

WATER LINE EASEMENT

This conveyance is made effective the 17 day of March 2009, by and between W.J. Pilch Family Limited Liability Company, a Wyoming limited liability company (hereinafter referred to as "Grantor") and the City of Sheridan, Wyoming (hereinafter referred to as "Grantee"). For and in consideration of good and valuable consideration whose receipt is acknowledged, Grantor hereby grants and conveys to Grantee a utility easement over, across and under the following-described real property, hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Wyoming:

SEE ATTACHED EXHIBITS "A" and "B"

(referred to hereafter as the "Property" or the "easement route")

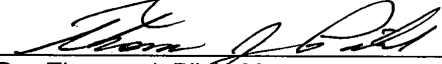
Grantor does hereby grant to Grantee, its employees, agents, contractors and its invitees and assigns, the right to enter upon and use the Property described and shown on the attached exhibits for the purposes of surveying, designing, constructing, installing, inspecting, operating, maintaining, tapping, repairing, and replacing water lines. This grant includes the right to operate machinery upon the property for these purposes and the right of ingress and egress upon and across Grantors' property adjacent to the easement route for reasonable access thereto. This easement shall be binding upon Grantors' heirs and assigns and shall run with the land.

Grantor shall not hereafter place any permanent improvement within the easement which interferes with the rights granted herein; *provided however*, Grantor reserves the right to construct a road over the easement route which may include an asphalt and/or concrete surface and doing so shall not be deemed to interfere with the easement rights granted herein. Permanent improvements constructed within the easement route which in any way interfere with or impede Grantee's use of the easement route shall be removed at the expense of the Grantor upon sufficient notification of Grantee. Grantor shall be responsible for the replacement of minor surface improvements constructed within the easement route beyond trench backfill, grading, and surfacing. Grantee agrees to reshape the ground surface to approximately match pre-existing contours, repair trench settlement and replace surface materials with similar vegetation.

Grantor and Grantee agree Grantor reserves the right to dedicate the Property for use as a public access and utility corridor hereafter.

GRANTOR:

W.J. PILCH FAMILY LIMITED LIABILITY COMPANY


By: Thomas J. Pilch, Manager

STATE OF WYOMING)

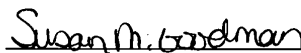
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COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me by Thomas J. Pilch, as Manager of W.J. Pilch Family Limited Liability Company, a Wyoming limited liability company, this 17 day of March, 2009.

Witness my hand and official seal.



Notary Public

My Commission Expires: June 12, 2010



EXHIBIT "A"

Record Owner: W J Pilch Family, LLC
December 11, 2008

Re: 30.0' Water Line Easement to the City of Sheridan, Sheridan County, Wyoming

A perpetual waterline easement being a strip of land thirty (30) feet wide, fifteen (15) feet each side of a centerline when measured at right angles, situated in Lot 2, WJP Minor Subdivision within the SE¼SW¼ of Section 20, Township 56 North, Range 84 West, 6th P.M., Sheridan County, Wyoming; as shown on **EXHIBIT "B"** attached hereto and by this reference made a part hereof; said centerline being more particularly described as follows:

Commencing at the west quarter corner of said Section 20 (Monumented with a 4" Military Monument No. 40 brass cap); thence S59°10'56"E, 2703.29 feet to the **POINT OF BEGINNING** of said easement, said point lying on the north line of said SE¼SW¼; thence S00°00'00"E, 12.05 feet along said centerline to a point, said point lying on the north line of said Lot 2, WJP Minor Subdivision to the County of Sheridan and being S89°04'36"E, 980.76 feet from said northwest corner of said Lot 2, WJP Minor Subdivision (Monumented with a 3" brass cap per PE & PLS 537); thence S00°00'00"E, 439.33 feet along said centerline to a point; thence S01°23'34"E, 725.05 feet along said centerline to a point; thence S00°00'00"E, 96.81 feet along said centerline to the **POINT OF TERMINUS** of said easement, said point being S89°28'35"E, 27.50 feet from the southeast corner of Lot 6, Pilch Subdivision to the County of Sheridan (Monumented with a 3¼" aluminum cap per PE & PLS 3864) and lying on the north right of way line of West Fifth Street aka State Highway No. 330, said point being N89°40'20"E, 2319.28 feet from the southwest corner of said Section 20 (Monumented with a 4" Military Monument No. 41 brass cap). Lengthening or shortening the right of way lines of said easement to intersect said boundary lines.

In addition, a temporary construction easement will be required, as shown on **EXHIBIT "B"** being a strip of land thirty (30) feet wide, and twenty (20) feet wide; the easterly line of said thirty (30) feet wide perpetual waterline easement being the westerly line of said thirty (30) feet wide strip and the westerly line of said thirty (30) feet wide perpetual waterline easement being the easterly line of said twenty (20) feet wide strip, excepting any portion of Lot 5 or Lot 6 of said Pilch Subdivision. Lengthening or shortening the side lines of said temporary construction easement to intersect said boundary lines.

Said perpetual water line easement contains **0.88 acres**, more or less, and is subject to any right-of-way and/or easements, reservations and encumbrances which have been legally acquired.

Said temporary construction easements contain **1.26 acres**, more or less, and will become null and void at the time that the project contractor's one year contractual warranty expires.

Basis of Bearings is the Wyoming Coordinate System NAD 1983, East Central Zone.

EXHIBIT "B"

RECORD OWNER:
SHERIDAN HEIGHTS RANCH LLC
(BK 500, PG 388)

NW CORNER LOT 2
WJP MINOR SUBD.

NE1/4SW1/4

NE CORNER LOT 2
WJP MINOR SUBD.

N89°04'36"W 980.76'

N89°04'36"W 1019.40'

SE1/4SW1/4

RECORD OWNER:
WJ PILCH FAMILY, LLC
(BK 477, PG 41)

WJP

MINOR

SUBD.

LOT 2
(VACATED)LOT 2
(VACATED)

20'

30'

200.16'

S89°40'21"E

14.8'

435.91'

S01°23'24"E

15.0'

S89°38'05"E

1000.63'

15.0'

435.58'

S01°23'34"E

15.0'

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