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FILED FOR RECORDING
AT THE REQUEST OF

Roche Public Utility

2003 NOV 17 PM 2 56

LINCOLN COUNTY CLERK
FEE \$
LESLIE BOUCHER

REC
COR

PIPELINE EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That for and in consideration of Ten Dollars (\$10) and other good and valuable consideration, in hand paid, the receipt of which is hereby acknowledged, KERR-McGEE CHEMICAL WORLDWIDE LLD, as successor in interest for KERR-McGEE CORPORATION, (hereinafter called "Grantor"), hereby grants and conveys to PIOCHE PUBLIC UTILITIES, organized under the laws of the State of Nevada, its successors and assigns (hereinafter called "Grantee"), a right of way and easement and for the right and privilege to lay, repair, maintain, operate, replace and remove varying sizes, including but not limited to 6", 4", 1" and 3/4 inch pipeline for the transportation of water, together with instrumentation control cable and such drips, valves, fittings, meters and similar appurtenances as may be necessary or convenient to the operation of said lines, over, across, and through that certain land situated in Lincoln County, Nevada, to wit:

the East 1/2 of the North East 1/4 of Section 29, the South West 1/4 of the North West 1/4 of Section 28 and the North West 1/4 of the South West 1/4 of Section 28, all in Township 1 North, Range 67 East, Lincoln County, Nevada, as generally shown on Exhibit "A" attached hereto and incorporated herein.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, for one year from the date hereof and so long thereafter as the same shall be used for the purposes aforesaid; all subject to the following terms and provisions, to which Grantee shall be deemed to have agreed by acceptance hereof:

1. The right of way and easement herein granted shall have a total permanent width of five (5) feet. Grantee is also granted by Grantor a license to use on a temporary basis during pipeline installation, construction and maintenance an

additional twenty (20) feet adjoining the permanent right of way strip, to the extent such additional 20 foot strip is on lands owned by Grantor.

2. Grantor warrants title to the right of way and easement herein granted against all those claiming or to claim by, through or under it, but not otherwise.

3. The right of way and easement herein granted is assignable and transferable without Grantor's consent in whole, but not in part.

4. Any pipeline constructed by Grantee within the easement will be buried to a sufficient depth to have forty-eight inches (48") of cover over the top of the pipeline; furthermore, any pipeline will be buried a minimum of twelve inches (12") below any existing pipeline owned by Grantor which it may cross.

5. Grantee agrees to pay for any damages which may arise to Grantor's carriers, piers, pipelines, fences, walls, buildings, vessels, paving or other improvements caused by or arising from the exercise of the rights granted Grantee hereunder. Immediately after construction of the new pipelines, the area used during construction will be cleaned up and returned to its original condition as nearly as is reasonably practicable. In the event any future work or repairs shall be necessary on Grantee's pipelines, Grantee shall pay additional damages caused by such work or repairs and agrees to restore the premises or any portion thereof affected thereby to their original condition as nearly as is reasonably practicable.

6. The right of way and easement hereby granted is not exclusive, is subject to any existing easements in favor of third parties and Grantor reserves the right to make use of the lands burdened hereby for their presently used purposes including its own existing pipelines, and repair or replacement thereof. In addition, Grantor specifically reserves the right to cross said right of way and easement for purposes of constructing its own pipelines, driveways, entrances, streets, roads, parking lots, underground utilities and other similar improvements. Grantor agrees to give Grantee thirty (30) days advance written notice of any plans for development of the area over and near the described right of way and easement which will in any manner change the grade or alter in any way the described right of way and easement area, allowing Grantee an opportunity to determine what effect such construction will have on Grantee's pipeline and operation and maintenance thereof and the opportunity for Grantee to mark its lines and have a representative present during any such construction.

7. Notwithstanding any other provision of this Pipeline Easement, in the event Grantor should at any time desire to add further improvements to the lands covered by the right of way and easement, and Grantor determines that any pipeline or improvement constructed pursuant to this Pipeline Easement shall interfere with said development, then Grantor reserves the right to give Grantee written notice of its intention to so develop, and require Grantee to remove and relocate such pipeline, at the sole expense of Grantee, to an acceptable substitute location furnished by Grantor

free of additional cost. Removal and relocation of Grantee's pipeline shall be substantially completed within ninety (90) days after an acceptable substitute location has been determined.

8. Grantee expressly agrees to indemnify, defend and hold Grantor, its officers, employees and agents free and harmless from and against any and all liability, claims, damages, judgments, losses and expenses, (including attorneys' fees) on account of bodily injury, disease, death, property loss or damage or violation of any law, arising directly from the use by Grantee, its officers, employees, agents, successors and assigns of the right of way and easement granted herein or any pipeline or any pipeline appurtenances constructed by them therein. Grantee further agrees to indemnify and defend and hold Grantor, its officers, employees and agents harmless from any claim for liability or damage to or loss of materials, tools, and equipment owned or supplied by Grantee or by Grantee's contractors or supplied by any third party to Grantee and used in the construction, operation, or maintenance of pipelines in the easement. The foregoing indemnification by Grantee shall not apply to the extent any such liability, claim, damage, judgment, loss and expense is caused by the negligence or willful misconduct of Grantor, its employees or agents.

9. In the event this right of way and easement is abandoned, Grantee shall, upon request of the then surface owner of record, promptly file a release of said right of way and easement in the land records of Lincoln County, Nevada.

10. All notices permitted or required under this Pipeline Easement shall be deemed to have been properly given when made in writing and delivered personally to the intended party or sent by facsimile or by mail with all necessary postage or charges fully prepaid and addressed to the parties as follows:

Grantor:

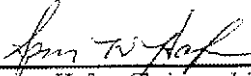
Kerr-McGee Chemical Worldwide LLC
P. O. Box 25861
Oklahoma City, Oklahoma 73125
Attn: Geology Department
Facsimile: 405-228-6831

Grantee:

Pioche Public Utilities
P. O. Box 35
Pioche, Nevada 89043
Attn: Manager
Facsimile: 775-962-5328

Notice sent by facsimile shall be deemed given the first business day after confirmation of receipt and that sent by mail shall be effective upon receipt. Either party may change

SIGNATURES:

 11-17-03
Spencer Hafen, Chairman Lincoln County Commission Date

 11/17/03
William Lloyd, Chairman Pioche Town Board Date

Attest:  11-17-03
Corrine Hogan, Lincoln County Clerk Date