

WATER PIPELINE EASEMENT

ELWIN WEBB PHILLIPS and **JAMES REED PHILLIPS**, both of Sheridan County, Wyoming, hereinafter referred to as "GRANTORS", for and in consideration of good and valuable consideration, receipt of which is acknowledged and subject to the terms and conditions set forth below, convey and warrant to the **MEAD CREEK DITCH COMPANY IRRIGATION DISTRICT**, a political subdivision of the State of Wyoming, hereinafter referred to as "GRANTEE" a water pipeline easement and right-of-way upon, across and under the following-described real property, described as:

A 30' wide strip of land located in the S½ of the NW¼,
Section 8, T53N, R83W, 6th P.M.,
Sheridan County, Wyoming.

Said easement is for GRANTEE, its employees, agents, contractors and assigns for entry upon and use of the premises described and shown on the exhibits for the purposes of surveying, designing, constructing, installing, inspecting, operating, maintaining, repairing, and replacing a water pipeline and related ancillary facilities, including an inlet structure, an outlet structure, and other related appurtenances as may be necessary for the proper operation of said water pipeline. This includes the right to operate machinery upon this property for these purposes. This easement includes the right of ingress and egress upon and across real property of GRANTORS at reasonable places and routes for aforesaid purposes. This deed of easement shall be binding upon GRANTORS' heirs and assigns and shall be perpetual so long as the easement is used for the purposes above recited. The use of this easement is not intended for other purposes.

GRANTEE agrees to repair trench settlement, re-establish grass growth, repair fences and ditches crossed, maintain drainage, and repair any buried pipes, electrical wires or other improvements owned by the GRANTORS that may be damaged by GRANTEE during the construction and operation of this water pipeline.

GRANTORS shall be held harmless from any legal actions or claims of any form that involve the easement conveyed by GRANTORS to GRANTEE, unless they are the result of the GRANTORS' sole negligence. Notwithstanding the above, GRANTEE does not waive any rights they may claim with respect to the Wyoming Governmental Claims Act.

564866 EASEMENT
BOOK 481 PAGE 0680
RECORDED 02/08/2007 AT 03:50 PM
AUDREY KOLTISKA, SHERIDAN COUNTY CLERK

Permanent improvements that would hinder future access to the water pipeline cannot be constructed over the easement, but otherwise land use may be similar to current use.

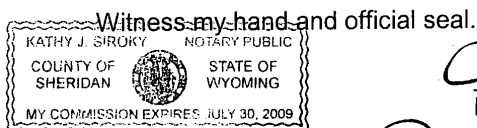
Within one year of the date of this easement, GRANTEE shall provide GRANTORS with an identical easement for execution, except that the second easement shall provide a metes-and-bounds legal description of the 30'-wide strip of land for the easement based upon the water pipeline as actually constructed. GRANTORS shall not withhold execution of this second easement as long as it is the same in every respect except for the metes-and-bounds description.

DATED THIS 8th day of February, 2007.

Elwin Webb Phillips
ELWIN WEBB PHILLIPS
By Charles R. Hart, Attorney in Fact
James Reed Phillips
JAMES REED PHILLIPS

STATE OF WYOMING)
) ss
COUNTY OF SHERIDAN)

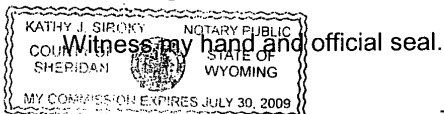
The foregoing instrument was acknowledged before me by Charles R. Hart, Attorney in Fact for **ELWIN WEBB PHILLIPS** this 8th day of February, 2007.



Kathy J. Sirosky
Notary Public
My Commission Expires: July 30, 2009

STATE OF WYOMING)
) ss
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me by **JAMES REED PHILLIPS** this 8th day of February, 2007.



Kathy J. Sirosky
Notary Public
My Commission Expires: July 30, 2009