet of the following described line:

Commencing at the south quarter corner of said Section 5, being monumented by a 1949 BLM brass cap;

Thence along the north-south quarter line of said Section 5, N00°08'53"W, 662.23 feet to the point of beginning;

Thence N60°22′16″E, 2930.58 feet more or less to a point on the west right of way of U.S. Highway 14 and being the point of termination, from which the northeast section corner of said Section 5 lies N01°54′15″E, 3288.70 feet, monumented by a 1969 BLM brass cap.

The sidelines of said temporary easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-2".

Said temporary easement contains 117950 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-2" is Wyoming State Plane Grid, NAD83, East Zone (4901).

Legal Description – Temporary Construction Easement Existing Waterline #3 5067-02 Schuricht Land and Real Estate Limited Partnership

A 40 foot wide temporary construction easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the northerly limits being described as follows:

Commencing at the east quarter corner of said Section 7, being monumented by a 1949 BLM brass cap;

Thence N17°20′52″W, 1396.97 feet to a point on the south line of said N1/2NE1/4 of said Section 7 and being the point of beginning;

Thence along said northerly limits, N57°00′53″E, 2466.39 feet to a point on the south section line of aforementioned Section 5 and being the point of termination, from which the south quarter corner of said Section 5 lies S89°43′10″E, 1044.54 feet, monumented by a 1949 BLM brass cap.

The sidelines of said temporary construction easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-1".

Said temporary construction easement contains 98635 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-1" is Wyoming State Plane Grid, NAD83, East Zone (4901).

Legal Description – Temporary Construction Easement Existing Waterline #4 5067-02 Schuricht Land and Real Estate Limited Partnership

A 40 foot wide temporary construction easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the northerly limits being described as follows:

Commencing at the south quarter corner of said Section 5, being monumented by a 1949 BLM brass cap;

Thence along the north-south quarter line of said Section 5, N00°08′53″W, 662.23 feet to the point of beginning;

Thence along said northerly limits, N60°22′16″E, 2930.58 feet more or less to a point on the west right of way of U.S. Highway 14 and being the point of termination, from which the northeast corner of said Section 5 lies N01°54′15″E, 3288.70 feet, monumented by a 1969 BLM brass cap.

The sidelines of said temporary construction easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-2".

Said temporary construction easement contains 117190 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-2" is Wyoming State Plane Grid, NAD83, East Zone (4901).

Legal Description – Temporary Construction Easement #5 5067-02 Schuricht Land and Real Estate Limited Partnership

A 40 feet wide temporary construction easement located in a parcel in a portion of the NW1/4 of Section 7, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 143 of the Crook County Clerks records, the southerly limits being described as follows:

Commencing at the west quarter corner of said Section 7, being monumented by a 1949 BLM brass cap;

Thence along the east-west quarter line of said Section 7, N88°52'08"E, 2564.43 feet to the center quarter corner said Section 7;

Thence along the north-south quarter line of said Section 7, N00°00′00″W, 110.58 feet to the point of beginning;

Thence leaving said north-south line, S57°00′53″W, 209.49 feet to the aforementioned east-west line and being the point of termination, from which the east quarter corner of said Section 7 lies N88°52′08″E, 175.53 feet, thence N88°52′08″E, 2562.95 feet, monumented by a 1949 BLM brass cap.

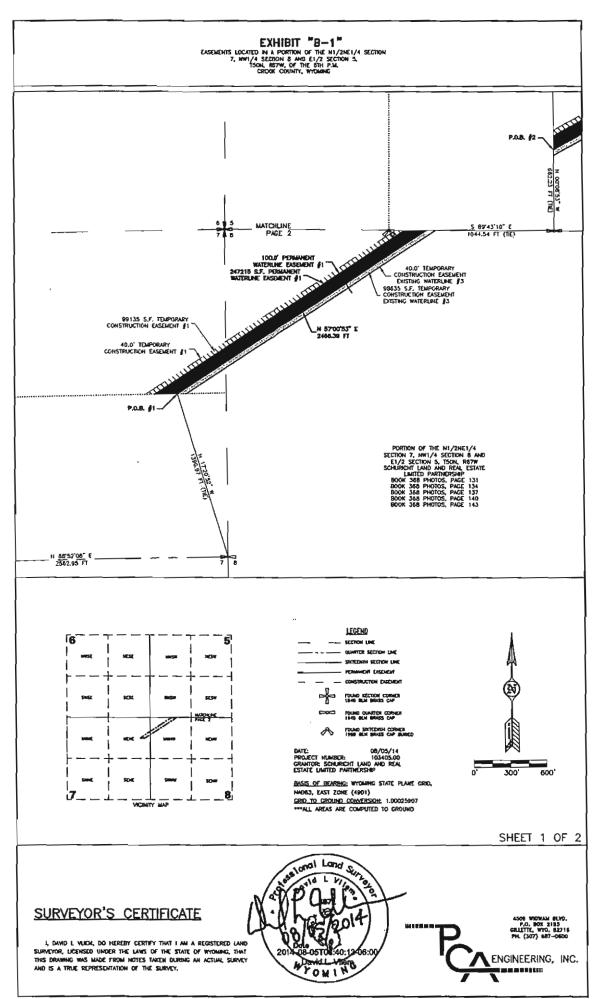
The sidelines of said temporary easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-3".

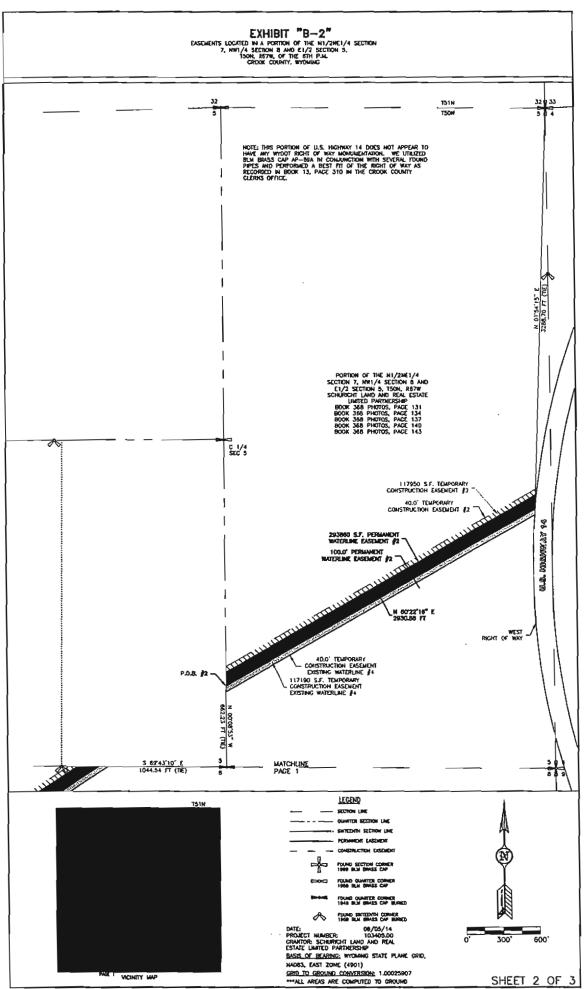
Said temporary easement contains 10195 square feet more or less.

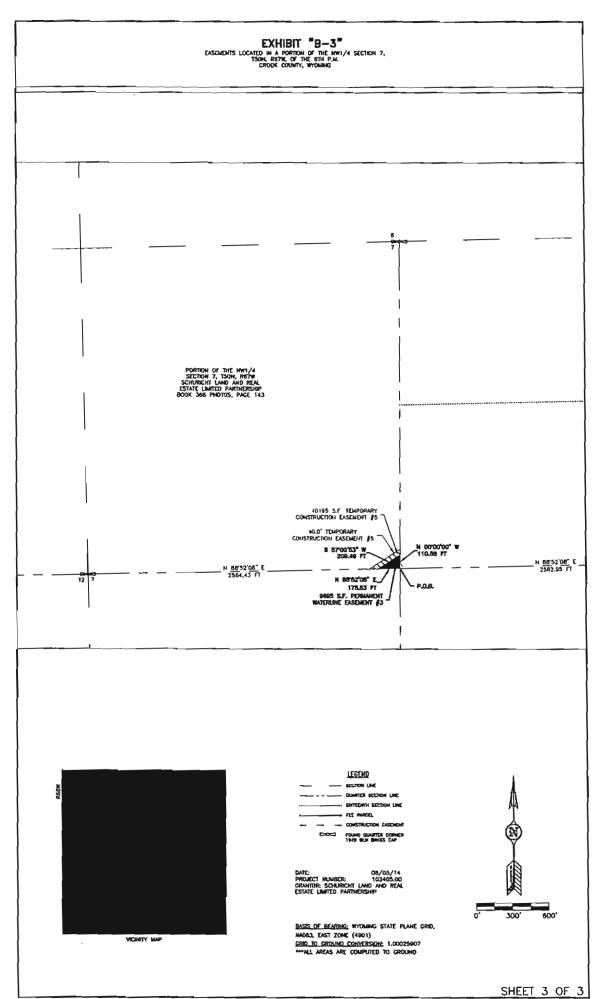
All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-3" is Wyoming State Plane Grid, NAD83, East Zone (4901).







RIGHT OF WAY EASEMENT

State of Wyoming County of Campbell

This Right of Way easement ("Easement") is made, dated and effective as of _______, 2014, by and between Schuricht Land and Real Estate Limited Partnership, c/o Ken Schuricht, of P.O. Box 758, Moorcroft, Wyoming 82721, hereinafter referred to as "Grantor" and City of Gillette, 201 East Fifth Street, Gillette, Wyoming, its representatives, agents, successors and assigns, hereinafter referred to as "Grantee". This Easement covers the following real property located in Crook County, Wyoming, as more particularly described below:

DESCRIPTION (Parcel #1)

A 100 foot wide permanent waterline easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the southerly limits being described as follows:

Commencing at the east quarter corner of said Section 7, being monumented by a 1949 BLM brass cap;

Thence N17°20′52″W, 1396.97 feet to a point on the south line of said N1/2NE1/4 of said Section 7 and being the point of beginning;

Thence along said southerly limits, N57°00′53″E, 2466.39 feet to a point on the south section line of aforementioned Section 5 and being the point of termination, from which the south quarter corner of said Section 5 lies S89°43′10″E, 1044.54 feet, monumented by a 1949 BLM brass cap.

The sidelines of said permanent waterline easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-1".

Said permanent waterline easement contains 247215 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-1" is Wyoming State Plane Grid, NAD83, East Zone (4901).

DESCRIPTION (Parcel #2)

A 100 foot wide permanent waterline easement located in a parcel in a portion of the N1/2NE1/4 Section 7, NW1/4 of Section 8 and E1/2S of Section 5, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 131, Book 368 of Photos, Page 134, Book 368 of Photos, Page 137, Book 368 of Photos, Page 140 and Book 368 of Photos, Page 143 of the Crook County Clerks records, the southerly limits being described as follows:

Commencing at the south quarter corner of said Section 5, being monumented by a 1949 BLM brass cap;

Thence along the north-south quarter line of said Section 5, N00°08'53"W, 662.23 feet to the point of beginning;

Thence along said southerly limits, N60°22′16″E, 2930.58 feet more or less to a point on the west right of way of U.S. Highway 14 and being the point of termination, from which the northeast corner of said Section 5 lies N01°54′15″E, 3288.70 feet, monumented by a 1969 BLM brass cap.

The sidelines of said permanent waterline easement are to be shortened or extended to prevent gaps and overlaps, see Exhibit "B-2".

Said permanent waterline easement contains 293860 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-2" is Wyoming State Plane Grid, NAD83, East Zone (4901).

(Parcel #3)

A permanent waterline easement located in a portion of the NW1/4 of Section 7, T50N, R67W of the 6th P.M., Crook County, Wyoming, as recorded in Book 368 of Photos, Page 143 of the Crook County Clerks records, being described as follows:

Commencing at the west quarter corner of sald Section 7, being monumented by a 1949 BLM brass cap;

Thence along the east-west quarter line of said Section 7, N88°52′08″E, 2564.43 feet to the center quarter corner said Section 7 and being the point of beginning;

Thence along the north-south quarter line of said Section 7, N00°00′00″W, 110.58 feet to an angle point;

Thence leaving said north-south line, S57°00′53″W, 209.49 feet to the aforementioned eastwest line;

Thence along said east-west line, N88°52′08″E, 175.53 feet to the point of beginning, from which the east quarter corner of said Section 7 lies N88°52′08″E, 2562.95 feet, monumented by a 1949 BLM brass cap.

Said permanent waterline easement contains 9695 square feet more or less.

All areas are computed at ground.

All measured distances are grid, for conversion to ground, multiply by 1.00025907.

The basis of bearing for this legal description and for the attached Exhibit "B-3" is Wyoming State Plane Grid, NAD83, East Zone (4901).

Easement

In consideration of the mutual obligations and covenants contained in this Easement, and for other good and valuable consideration the receipt and sufficiency of which are hereby mutually acknowledged, Grantor and Grantee (each, a "Party" and together the "Parties") hereby agree:

1. Grant of Easement

1.1 **Grant.**

Grantor does hereby grant, sell and convey unto Grantee a nonexclusive, right-of-way easement, with right of entry solely for the purposes of surveying, laying, constructing, inspecting, maintaining, operating, repairing, reconstructing, replacing, one up to 42 inch diameter water pipeline, together with all fittings, cathodic protection equipment, pipeline markers, manholes, vents, and all other equipment, devices and appurtenances reasonably incidental to the construction, operation, marking and maintenance thereof (the "Pipeline"), for the transportation of potable water on the terms provided herein. Grantee shall have the right of ingress to and egress from the Easement. No new roadway shall be made across the Grantors non-easement property for access to the pipeline easement during or after construction. Wherever possible the pipeline

construction easement shall be accessed by travel along the easement from public roads. Any roadway, new or existing, used by Grantee for access shall be maintained during construction and returned to original, pre-construction condition by Grantee at its expense within thirty (30) days of the end of construction of the pipeline on said property, weather permitting. The granting of this Easement shall not include the right to construct or install any pump stations, valve stations, or any above ground appurtenances except manholes and vents on the Property.

1.2 Easement Area.

The Easement Area is described above and shall be one hundred (100) feet in width. A drawing of the easement is attached hereto and incorporated herein by reference as Exhibit "A".

1.3 Single Pipeline.

Grantee shall install no more than one pipeline upon or within the Easement without a further written agreement with the Grantor or its successors in interest. Grantee shall have no right to lease or sublease the Easement for any purpose, or to use the Easement for any purpose not necessary to its use as a potable water pipeline easement.

1.4 Notice of Location.

Following completion of construction, Grantee shall define the location of the Pipeline within the Easement Area by providing an "as built" survey to Grantor. Grantor's receipt of the location, of the "as built" survey of the Pipeline shall in no way limit, modify or alter in any way the obligation of Grantor, its successors, assigns, employees, contractors, invitees, or any other person or entity on the property on behalf of or at the request of Grantor to make appropriate One Calls and any other requirements imposed by applicable statutes and to otherwise comply with the terms and conditions contained in this Easement.

1.5 Emergency Access to Pipeline.

After construction of the pipeline and reclamation are completed, Grantee shall not enter upon the Grantor's property beyond the easement boundaries without the Grantor's prior consent, except in cases of emergency. The determination of what constitutes an emergency is within Grantee's absolute discretion, but is subject to Grantor's right to appropriate reclamation on/or compensation for all damages caused by the Grantee. Grantee shall make reasonable efforts to advise Grantor of the emergency circumstances within twenty-four (24) hours following entry upon the Property.

Any emergency reclamation shall be accomplished by the Grantee within sixty (60) days after the end of the emergency, weather permitting.

Any repairs or compensation due to Grantor because of emergency damages will be tendered within sixty (60) days after the end of the emergency, weather permitting.

Any damages which cannot be mutually agreed by the parties shall be ascertained and determined by three disinterested arbitrators, one to be appointed by Grantors, one by Grantee, and the third by the two so appointed. The written award of said three persons shall be final and conclusive. The Grantor shall pay for its appointed arbitrator, the Grantee for its arbitrator and the fee and expenses of the third shall be borne equally by the parties. If the two arbitrators cannot agree on a third, the third shall be appointed by a District Court Judge of the 6th Judicial District, Crook County, Wyoming.

2. Grantor's Reserved Rights.

2.1 Grantor's Rights.

Grantor reserves for itself, its successors, heirs and assigns, the right to use the Property for any purpose, provided such use does not materially interfere with, or prevent the exercise by, Grantee of its use or rights or create an actual or potential hazard to the Pipeline or its operation or appurtenances. Grantee shall have the right to remove, cut and keep clear all trees, brush and other obstruction, including installations and structures, within the Easement Area that may injure, endanger or interfere with the construction, operations, inspection, maintenance or repair of Pipeline. Grantor's use can include but is not limited to: agriculture, ranching, farming, grazing of livestock, or any other use which is necessary and incidental to ranching and other agricultural activities; developing surface or subsurface mineral, oil, or gas resources, or any other use which is necessary and incidental thereto; cutting timber; drilling for and development of water for commercial or private use; hunting, fishing, and other recreational activities; and to otherwise fully use and enjoy the Property, in accordance with all applicable laws and regulations in any way related to the Pipeline. Any fence placed by Grantor across the easement shall include at least a wire gate at the easement location for use by the Grantee. If the gate is to be locked a key or combination shall be promptly provided to Grantee.

Any existing structures and improvements located on the Property as of the Effective Date of this Easement shall be allowed to remain or Grantee shall reasonably compensate Grantor for their replacement. Grantee shall make reasonable efforts not to disturb Grantor's activities on the Property to the extent such activities are consistent with Grantee's use of the Easement. Grantor agrees not to build or construct, nor permit to be built, created or constructed, any permanent structure, except fences, corrals or windbreaks over said Easement area.

- a) Grantee hereby grants permission to Grantor to cross the Easement Area and Pipeline at any time with equipment necessary to carry out normal business on the Property. Further, Grantee agrees that the Pipeline will be constructed in a manner to allow reasonable crossings of the Easement Area by livestock and agricultural equipment, during and after construction.
- b) Grantor shall have the right to cross the Easement Area with fences and roads provided that: Grantor complies with all Wyoming One-Call requirements; cover is not removed from over top of the Pipeline; and, any fence posts are installed at least five feet (5') from the centerline of the Pipeline.
- c) Grantor shall have the right to cross the Easement area with water lines, gas lines, and other utility lines, provided that Grantor complies with all Wyoming One-Call requirements; any cover removed from over top of the Pipeline shall be promptly replaced following construction of Other Lines; any and all Other Lines: Any lines of Grantor's across or along the Pipeline shall be installed and maintained in accordance with any applicable governmental regulations including any regulations related to the Pipeline.

3. Liability for Improvements.

Grantor shall have no liability for any costs or expenses incurred by Grantee in connection with the, testing, construction, operation, repair, maintenance, or removal of the Pipeline, or any other improvements of any kind made on the Easement Area by Grantee. The rights granted to Grantee here shall not be construed to create any responsibility on the part of Grantor to pay for any improvements, alterations or repairs occasioned by Grantee, except such damage to construction equipment or improvements of the Grantee actually caused by the Grantor.

4. Grantee's Obligations.

4.1 Construction Liens.

Grantee shall, at all times, keep the Property free and clear of all claims for and/or liens for labor and services performed, and materials, supplies or equipment furnished to Grantee or Grantee's contractor in connection with Grantee's use of the Property; provided, however, that if such a lien is filed against the Property, Grantee shall indemnify and hold Grantor harmless against the consequences. Both parties shall give the other immediate notice of any claims or liens which could affect the easement property.

4.2 Compensation and Indemnity

Grantee shall promptly and reasonably compensate Grantor for loss or damage to crops, pastures, fences, structures, improvements, waterlines, diversions, irrigation ditches, terraces, tile lines, tanks, timber, pipelines, roads or any other damages to the Property, personal property or livestock caused by or resulting from Grantee's actions, use or occupancy of the Easement and/or Temporary Work Space. This includes damages due to surveying, installation, construction, operation, location, use, testing, repair, maintenance, abandonment, or removal of the Pipeline. The Grantor acknowledges by execution of this agreement that it has received all required compensation for any losses or damages occasioned by the survey, preparation, construction installation use and maintenance of the Pipeline in the ordinary course of any such activities.

Grantee shall defend, protect, indemnify, and hold harmless Grantor, and pay all costs and expenses, including reasonable attorney's fees actually incurred by Grantor, from and against any and all judgments, fines, claims, actions, causes of action, penalties, costs, damages, injuries, expenses, or other liability of any kind arising from, out of, or as a result of any construction or operation activities, actions or use or occupancy of Grantee, its agents, contractors' subcontractors, consultants, or any other person or entity acting through or under them or any of them, including but not limited to negligent, intentional, willful, or wanton actions related to the rights related to the use or occupancy herein granted. In the event the Grantor shall prevail in a court proceeding to enforce this Section 4.2 to establish the right to indemnity, Grantee shall then reimburse Grantor's attorney's fees, costs, and expenses reasonably incurred in connection with establishing the right to indemnity.

4.3 Construction and Reclamation.

Upon completion of any surface disturbance of the above described land due to Grantee's construction, operation, maintenance, repair, replacement, removal of the pipeline, or other activity, Grantee will restore the surface of the property to its original contour and condition as nearly as practicable. Grantee shall remove all debris, pick rocks 4" or greater brought to the surface, replace top soil to as near preconstruction condition as possible, compact trench, cultivate, and reseed and reestablish the disturbed area back to as near original pre-construction condition as possible. Reclamation and clean-up along the Easement Area and Temporary Work Space shall be accomplished in a timely manner weather permitting. Seed mixture used for restoration shall be approved by Grantor and shall be "certified". Any top soil of mulch/straw used for reclamation shall be certified weed free or to the satisfaction of Grantor.

All reclamation obligations, as set forth here, are the obligation of Grantee. If the reclamation was not negligently performed but in any case fails, the Grantee shall not be required to repeat its reclamation. Any further reclamation desired by the Grantor shall be at its sole expense and responsibility.

Should initial reclamation not be successfully completed within 18 months of the completion of the construction, Grantee shall pay Grantor for loss of use or actual

damages, until reclamation has been successfully completed. As an alternative Grantor may elect to receive payment in advance, for 3 years of, loss of use of pasture grass or crop damages as set forth in that certain Order for Payment which would be considered to satisfy Grantee's reclamation obligations under this paragraph.

Reclamation and clean-up shall include the control of weeds, during survey, construction, operation, repair, reclamation, maintenance, and use of said easement for the duration of this agreement or removal or the Pipeline. Weed control shall be accomplished in a timely manner by a commercial, certified sprayer at the Grantee's expense. Grantor shall promptly notify Grantee of any observed weed problem on the easement.

Grantee shall not permit any of its employees or contractors to bring dogs or other animals, firearms, weapons, alcoholic beverages or illegal drugs onto Grantor's Property or conduct illegal activities or prospect for fossils or antiquities on Grantor's Property.

If Grantor's fence is cut during construction, posts will be installed to brace the areas on either side of the cut. Temporary or permanent gates and fencing will be installed, as necessary. Grantee shall immediately repair or replace existing fences to Grantor's satisfaction following the construction, operation, inspection, repair, maintenance, or removal of pipeline, weather permitting.

Grantee shall not use well, reservoir or developed spring water that is used for domestic or livestock water supply present on Grantor's Property in its operations without Grantor's written permission.

Disposal of Merchantable Timber – If During Construction any merchantable timber is harvested Grantor will retain ownership. Grantor shall provide a location outside of the easement area to stockpile said timber in close proximity to the location of harvesting such that trucking of the timber will not be required nor interfere with the pipeline construction. Grantor shall not delay Grantee's construction activities, nor cause Grantee any additional cost or expense.

4.4 Hazardous Material.

Grantee at its expense shall comply with all applicable federal, state, and local laws, regulations, and ordinances governing Hazardous Materials. Hazardous Materials shall mean hazardous or toxic materials, wastes, substances, and/or pollutants, as defined or identified in federal, state, or local laws, rules or regulations, whether now existing or enacted in the future. Grantee shall not use the Property for treatment, emission, release, discharge, or disposal of Hazardous Materials. In the event of any emission, discharge, or release of Hazardous Materials, Grantee shall promptly undertake all environmental remediation required by applicable laws, rules, and/or regulations, and comply with orders, directives, or mandates of any local, state, or federal governmental or quasi-governmental authority having jurisdiction over pollution, the protections or

regulation of human health, natural resources, or the environment, or the emission, discharge, release or threatened release of pollutants, contaminants, regulated toxic or hazardous substances into the environment (including without limitation, ambient air, surface water, ground water or land or soil. Grantee's obligations under this Section shall survive the expiration or termination of this Easement. Grantor will not be held liable or responsible for any hazardous materials associated with the Pipeline.

4.5 Waterlines and Non-Transmission Utility Lines.

If the Pipeline crosses a waterline, gas line, and/or non-transmission utility lines, Grantee shall, at its expense, ensure that each line's depth is maintained and protected in a manner that complies with regulatory requirements and good operating practices and is acceptable to the Grantor. If waterlines are interrupted, Grantee at its expense, shall immediately supply water to Grantor until the original water supply has been restored. Before backfilling, Grantee shall determine whether any lines crossed during trenching were damaged during construction. If such damage occurred, damaged lines shall be removed and replaced with new lines or appropriately repaired at Grantee's expense. If relocation of a waterline, gas line and/or non-transmission utility line is necessary, Grantee shall work directly with Grantor to determine proper location. Grantor shall assist in locating any known water lines, gas lines and/or non-transmission utility lines not currently in the Wyoming One-Call system.

4.6 Notice to Grantor of Suits and Actions.

Grantee agrees to promptly notify Grantor of any and all known pending actions, suits, or proceedings, whether civil, criminal, administrative, or investigative in nature brought against Grantee which involves this Easement or Easement Area of which Grantee is aware, but only to the extent that Grantee is legally authorized to divulge such information.

4.7 <u>Cultural, Archeological or Paleontological Resources.</u>

Grantee acknowledges that any cultural, archeological, and paleontological resources discovered on the property are not the property of the Grantee.

5. Assignment.

5.1 Assignment by Grantor.

Grantor, as used herein, shall mean Grantor together with its agents, heirs, executors, personal representatives, successors and assigns.

5.2 **Assignment by Grantee.**

The rights granted hereby to Grantee may be assigned freely by Grantee in whole, but not in part. In the event of an assignment by Grantee, Grantor shall be provided notice of the assignee within thirty (30) days. Any such assignment, conveyance, transfer, lease, or sublease of the Agreement made for the sole purpose of avoiding any obligations by Grantee, including but not limited to financial obligations, indemnification, and reclamation obligations, shall be void, Grantee shall provide

Grantor a notice by letter to the address stated above or other address designated by Grantor in writing of any assignments by Grantee identifying the name and address of the party to whom the assignment is made. Likewise Grantor shall give the Grantee written notice of any change in ownership of the fee interest underlying any part of the easement.

6. Termination and Removal.

6.1 Removal.

Upon the abandonment or surrender of the rights and privileges provided for in this Easement, Grantee shall, as soon as practicable or within any period prescribed by applicable law or regulation, unless otherwise mutually agreed upon, (a) remove from the Easement Area all above-grade improvements and other personal property owned, located, installed or constructed by or on behalf of Grantee on this Pipeline (b) leave the surface of the Easement Area free from debris arising from the foregoing or from the operations or activities of Grantee, and (c) otherwise reclaim any portion of the Property disturbed by Grantee to a condition reasonably similar to its original condition.

6.2 Release of Easement.

Upon the abandonment or surrender of the rights provided for in this Easement, Grantee shall, execute, acknowledge, and record a Release of Easement, to Grantor or Grantor's successors in interest, as the case may be. If Grantee determines that it no longer needs the rights granted herein, Grantee shall provide notice thereof to Grantor, and Grantee, at Grantor's request, shall execute, acknowledge and record a Release of Easement at no cost to Grantor.

6.3 Abandonment of Pipeline.

Abandonment of the Pipeline and the Easement shall occur if Grantee ceases to operate, protect, or maintain the Pipeline for the transportation of potable water for a period of fifteen (15) consecutive years. Abandonment of the Pipeline shall not under any circumstances entitle Grantee to a refund of all or part of any compensation previously paid to Grantor. Abandonment may also occur by Grantee notifying Grantor or its successors in interest of its intent to abandon the Pipeline. Upon abandonment of the Pipeline, Grantee shall abandon the Pipeline in accordance with any applicable regulations and laws. Grantee shall, within six months after abandonment, file with the Register of Deeds Office a release of all Grantee's rights, title, and interest in and to the property described in this Easement at no cost to Grantor. The indemnity provisions hereof shall survive the expiration or termination of this Easement and shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy and shall inure to the benefit of Grantor and any successor or assignee of Grantor and shall be binding upon Grantee, its successors and assigns. Abandonment shall not absolve Grantee of obligation and liability of the Pipeline for any residual hazardous materials either inside or outside the Pipeline.

7. Grantor's Liability.

7.1 Liability.

Grantee will pay for the costs of remediating any damages or losses caused by any leaks, spills or releases resulting from the construction, operation, removal or abandonment of the Pipeline. Grantee reserves the right to seek reimbursement or indemnity from any person or entity whose actions contributed to leak, spill or release, provided, however, Grantee's claims against Grantor for reimbursement or indemnity shall be limited to leaks, spills or releases caused by the actions of the Grantor, Grantor's representatives, agents, contractors, employees, or invitees.

7.2 <u>Indemnity.</u>

Grantee shall defend, indemnify and hold harmless Grantor, and pay all costs and expenses, including reasonable attorney fees actually incurred by Grantor, from and against any third party claims, actions, lawsuits, fines, injuries, or damages of any kind arising out of the construction, operation, removal or abandonment of the Pipeline. This indemnity will not extend to any claims, actions, lawsuits, fines, injuries, damages or liabilities caused by the actions of Grantor or Grantor's representatives, agents, contractors, employees, or invitees. Grantor will give Grantee written notice of any claims or any occurrence that Grantor believes may give rise to claim of the type described herein within twenty (20) days of receipt of the claim or the date of the occurrence.

7.3 **Survival.**

The indemnity provisions of this agreement shall survive the abandonment or termination of the Easement.

8. All Applicable Regulations.

On this Easement Grantee and Grantor shall comply with all applicable local, state, and federal permits, conditions, rules, and regulations relating to the Pipeline construction, reclamation, operation, and/or decommissioning and abandonment, whether now existing or enacted, imposed or granted in the future.

To the extent that such laws, rules, regulations and/or permits or permit conditions impose more stringent standards, a greater standard of protection than as set forth in this Easement, or conflict with the terms of this Easement, such laws, rules, regulations and/or permits shall control with regard to the agency or entity which promulgated them. Nothing herein constitutes a waiver of Grantor's existing rights and protections under any applicable permit, law, or regulation, now in force.

9. Miscellaneous.

9.1 Contact Information.

Before, during, and after construction, Grantee will provide Grantor with a contact number for Grantor to use to direct questions about the pipeline including its construction and operation.

9.2 Notice.

All notices or other communications required or permitted in this Easement shall, unless otherwise provided, be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

Grantor: Schuricht Land and Real Estate Limited Partnership, c/o Ken Schuricht, of P.O. Box 758, Moorcroft, Wyoming 82721

Grantee: City of Gillette, P.O. Box 3003, Gillette, Wyoming 82717

Notice personally delivered shall be deemed given the day so delivered. Notice by registered or certified mail shall be deemed given on the fifth business day following the postmarked date. Any Party may change its address for purposes of the subsection by giving written notice of such change to the Party in the manner provided herein.

9.3 Entire Agreement.

Except to the extent otherwise provided here, this Easement constitutes the entire agreement between the Parties. No other agreements have been made modifying, adding to, or changing the terms hereof. This Easement may not be abrogated, modified, rescinded, or amended in whole or in art without the consent of Grantor and Grantee, in writing and executed by each of them. No purported modifications or amendments, including without limitation any oral agreement (even if supported by new consideration, course of conduct or absence of a response to a unilateral communication), shall be binding on either Party.

9.4 Force Majeure.

If performance of this Agreement or of any obligation hereunder is prevented or substantially restricted or interfered with by reason of an event of Force Majeure, Grantee, upon giving written notice to Grantor, shall be excused from such performance to the extent of and for the durations of such prevention, restriction, or interference. Grantee and Grantor shall continue performance hereunder whenever such causes are removed. Force Majeure shall mean causes beyond the reasonable control of and without the fault or negligence of Grantee, and which in any case, where with the exercise of due foresight Grantee could not reasonably have expected to avoid, and which, by exercise of due diligence, it is unable to overcome. The term "force majeure" as employed herein shall also mean any cause or event not within the reasonable control of the parties, including but not limited to freezing weather, snow, storms, fire, flood, windstorm, or other acts of God, strike or other industrial disturbances, wars, insurrections, acts of terror, acts of vandalism, civil disturbances, and riots, shortage of and inability to obtain materials. Settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and the above-mentioned requirement that any force majeure should be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of an opposing party when such course is inadvisable in the discretion of the party having difficulty.

9.5 Governing Law.

This Easement shall be governed by the laws of the State of Wyoming, and the venue of any action brought concerning the interpretation or enforcement of this Easement shall be proper in the District Court of the Sixth Judicial District, Crook County, Wyoming.

9.6 Default.

In the event of default hereunder by either Party, non-defaulting party shall provide the defaulting party written notice of the alleged default and the defaulting party shall have. Sixty (60) days from the receipt of said notice to cure the default or be diligently pursuing the cure thereof. If after being afforded the right to cure, defaulting party is still in default, non-defaulting party may choose to pursue its legal remedies under this easement. The terms of this easement or any agreement related to it shall never be enforceable by forfeiture or repossession by the Grantor or self help interference with the flow of potable water in the pipeline or by any lien or equitable remedy of any kind which enjoins or interferes with the public use of the pipeline or interrupts or suspends its service to the public. The Grantee waives no other action in this regard whatsoever including seeking redress through the criminal justice system.

9.7 No Waiver.

The failure of either Party to insist upon strict performance of any of the terms or conditions of this Easement or to exercise any of its rights under this Easement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Easement. No waiver of any right under this Easement shall be effective for any purpose unless it is in writing and is signed by the Party hereto possessing the right, nor shall any such waiver be construed to be a waiver of any subsequent right, term or provision of this Easement. Specifically, the City of Gillette does not hereby waive any right, procedure or condition precedent required by the Governmental Claims Act of the State of Wyoming.

9.8 Interpretation

The Parties agree that the terms and provisions of this Easement embody their mutual intent and that such terms and conditions are not to be construed more liberally in favor of, or more strictly against either Party.

9.9 Invalidity.

If any provision herein is invalid, it shall be considered deleted from this Easement and shall not invalidate the remaining provisions of this Easement.

9.10 Warranty.

Each of the Parties warrants to the other that the person or persons executing this Easement on behalf of such Party has the full right, power and authority to enter into

and execute this Easement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Easement. This easement shall become effective upon its execution by the Mayor of the City of Gillette after City Council proceedings required by law.

9.11 Consent in Writing.

Unless expressly provided otherwise in the Easement, wherever the Easement requires the consent, approval, or similar action by a Party, such consent, approval, or similar action shall be in writing whenever practicable and will not be unreasonably withheld, conditioned, delayed or denied.

9.12 Cooperation.

The Parties agree to reasonably cooperate with each other in the implementation and performance of this Easement. Such duty to cooperate shall not require either Party to act in a manner inconsistent with its rights under this Easement.

9.13 Terms.

The terms, conditions, and provisions of this contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

This Easement is made and sig	gned on this	day of	, 2014.
GRANTOR			
Cyronn Schier	icht		
Title: General Partye of the Schuricht Land and Rea	L Estate Limited Part	nership	
STATE OF WYOMING	1		
COUNTY OF CROOK)) ss.)		
The above and	foregoing instrumer	nt was acknowledge	ad hefore me by
Eyvonne Schuricht	the General	Hartner of the	Schuricht Land and Real
Estate Limited Partnership thi signature hereto is the free ar		Λ*	
Partnership.	- Notary Public	lison 6	to

GRANTEE: City of Gillette	
BY:	
John Opseth, Mayor	
(S E A L)	
ATTEST:	
Karlene Abelseth, City Clerk	
STATE OF WYOMING)) ss. County of Campbell)	
The above and foregoing instru	ment was acknowledged before me by John Opseth ne Abelseth, City Clerk of the City of Gillette this
	Notary Public
My Commission Expires:	

EXHIBIT "B-1" EASEMENTS LOCATED IN A PORTION OF THE N1/2H21/4 SECTION 7. NM1/4 SECTION 8 AND E1/2 SECTION 5, 1504, RSTM, OF THE STM PAIL CROOK COUNTY, INTOMING P.O.B. #2 40.0' TEMPORARY CONSTRUCTION EASEMENT ENTSTING WATERLINE #3 98835 S.F. TEMPORARY CONSTRUCTION EASEMENT EXISTING WATERLINE #3 99135 S.F. TEMPORARY CONSTRUCTION EASEMENT #1 N 57'00'53" E 2486.30 FT 40.0' TEMPORARY CONSTRUCTION EASEMENT # P.O.B. #1-PORTION OF THE N1/2NE1/4 SECTION 7, NN1/4 SECTION 8 AND E1/3 SECTION 3, TSON, RETW SCHURCHT LAND AND REAL ESTATE LIMITED PARTHERSHIP BOOK 368 PHOTOS, PAGE 131 BOOK 368 PHOTOS, PAGE 137 BOOK 368 PHOTOS, PAGE 137 BOOK 368 PHOTOS, PAGE 143 BOOK 368 PHOTOS, PAGE 144 LEGEND 6 - SECTION LINE — CONSTRUCTION EXSENDIT 300' BASS OF BEARING: WYOMENG STATE PLANE CRID, NADBS, EAST ZONE (4901) GRID TO GROUND CONVERSION: 1.00025907 ***ALL AREAS ARE COMPUTED TO CROUND SHEET 1 OF 2 estoral Land Street SURVEYOR'S CERTIFICATE I, DAVID I, VIJEM, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SUMMYDOR, LECUASED UNDER THE LAWS OF THE STATE OF WYOMANS, THAT THIS DRAWING MAS THOSE FROM NOTES TAKEN DURING AN ACTUAL SURVEY AND IS A TITLE REPRESENTATION OF THE SURVEY. ENGINEERING, INC.

