

ENTRY NO. 00138679

03/11/2008 09:52:13 AM B: 0348 P: 0353
Water Quit Claim Deed PAGE 1 / 1
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 10.00 BY JENKINS RONNOLD JENSEN & BAYLES LLP



When recorded, mail to:
North Fork Water Company
Attn: Bruce Jenkins
902 North 1400 West
St. George, UT 84770

QUIT CLAIM DEED

SPLIT ROCK, INC., a Utah corporation, GRANTOR, hereby quit claims to **NORTH FORK WATER COMPANY**, a Utah corporation, GRANTEE, of 906 North 1400 West, St. George, UT 84770, for the sum of TEN DOLLARS (\$10.00), and other good and valuable consideration, the following described water right located in Kane County, Utah:

Water Right No. 81-4618 for the irrigation of 5 acres, as modified by approved change application a31009 for irrigation of 3.333 acres and seasonal domestic use of 20 dwellings, all as designated and described in the Office of the Utah State Engineer.

WITNESS the hand of the GRANTOR this 6th day of March, 2008.

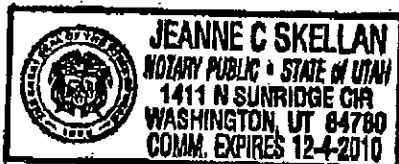
SPLIT ROCK, INC., a Utah corporation,

By Weldon Larsen
Its President

STATE OF UTAH)

COUNTY OF Washington) ss.

On this 6th day of March, 2008, before me personally appeared Weldon G. Larsen, personally known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is signed on the preceding document, and who by me duly sworn, did say that he is the President of Split Rock, Inc., and that said document was signed by him in behalf of said corporation by authority of its bylaws (or resolution of its board of directors) and said President acknowledged to me that said corporation executed the same.



Jeanne C Skellan
Notary Public

ASSIGNMENT

Split Rock, Inc., Zion Mountain Resort, Inc. and Chamberlain Ranch Water Company (collectively, the "Assignor") hereby assigns to North Fork Water Company ("Assignee") and Assignee hereby accepts from Assignor all Assignor's right, title and interest in and to, and obligations under, the following documents:

1. Letter dated September 15, 2006 from the State of Utah, Department of Environmental Quality regarding the Feasibility, Drinking Water Service from Zion Mountain Resort/Chamberlain Ranch Water Company to Chamberlain Ranch Residential Subdivision (19 Lots and Lodge Area), System #13064, File #7024;
2. Letter dated September 26, 2006 from Southwest Utah Public Health Department regarding Onsite Wastewater Feasibility, Chamberlain Ranch Subdivision, Kane County, Utah;
3. Geotechnical Environmental Materials Preliminary Evaluation Report dated and Revised August 15, 2006 regarding Well #1, Source #01 Water System N/A, Split Rock Development, Sec. 34, T.39 S., R.9 W., S.L.B.& M., Kane County, Utah; and
4. Letter dated August 10, 2006 to the State of Utah, Division of Drinking Water regarding Letter of Intent to File Land Use Agreement, Split Rock Subdivision, Water System Number # Not Assigned yet, Well #01, Kane County, Utah (Recorded in Kane County on 8-18-06, Entry 130670, Book 0309, Page 530).

WITNESS, the hand of said Assignor, this 31st of January, 2008.

Split Rock, Inc.

By: 

Name: Weldon G. Larsen

Title: President

North Fork Water Company

By: 

Name: Weldon G. Larsen

Title: President

Zion Mountain Resort, Inc.

By: 

Name: Weldon G. Larsen

Title: President

Chamberlain Ranch Water Company

By: 

Name: Kevin McLaws

Title: _____

435 644 2969



State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D. Executive Director

DIVISION OF DRINKING WATER Kevin W. Brown, P.E. Director

- Drinking Water Board: Anne Erickson, Ed.D., Chair; Myron Bateman, Vice Chair; Helen Graber, Ph.D.; Daniel Fleming; Jay Franson, P.E.; Paul Hansen, P.E.; Laurie McNeill, Ph.D.; Dianne R. Nielson, Ph.D.; Petra Rust; Ron Thompson; Kevin W. Brown, P.E., Executive Secretary

JON M. HUNTSMAN, JR. Governor

GARY HERBERT Lieutenant Governor

September 15, 2006

Kevin McLaws Zion Mountain Resort / Chamberlain Ranch 2923 Crestview Drive Santa Clara, Utah 84765

Dear Mr. McLaws:

Subject: Feasibility, Drinking Water Service from Zion Mountain Resort/Chamberlain Ranch Water Company to Chamberlain Ranch Residential Subdivision (19 Lots and Lodge Area), System #13064, File #7024

We have reviewed the information contained in our files, available from the Division of Water Rights and updated system information submitted by the Zion Mountain Resort/Chamberlain Ranch Water Company. The Zion Mountain Resort/Chamberlain Ranch Water Company is a new water company created to serve the Chamberlain Ranch development on the North Fork of the Virgin River. The 19 new lots and the lodge area will be the only connections to the system at this time. We understand that Zion Mountain Resort/Chamberlain Ranch Water Company has one well that may be approved as public drinking water source.

The Split Rock Well No. 1 has recently been drilled and grouted. From the information received to date we understand that this well was test pumped at 57 gpm with a 12 foot drawdown. This well will be rated at 38 gpm in accordance with R309-515-6(10) of the drinking water rules. The total source is as follows:

Split Rock Well No. 1.....38 gpm
Total38 gpm

Kevin McClaws
Page 2
September 15, 2006

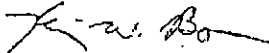
Our evaluation of the source requirements, assuming that 0.1 acres per connection are irrigated, indicates that a source capacity of 19 gpm is required. Since the Zion Mountain Resort/ Chamberlain Ranch Water Company has 38 gpm available, the capability of the Company to serve the Chamberlain Ranch subdivision and lodge is feasible. The seasonal nature of the homes also reduces the outside watering demand on the system.

We wish to point out that approval of the plans and specifications for construction of this project is required by Rule R309-105-6(1) of the Utah Administrative Code prior to beginning construction of the water system. We understand that the Preliminary Evaluation Report has been submitted to the Division for review. The chemical water samples have been submitted to an approved laboratory for analysis. Experience of the water quality of other wells in this general area would indicate that this well should meet the drinking water standards. However, the Preliminary Evaluation Report and chemical analysis must be completed and approved before any consideration will be given for construction approval.

If you have any questions or need further assistance, please call Randy Taylor, P.E., District Engineer, Southwest District Office, (435) 986-2590 or you may call Bill Birkes, of my staff, at (801) 536-4201.

Sincerely,

DRINKING WATER BOARD



Kevin W. Brown, P.E.
Executive Secretary

RGT

cc: Kane County Planning Commission
Randy Taylor, P.E., District Engineer
Scott Hacking, P.E., District Engineer
Rod Cosslett, Southwest Utah Public Health Department
Kurt Vest, Division of Water Rights, Cedar City

Reply to



168 North 100 East, ST GEORGE, UTAH 84770 - (435) 673-9528
 708 North 195 West, LAVERKIN, UTAH 84745 - (435) 615-4458
 260 E. D.L. Sargent, CEDAR CITY, UTAH 84720 - (435) 586-2437
 245 South 200 East, KANAB, UTAH 84741 - (435) 644-2537
 P.O. Box 374, 609 N. Main, PANGUITCH, UTAH 84759 - (435) 676-8800
 P.O. Box 14, 155 West 100 North, ESCALANTE, UTAH 84726 - (435) 826-4397
 325 E. Center, P.O. Box G, BEAVER, UTAH 84713 - (435) 438-2482

September 26, 2006

Zion Mountain Resort, Inc.
 9065 W Hwy 9
 Orderville, UT 84758

Re: Onsite Wastewater Feasibility, Chamberlain Ranch Subdivision, Kane County, Utah

To Whom It May Concern:

We have received plans and supportive information to establish feasibility for the above referenced subdivision. The following comments reflect the results of our review.

WASTEWATER TREATMENT FACILITIES

Septic tanks and subsurface absorption systems are the proposed method of onsite wastewater treatment and disposal for the nineteen residential lots included in this development. Based on the review of the submitted plans and supportive information, onsite wastewater treatment by means of septic tanks and subsurface absorption appears **feasible**. It is important to stress that soil and percolation information submitted for feasibility may be used in obtaining septic system permits for individual lots, provided the tests were conducted in close proximity to the proposed absorption field, otherwise additional tests must be conducted. Wastewater disposal for each lot will be dependant on strict compliance with the following:

1. The design for each septic tank and seepage device must be based on results of soil exploration and percolation tests conducted on each lot. These tests must be conducted in the vicinity of the proposed wastewater treatment system. Percolation and soil information along with detailed plans for each disposal system must be submitted to the Southwest Utah Public Health Department (SUPHD) for review and evaluation prior to construction and installation. If soil and related tests disclose unfavorable conditions for septic tanks and subsurface disposal in certain areas, septic tanks and subsurface treatment will not be permitted in those areas.
2. Each onsite wastewater treatment system must be installed in compliance with Utah Department of Environmental Quality, Onsite Wastewater Systems, R317-4, Utah Administrative Code.

Zion Mountain Resort
September 26, 2006
Page 2

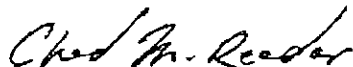
3. Final approval of individual wastewater disposal systems may be granted only after an on-site inspection of each system by an authorized representative of SUPHD following construction and installation, but prior to backfilling.
4. *As indicated on the preliminary plat, the septic system for lot 17 is to be located in common area 1 and the septic system for lot 14 is to be located in common area 2. Neither lot 17 nor 14 had soil suitable for an onsite wastewater system found with lot boundaries. For clarification, the area set aside in the common areas appears adequately sized for onsite wastewater systems for these lots. With use of these areas and easements, where needed, this letter of feasibility also applies to these lots.*
5. *Wastewater disposal by means of septic tanks and subsurface absorption also appears feasible for the two commercial lots indicated on the preliminary plat.*

DRINKING WATER SUPPLY

Because the drinking water for the proposed subdivision is a public water system, feasibility for the development is to be provided from the Utah Department of Environmental Quality.

This statement of feasibility applies only to the requirements of the Southwest Utah Public Health Department concerning water and wastewater disposal suitability. The proposed development is subject to any restrictions or limitations that may be imposed by Kane County, or any other regulatory agency governing development. If you have any questions regarding the foregoing information, please contact this office.

Sincerely,



Chad M. Reeder, EHS
Southwest Utah Public Health Department

cc: Kane County, Planning and Zoning Commission
Rod Cosslett, Environmental Health Director, SUPHD
Randy Taylor, District Engineer, DEQ
Thebeau Consulting



Geotechnical Environmental Materials

Preliminary Evaluation Report

Well # 1, Source # 01 Water System N/A
Split Rock Development
Sec. 34, T.39 S., R.9 W., S.L.B.&M.
Kane County, Utah

Prepared For:

Split Rock Inc.
2923 Crestview Drive
Santa Clara, Utah 84765

Attention: Mr. Kevin McLaws

MOB 15K

*JAY DID WORK
+ FILED*

Revised - August 15, 2006

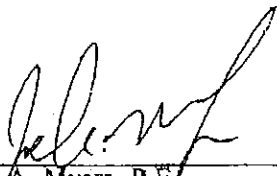
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A Report Prepared For:

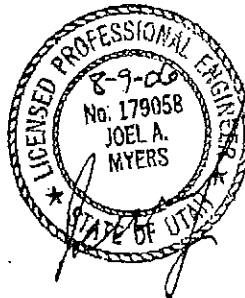
Split Rock Inc.
2923 Crestview Drive
Santa Clara, Utah 84765

Attention: Mr. Kevin McLaws

Prepared By:



Joel A. Myers, P.E.
Engineering Manager



GEM Engineering
369 North 100 West # 8
Cedar City, UT 84770
(435) 867-6478

August 9, 2006

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Waivers

EXECUTIVE SUMMARY

Split Rock Inc.
2923 Crestview Drive
Santa Clara, Utah 84765

Attention: Mr. Kevin McLaws

Subject: Executive Summary
Preliminary Evaluation Report
Split Rock Development, Well # 1, Source # 01, Water System Number Not Assigned
Kane County, Utah

Dear Mr. McLaws:

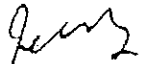
Enclosed is the Source Protection Plan Preliminary Evaluation Report for the subject well. The DWSP Zone Map, which shows the protection zones is shown in the appendix. The method of determining the zones is detailed within the body of the report. The actual boundaries of the zones are also described within the body of the report.

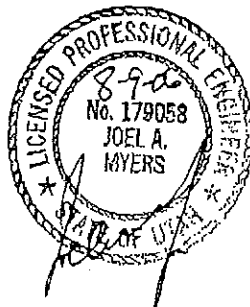
There are no known "potential sources of contamination" within any of the protection zones at this time.

State law requires that state agencies and landowners adhere to R309-113. All of the protection zones are within Split Rock Inc. Land Boundaries. Letters of Intent to file Land use agreements are also included for all other land owners. All requirements in State of Utah Administrative Code R309-113 should be followed.

We appreciate the opportunity to be of service on this project. Should you have any questions regarding the report or wish to discuss additional services, please contact us at your convenience.

Respectfully submitted,
GEM Engineering,


Joel A. Myers, P.E.
Engineering Manager



1.0 INTRODUCTION

This report presents the results of a Preliminary Evaluation Report for a proposed new well to be located approximately 150 feet north and 1554 east of the southwest corner of the northeast corner of Sec. 33, T 39 S. R9W, SLB & M, Kane County, Utah. The study was conducted in accordance with your authorization.

The purpose of this report is to evaluate the subject drinking water source for the purpose of establishing protection zones for the proposed well to aid in the protection of the source against possible contamination. This study was conducted in accordance with R309-113 of the Utah Administrative Code.

1.1 System Information

A new well is proposed for the Split Rock Subdivision, in the north fork area of the Virgin River in Kane County, Utah. The water system number has not yet been assigned, but the well will be source #1. There is no address at the well location. However, it will be located approximately 150 feet north and 1554 east of the southwest corner of the northeast corner of Sec. 33, T 39 S. R9W, SLB & M, Kane County, Utah. The address for the system owner is:

Split Rock Inc.
2923 Crestview Drive
Santa Clara, Utah 84765

The system is a new well.

The water system will be classified as a "non-community / transient" public water system since there will be no permanent residence in the subdivision.

1.2 Source Information

The proposed source is named Split Rock Well # 01. The source is a new source and is a well. The well and distribution system have been not constructed as of the date of this report. The well is located approximately 150 feet north and 1554 east of the southwest corner of the northeast corner of Sec. 33, T 39 S. R9W, SLB & M, Kane County, Utah.

1.3 Designated Person

The Designated Person as stated in R309-113-5 is:

Mr. Kevin McLaws

Split Rock Inc.
2923 Crestview Drive
Santa Clara, Utah 84765
Phone # 435-632-6310

2.0 DELINEATION REPORT

2.1 Geologic Data

The proposed well will be located in the North Fork Area of the Virgin River Drainage in Kane County, Utah. This area is within the Basin and Range physiographic province. These mountains are composed of partly consolidated to consolidated rocks of Pennsylvanian through Tertiary age, except for local thin unconsolidated surficial deposits of Quaternary age. Most of the mountains in the area are below 10,000 ft; however, Brian Head Peak north east of the project reaches an altitude of approximately 11,900 ft.. The elevation of the well head is approximately 5,850 feet.

Groundwater occurs in subsurface materials throughout the North Fork Area and probably in all of the contiguous mountains and surrounding areas. Some of the groundwater in the mountainous areas discharge by evapotranspiration, some discharges to mountain streams forming the Virgin River and the remainder moves through the bedrock directly into the valley-fill material in lower valleys.

The formation on the surface in the vicinity of the well appears to be alluvial and fluvial deposits with Claron formation and Iron Springs Formation rising up on each side of the valley where the proposed well is to be drilled. The North Fork of the Virgin River passes through the same small valley as the proposed well.

The quantity and rate of movement of water in various subsurface materials depend in part on the nature of the materials. In consolidated rock, the joints, fractures, faults, and solution channels are the principle water bearing voids, and some of them may be large enough to transmit water as freely as a surface stream. Most of them are small, however, and water moves through them as slowly as it does through unconsolidated deposits. Almost all materials at or near the earth's surface contain and transmit some water. But the porosity and permeability vary greatly.

2.2 Well or Spring Construction Data

The well has not been constructed as of the date of this report. The proposed construction of the well is described in the well drillers report and is included in the appendix. The maximum projected pumping rate of the proposed well is to be 15 gpm. The total depth of the well is to be 100 to 500 feet below the ground surface. The boring hole is proposed at 12 inches. The diameter of the casing is 8 inches. Since the well has not been constructed as of the date of this report no well drillers information is provided.

2.3 Aquifer Data

The following table illustrates the estimated Aquifer information for the proposed well based on the geologic data provided. The information was obtained from technical publication No. 83, State of Utah Department of Natural Resources, 1985. This publication is a study of quality of water in the upper Virgin River basin including the North Fork of the Virgin River, Utah. The aquifer data below a based on the geologic data available and are estimates based on conditions at the site and could vary greatly depending on the actual aquifer data once the well is constructed and an aquifer test is performed.

AQUIFER INFORMATION

Description-Units	Variable	Value
Hydraulic Conductivity-ft/day	K	61 (calculated using $T=Kb$)
Transmissivity - Ft. ² /day	T	6800
Hydraulic Gradient - Ft./Ft.	i	0.000750
Direction of Ground Water Flow-degrees(from 0)	α	230°
Estimated Effective Porosity-%	n	12
Saturated Thickness- Ft.	b	100
Well Discharge Rate-gpm	Q	10

2.4 Hydrogeologic Methods, Procedures, and Calculations

The value for Transmissivity was calculated from the aquifer test performed for the well described previously. The value for Hydraulic Conductivity was calculated using the equation $T=Kb$. The hydraulic gradient and the flow direction from the above chart was determined by a site visit and the geologic study for the area sited previously. The data is included in the appendix. The saturated thickness is calculated from the enclosed well diagram.

DWSP zones for the proposed well were defined by utilizing a combination of hydrogeologic mapping and the WHPA program since the layer appears to be fractured volcanic rock from the Mount Dutton Formation. The WHPA program cannot be fully utilized to estimate the protection zones since both criteria met. Using existing flow direction data contained in the above-mentioned previous study, a map of the protection zones was created and can be found in the appendix entitled DWSP Zones. The aquifer data above was calculated from an aquifer test which was performed on a well in the same formation.

2.5 Boundaries of the DWSP Zones

A Map showing the approximate Boundaries of the DWSP zones is shown in the Appendix.

The following table illustrates the length of the protection zones. As previously stated hydrogeologic mapping was utilized to develop the protection zones:

Zone Number	Maximum Upgradient Distance (Ft.)	Maximum Downgradient Distance (Ft.)	Maximum Width (Ft.)
Zone # 1	100	100	100
Zone # 2	140	75	160
Zone # 3	370	90	300
Zone # 4	1550	120	420

2.6 Protected or Unprotected Aquifer Classification

Based on the reviewed information and our geologic investigation, it is our opinion that the subject aquifer is unprotected since a minimum 30-foot clay layer most likely does not exist above the aquifer. However, the well drilling may reveal a layer of clay.

3.0 POTENTIAL CONTAMINATION SOURCES

3.1 and 3.2 Possible Contamination Sources and Hazards

No known contamination sources are located within protection zones. The following are descriptions of possible contamination sources within the protection zones.

1. A septic systems may exist in the subdivision. The septic systems can not exist within zone one or zone two as shown on the DWSP map. The contaminants which may be associated with this septic system are those which are associated with biological human waste. It is unlikely that septic systems will exist within any of the protection zones.
2. Wild animals and domesticated animals will pass through the protection zones. Waste from the animals could present a possible pollution source. A pump house and fence should be constructed to keep the animals out of zone one. It is unlikely that waste from animals will be a significant pollution source within zone 2.

3.3 Prioritize the Inventory

No potential contamination are located within zone 2 at the present time. The prioritization should be shown above. 1. Residential septic system. 2. Wild animals.

3.4 Potential Contamination Sources Location

No potential Contamination Sources exist at this time. The Land is generally undeveloped mountain property.

3.5 Potential Contamination Sources Plotted on a Map

None are plotted since they do not exist.

4.0 LAND OWNERSHIP MAP AND LIST

The DWSP Map in the Appendix also shows the land ownership of the land in the vicinity of the proposed well. All of the land within the protection zones is on land owned by Split Rock Inc. A map contained in the appendix shows the land ownership within the protection zones.

5.0 LAND USE AGREEMENTS, LETTERS OF INTENT, OR ZONING ORDINANCES -R309-600-13(2)(d)

Kane County has a policy that it is state law to adopt the Drinking Water Source Protection Rule (R309-113). The state laws will help control the potential for future contamination of this source because under the law development cannot occur unless it meets the intent of the Drinking Water Source Protection Rule (R309-113). An ordinance has also been passed for Kane County and it is state law.

Specifically, zone one, which is the 100-foot radius from the well, cannot have the location of any pollution source as defined by (R309-113). Zone 2, which is shown on the DWSP map, cannot have the location of a pollution source unless its contaminated discharge can be controlled with design standards.

Enclosed are letters of intent to file Land Use Agreements which are signed and recorded at Kane County.

Waivers

The land owners of the will sign a letter with a list of pesticides and VOC parameter groups attached to it. In the letter the owners will state that none of the pesticides and VOC's within the respective parameter groups listed have been or will be used, disposed, stored, transported, or manufactured within the protection areas. We therefore request a use waiver to not test for the pesticides or VOC's listed in the appendix for the Split Rock Subdivision Well # 1.

REFERENCES

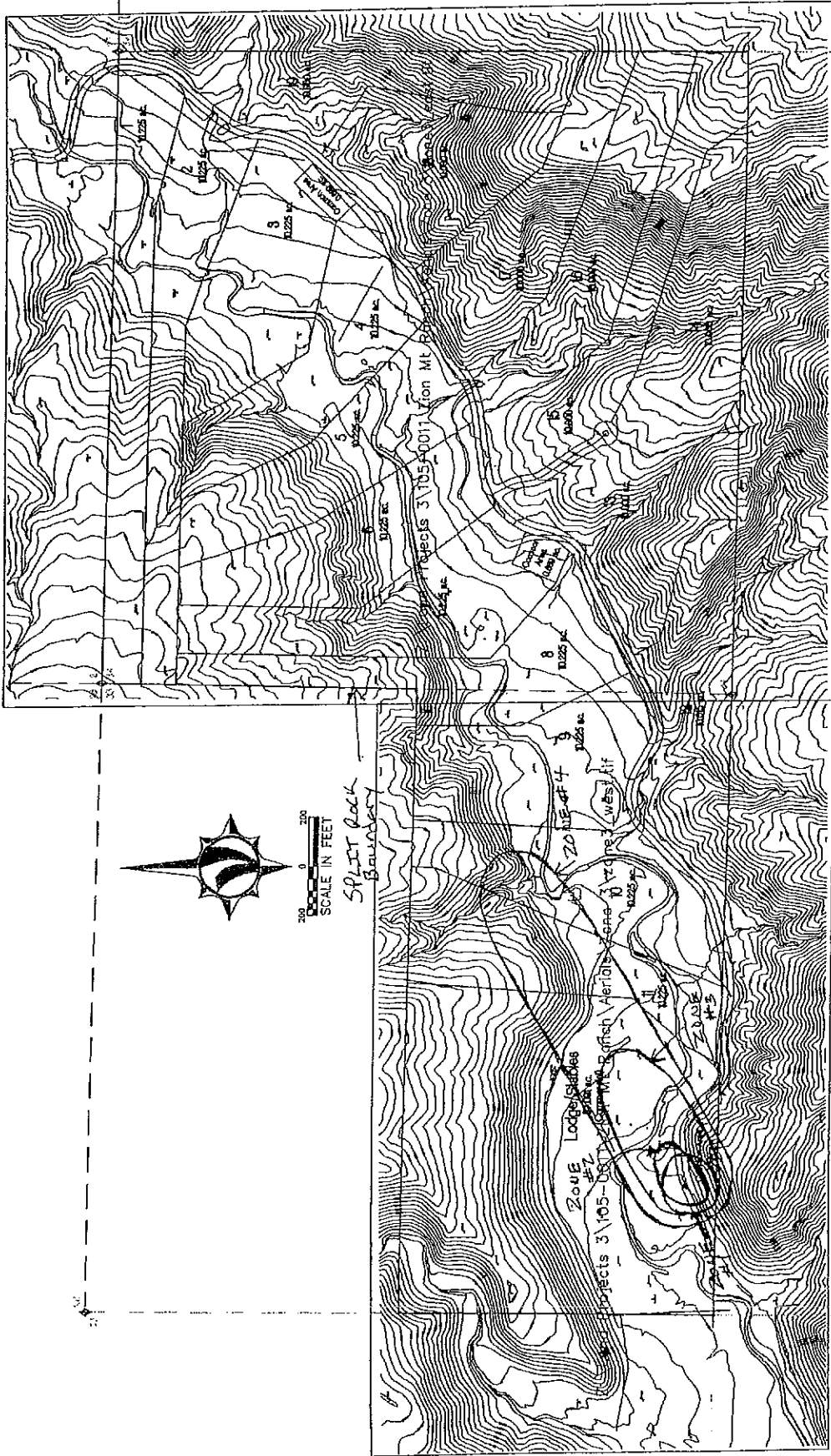
Reconnaissance of the Quality Surface Water in the Upper Virgin River Basin, Utah, Arizona, and Nevada 1981-1982. Technical Publication No. 83. State of Utah Department of Natural Resources, 1985

Utah Division of Drinking Water, 1998. **Source Protection Users Guide.** State of Utah, Department of Environmental Quality. Salt Lake City, Utah.

Utah Division of Drinking Water, 1998. **Drinking Water Source Protection Rule R309-113.** State of Utah, Department of Environmental Quality. Salt Lake City, Utah.

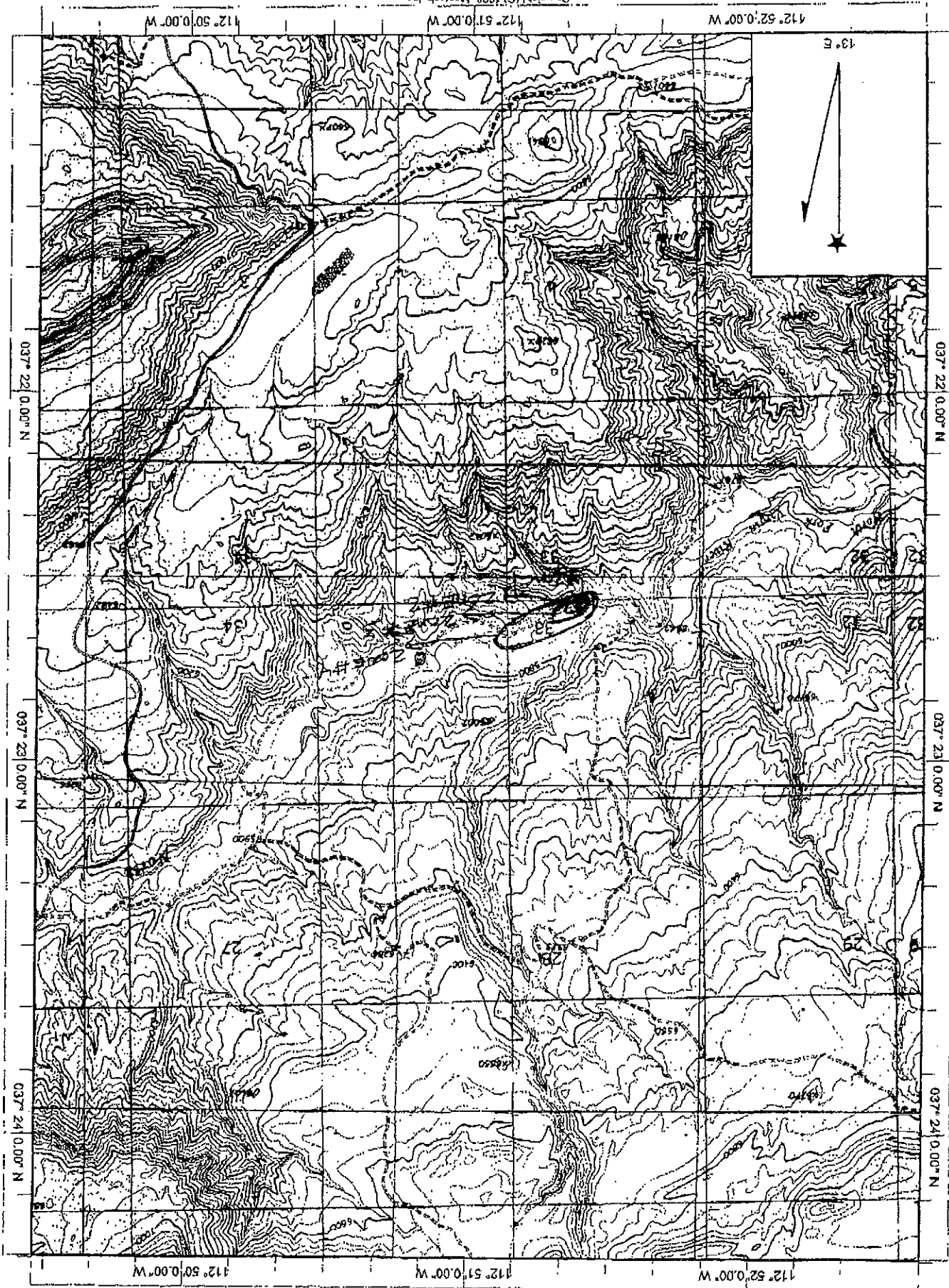
Geologic Map of the Eastern Iron County, Utah. Utah Geological Survey, 1959

APPENDIX A



DWSP MAP of LAND OWNERSHIP MAP

Copyright (C) 1998, Maptech, Inc.



ENTRY 130870 RECORDED BY E. McLAWS FEB 10 2007
DATE 8-18-06 AT 11:20 AM VTC KANE COUNTY RECORDER
BY DEPUTY NA BOOK 0109 PAGE 530
WB 525

August 10, 2006

State of Utah
Division of Drinking Water
Salt Lake City, Utah


Subject: Letter of Intent to File Land Use Agreement
Split Rock Subdivision
Water System Number # Not Assigned yet, Well #01
Kane County, Utah

Tom whom it may concern:

I the undersigned landowner or administrator, acknowledge the Drinking Water Source Protection Plan for the Subject Project in Kane County, Utah. We agree to file a land use agreement not to located or allow the location of any potential contamination sources, as defined in R309-113-6(1)(u) of the Utah Administrative Code, within Zone One which is a 100 foot radius around the well, locate north 150 feet and East 1554 feet from the Southwest corner of the Northeast quarter of Section 33, Township 39 South, Range 9 West Salt Lake Base and Meridian. We also agree not to located pollution sources in zone 2 unless design standards are implemented to prevent contamination discharges. This agreement is binding on all heirs, successors, and assigns.

This agreement will be recorded with Kane County recorder's office.

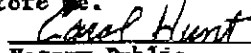
Sincerely,

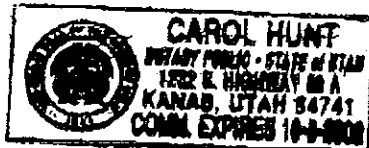

Kevin McLaws
Owner and/or Administrator

Recorded at Kane County Recorders Office: (Date: _____)

By: _____

The signer acknowledged His/Her signature before me.

 8-18-06
Notary Public



510



August 10, 2006

State of Utah
Division of Drinking Water
Salt Lake City, Utah

Subject: Letter of Intent to File Land Use Agreement
Split Rock Subdivision
Water System Number # Not Assigned yet, Well # 01
Kane County, Utah

To whom it may concern:

I the undersigned landowner or administrator, acknowledge the Drinking Water Source Protection Plan for the Subject Project in Kane County, Utah. The well will be located at approximately 150 feet north and 1554 east of the southwest corner of the northeast corner of Sec. 33, T 39 S. R9W, SLB & M. Kane County, Utah. We agree to file a land use agreement not to locate or allow the location of any potential contamination sources, as defined in R309-113-6(1)(u) of the Utah Administrative Code, within Zone One which is a 100 foot radius around the well. We also agree not to locate pollution sources in zone 2 unless design standards are implemented to prevent contamination discharges. This agreement is binding on all heirs, successors, and assigns.

This agreement will be recorded with the Kane County recorder's office.

Sincerely,

Kevin McLaws
Owner and/or Administrator

Recorded at Kane County Recorders office: (Date: _____)

By: _____

EASEMENT GRANT AGREEMENT
("Water Pumphouse Easement")

202-Open

1. **PARTIES:** ZION MOUNTAIN RESORT, INC., a Utah Corporation ("Grantor") and NORTH FORK WATER COMPANY, a Utah Corporation ("Grantee").

2. **CONSIDERATION:** For TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION GIVEN BY GRANTEE TO GRANTOR, the receipt and sufficiency of which is hereby acknowledged, and for the covenants and conditions herein contained, Grantor and Grantee hereby agree as follows:

3. **RECITALS:**

A. Grantee intends to supply culinary water to the members of the Chamberlain Ranch Owners Association, and perhaps others at Grantee's discretion.

B. Grantor desires to grant an exclusive easement to Grantee on Grantor's property described in Exhibit A for a pump, generator(s), solar panels, sheds, water lines and all related appurtenances and equipment necessary to operate a private water company (hereinafter the "Water Pumphouse Easement").

C. The cost of construction and maintenance of the pump, generator(s), solar panels, sheds, waterlines and all related appurtenances and equipment will be borne by Grantee, its successors and assigns.

D. These recitals shall be treated as covenants and not as mere recitals.

4. **GRANT OF WATER PUMPHOUSE EASEMENT:** Grantor hereby grants, bargains, sells, assigns, conveys and transfers to Grantee, its successors and assigns, an exclusive easement for a pump, generator(s), solar panels, sheds, water lines and all related appurtenances and equipment over, across and under the real property described in Exhibit A.

5. **CONSTRUCTION OF THE EASEMENT:** The easement granted herein shall be engineered, designed, and constructed by Grantee at Grantee's sole cost and expense.

6. **MAINTENANCE OF THE EASEMENT:** Upon completion of construction of the easement granted herein, Grantee shall be responsible to maintain, repair and replace the easement and all improvements thereon.

7. **EASEMENT TO RUN WITH THE LAND:** The grant of the easements herein

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shall run in perpetuity with the land and shall be binding on and inure to the benefit of the parties to this Water Pumphouse Easement, their respective heirs, successors, agents, members or assigns.

8. **INDEMNIFICATION AND WAIVER:** Grantee shall hold harmless and indemnify Grantor, its agents, officers, employees and representatives from and against any and all claims, demands or liability (including reasonable attorney's fees) related directly to the activities of Grantee in constructing and using the easement.

9. **MAINTENANCE AND OBLIGATION TO INDEMNIFY TO RUN WITH THE LAND:** The obligations of maintenance and indemnification of the parties hereto shall run with the land and any and all rights and obligations of the parties contained herein shall be deemed delegated, transferred, and assigned to the subsequent owner of the property and the transferring party shall be relieved from further obligation and liability for acts, omissions, and obligations that occur after the transfer.

10. **HEADINGS:** The headings in this Water Pumphouse Easement are for ready reference only and shall not be used to limit or expand the terms of this Water Pumphouse Easement.

11. **LAW/JURISDICTION/VENUE:** Any action to enforce the terms of this Water Pumphouse Easement shall be brought in the Sixth Judicial District Court in and for Kane County, Utah. This Water Pumphouse Easement shall be construed in accordance with the substantive and procedural laws, including the applicable statute(s) of limitations, of the State of Utah.

12. **SEVERANCE:** If a court of competent jurisdiction shall find any provision of this Water Pumphouse Easement unenforceable under Utah law, such provision shall be stricken and the remainder of the Water Pumphouse Easement shall remain in full force and effect.

13. **AUTHORITY:** Each party signing hereby represents that it has full and complete authority to make the representations made herein and bind the parties for which it signs.

14. **INTEGRATED AGREEMENT:** This Water Pumphouse Easement is intended by the parties to be the final expression of their agreement with respect to the subject matter hereof, and is intended as the complete and exclusive statement of the terms of the agreement between the parties. As such, this Water Pumphouse Easement constitutes the entire agreement between the parties, whether oral or written, with respect to the subject matter hereof, and may only be modified by subsequent writing duly executed by both parties. All prior contradictory agreements are superceded hereby.

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15. **MODIFICATION OF EASEMENT:** Any modification of this Water Pumphouse Easement or additional obligation assumed by any party in connection with this Water Pumphouse Easement shall be binding only if evidenced in writing signed by each party.

16. **REPRESENTATION:** Each party has had this Water Pumphouse Easement reviewed by separate, independent legal counsel, or by signing this Water Pumphouse Easement has waived the opportunity to do so.

17. **CONSTRUCTION:** This Water Pumphouse Easement shall be construed according to its plain and ordinary meaning and shall not be construed against the drafter.

IN WITNESS WHEREOF, the parties have signed this Water Pumphouse Easement on this 23rd date of January, ~~2007~~²⁰⁰⁸.

GRANTEE:

North Fork Water Company

By: [Signature]

Its: President

GRANTOR:

Zion Mountain Resort, Inc.

By: [Signature]

Its: President

(Notary Signatures on Following Page)

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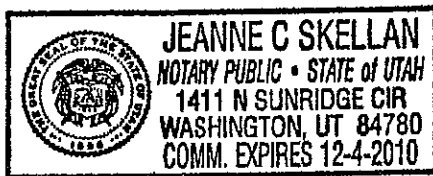
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 :SS.
County of Washington)

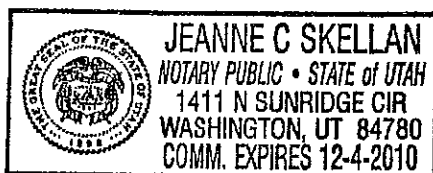
On this 23rd day of January, 2008, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the President of North Fork Water Company and that he executed the foregoing Agreement on behalf said corporation, and he acknowledged before me that the North Fork Water Company executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.



Jeanne C Skellan
Notary Public

STATE OF UTAH)
 :SS.
County of Washington)

On this 23rd day of January, 2008, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the President of Zion Mountain Resort, Inc. and that he executed the foregoing Agreement on behalf said company, and he acknowledged before me that Zion Mountain Resort, Inc. executed the same by authority of a resolution of its Operating Agreement for the uses and purposes stated therein.



Jeanne C Skellan
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF UTILITIES EASEMENT

A parcel of land, an open space, located in Chamberlain Ranch, PUD, Kane County, state of Utah, which is in the Southwest quarter of the Northeast quarter of Section 33, Township 39 South, Range 9 West, Salt Lake Base, and Meridian beginning further described as follows, with a bearing of South 88° 50' 16" East, between the West Quarter corner and the East Quarter corner of said Section 33 used as the basis of bearing.

Beginning at a point which is located South 89° 50' 16" East, 314.43 feet, along the Center of Section 33, from the said Center of Section 33, Township 39 South, Range 9 West, Salt Lake Base, and Meridian and running thence North 65° 59' 18" East 238.05 feet, along the south side of the Narrows Road, to the beginning of a non-tangential curve; thence said curve turning to the right through an angle of 51° 21' 13", having a radius of 425.00 feet, and whose long chord bears South 88° 20' 05" East 368.30 feet to a point of intersection with a non-tangential line; thence South 63° 21' 36" East for a distance of 211.70 feet to the beginning of a curve; thence, said curve turning to the left through 09° 51' 31", having a radius of 115.35 feet, and whose long chord bears South 68° 17' 21" 19.82 feet; thence North 88° 50' 16" West 793.40 feet along the center of Section line to the point of beginning, containing 1.56 acres more or less.

PARCEL # 202-21. 202-OPEN

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VERJEAN CARUSO, KANE COUNTY RECORDER

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EASEMENT GRANT AGREEMENT
("Water Tank and Utility Easement")

1. **PARTIES:** LUNDGREN RANCH, L.L.C., a Utah limited liability company ("Grantor") and NORTH FORK WATER COMPANY, a Utah corporation ("Grantee").

2. **CONSIDERATION:** For TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION GIVEN BY GRANTEE TO GRANTOR, the receipt and sufficiency of which is hereby acknowledged, and for the covenants and conditions herein contained, Grantor and Grantee hereby agree as follows:

3. **RECITALS:**

A. Grantor, pursuant to that certain Supplement to Easement Grant, Reservation of Right and Agreement recorded in the records of the Kane County Recorder as Document No. 00137848, has previously granted an access and utilities easement over, across and under Grantor's property described in Exhibit A to Zion Mountain Resort, Inc. and Chamberlain Ranch Owners Association (hereinafter the "Road Easement").

B. Grantee intends to supply culinary water to the members of the Chamberlain Ranch Owners Association, and perhaps others at Grantee's discretion.

C. Grantor desires to grant an exclusive easement to Grantee on Grantor's property described in Exhibit B for a water tank, water lines and all related appurtenances and equipment necessary to operate a private water company (hereinafter the "Water Tank Easement").

D. Grantor also desires to grant a non-exclusive easement for utilities to Grantee in the Road Easement and Zion Mountain Resort, Inc. and Chamberlain Ranch Owners Association desire to consent to such non-exclusive utility easement hereafter the "Utility Easement."

E. The cost of construction and maintenance of the water tank and water lines will be borne by Grantee, its successors and assigns.

F. These recitals shall be treated as covenants and not as mere recitals.

4. **GRANT OF UTILITY EASEMENT WITHIN ROAD EASEMENT:** Grantor hereby grants, bargains, sells, assigns and conveys to Grantee a non-exclusive easement over, across and under the Road Easement described in Exhibit A hereto for the purpose of installing water lines and other utilities benefitting Grantee.

5. **GRANT OF WATER TANK EASEMENT:** Grantor hereby grants, bargains, sells, assigns, conveys and transfers to Grantee, its successors and assigns, an exclusive easement for a water tank, water lines and all related appurtenances and equipment over, across and under the real property described in Exhibit B.

6. **CONSTRUCTION OF THE EASEMENTS:** The Easements granted herein shall be engineered, designed, and constructed by Grantee at Grantee's sole cost and expense.

7. **MAINTENANCE OF THE EASEMENTS:** Upon completion of construction of the easements granted herein, Grantee shall be responsible to maintain, repair and replace the easements.

8. **EASEMENTS TO RUN WITH THE LAND:** The grant of the easements herein shall run in perpetuity with the land and shall be binding on and inure to the benefit of the parties to this Easement, their respective heirs, successors, agents, members or assigns.

9. **INDEMNIFICATION AND WAIVER:** Grantee shall hold harmless and indemnify Grantor, its agents, officers, employees and representatives from and against any and all claims, demands or liability (including reasonable attorney's fees) related directly to the activities of Grantee in constructing and using the easements.

10. **MAINTENANCE AND OBLIGATION TO INDEMNIFY TO RUN WITH THE LAND:** The obligations of maintenance and indemnification of the parties hereto shall run with the land and any and all rights and obligations of the parties contained herein shall be deemed delegated, transferred, and assigned to the subsequent owner of the property and the transferring party shall be relieved from further obligation and liability for acts, omissions, and obligations that occur after the transfer.

11. **HEADINGS:** The headings in this Easement are for ready reference only and shall not be used to limit or expand the terms of this Easement.

12. **LAW/JURISDICTION/VENUE:** Any action to enforce the terms of this Easement shall be brought in the Sixth Judicial District Court in and for Kane County, Utah. This Easement shall be construed in accordance with the substantive and procedural laws, including the applicable statute(s) of limitations, of the State of Utah.

13. **SEVERANCE:** If a court of competent jurisdiction shall find any provision of this Easement unenforceable under Utah law, such provision shall be stricken and the remainder of the

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Easement shall remain in full force and effect.

14. **AUTHORITY:** Each party signing hereby represents that it has full and complete authority to make the representations made herein and bind the parties for which it signs.

15. **INTEGRATED AGREEMENT:** This Easement is intended by the parties to be the final expression of their agreement with respect to the subject matter hereof, and is intended as the complete and exclusive statement of the terms of the agreement between the parties. As such, this Easement constitutes the entire agreement between the parties, whether oral or written, with respect to the subject matter hereof, and may only be modified by subsequent writing duly executed by both parties. All prior contradictory agreements are superceded hereby.

16. **MODIFICATION OF EASEMENT:** Any modification of this Easement or additional obligation assumed by any party in connection with this Easement shall be binding only if evidenced in writing signed by each party.

17. **REPRESENTATION:** Each party has had this Easement reviewed by separate, independent legal counsel, or by signing this Easement has waived the opportunity to do so.

18. **CONSTRUCTION:** This Easement shall be construed according to its plain and ordinary meaning and shall not be construed against the drafter.

IN WITNESS WHEREOF, the parties have signed this Easement on this 5th date of December, 2007.

GRANTEE:

North Fork Water Company

By: [Signature]
Its: Weldon G. Larsen, President

GRANTOR:

Lundgren Ranch, L.L.C.

By: [Signature]
Its: Charles O Lundgren - Manager

APPROVAL OF GRANT OF UTILITY
EASEMENT WITHIN THE ROAD EASEMENT:

Zion Mountain Resort, Inc.

By: [Signature]
Its: Weldon G. Larsen, President

Chamberlain Ranch Owners Association

By: [Signature]
Its: Weldon G. Larsen, Vice President

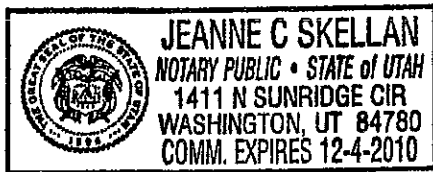
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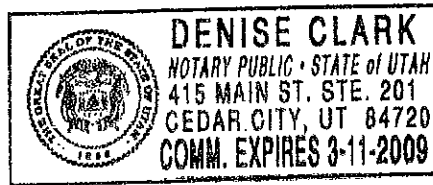


STATE OF UTAH)
:SS.
County of Washington)

On this 5th day of December, 2007, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the President (office) of North Fork Water Company and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that the North Fork Water Company executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.



Jeanne C Skellan
Notary Public



STATE OF UTAH)
:SS.
County of Iron)

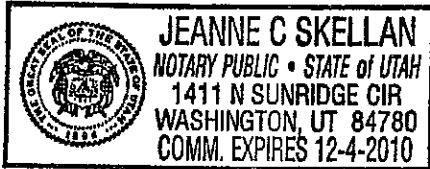
On this 5 day of December, 2007, personally appeared before me Charles D Lundgren who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Manager (office) of Lundgren Ranch, L.L.C. and that he/she executed the foregoing Agreement on behalf said company, and he/she acknowledged before me that Lundgren Ranch, L.L.C. executed the same by authority of a resolution of its Operating Agreement for the uses and purposes stated therein.

Denise Clark
Notary Public

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STATE OF UTAH)
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:SS.
County of Washington)

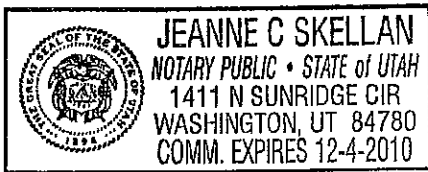
On this 5th day of December, 2007, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Vice President (office) of Chamberlain Ranch Owners Association and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that the Chamberlain Ranch Owners Association executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.



Jeanne C Skellan
Notary Public

STATE OF UTAH)
)
:SS.
County of Washington)

On this 5th day of December, 2007, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the President (office) of Zion Mountain Resort, Inc. and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that Zion Mountain Resort, Inc. executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.



Jeanne C Skellan
Notary Public

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EXHIBIT A

Lundgren Entrance Road Easement

A right-of-way being on both sides of the following described center-line:

Commencing at the corner common to the south corners of Sections 34 and 35 of Township 39 South, Range 9 West, Salt Lake Base and Meridian; thence along the south section line of said Section 34 North 88° 51' 25" West 2481.33 feet; thence, departing said section line, South 01° 08' 36" East 2120.04 feet to the **POINT OF BEGINNING**, said point being on the west right-of-way boundary of North Fork Road; thence South 24° 02' 08" East 127.42 feet to the beginning of a curve; thence along said curve turning to the left 81.28 feet, said curve having a radius of 100.00 feet, a central angle of 46° 34' 10" and whose long chord bears South 47° 19' 13" East 79.06 feet; thence South 70° 36' 18" East 215.46 feet to the beginning of a curve; thence along said curve turning to the right 262.54 feet, said curve having a radius of 98.00 feet, a central angle of 153° 29' 45" and whose long chord bears South 06° 08' 34" West 190.78 feet; thence South 82° 53' 27" West 261.81 feet to the beginning of a curve; thence along said curve turning to the left 172.00 feet, said curve having a radius of 90.00 feet, a central angle of 109° 29' 52" and whose long chord bears South 28° 08' 31" West 146.99 feet; thence South 26° 36' 25" East 71.87 feet to the beginning of a curve; thence along said curve turning to the right 130.17 feet, said curve having a radius of 150.00 feet, a central angle of 49° 43' 15" and whose long chord bears South 01° 44' 48" East 126.12 feet; thence South 23° 06' 50" West 40.71 feet to the beginning of a curve; thence along said curve turning to the left 123.83 feet, said curve having a radius of 150.00 feet, a central angle of 47° 18' 00" and whose long chord bears South 00° 32' 11" East 120.35 feet; thence South 24° 11' 11" East 153.42 feet to the beginning of a curve; thence along said curve turning to the right 85.09 feet, said curve having a radius of 300.00 feet, a central angle of 16° 15' 05" and whose long chord bears South 16° 03' 38" East 84.81 feet; thence South 07° 56' 06" East 124.33 feet to the beginning of a curve; thence along said curve turning to the left 186.23 feet, said curve having a radius of 450.00 feet, a central angle of 23° 42' 42" and whose long chord bears South 19° 47' 27" East 184.90 feet; thence South 31° 38' 48" East 164.69 feet to the beginning of a curve; thence along said curve turning to the right 116.19 feet, said curve having a radius of 250.00 feet, a central angle of 26° 37' 40" and whose long chord bears South 18° 19' 58" East 115.14 feet; thence South 05° 01' 08" East 96.43 feet to the beginning of a curve; thence along said curve turning to the left 131.09 feet, said curve having a radius of 700.00 feet, a central angle of 10° 43' 47" and whose long chord bears South 10° 23' 01" East 130.90 feet; thence South 15° 44' 55" East 359.95 feet to the beginning of a curve; thence along said curve turning to the left 285.53 feet, said curve having a radius of 125.00 feet, a central angle of 130° 52' 32" and whose long chord bears South 81° 11' 11" East 227.38 feet; thence North 33° 22' 33" East 173.03 feet to the beginning of a curve; thence along said curve turning to the right 421.42 feet, said curve having a radius of 5000.00 feet, a central angle of 04° 49' 45" and whose long chord bears North 35° 47' 25" East 421.30 feet; thence North 38° 12' 18" East 47.57 feet to the beginning of a curve; thence along said curve turning to the left 218.83 feet, said curve having a radius of 2000.00 feet, a central angle of 06° 16' 08" and whose long chord bears North 35° 04' 14" East 218.72 feet; thence North 31° 56' 10" East 4.39 feet to the beginning of a curve; thence along said curve turning to the right 234.81 feet, said curve having a radius of

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150.00 feet, a central angle of 89° 41' 29" and whose long chord bears North 76° 46' 54" East 211.56 feet; thence South 58° 22' 22" East 6.50 feet to the beginning of a curve; thence along said curve turning to the right 138.54 feet, said curve having a radius of 950.00 feet, a central angle of 08° 21' 20" and whose long chord bears South 54° 11' 42" East 138.42 feet; thence South 50° 01' 02" East 51.48 feet to the beginning of a curve; thence along said curve turning to the left 199.54 feet, said curve having a radius of 1000.00 feet, a central angle of 11° 25' 59" and whose long chord bears South 55° 44' 01" East 199.21 feet; thence South 61° 27' 00" East 129.53 feet to the beginning of a curve; thence along said curve turning to the right 166.94 feet, said curve having a radius of 300.00 feet, a central angle of 31° 53' 00" and whose long chord bears South 45° 30' 30" East 164.80 feet; thence South 29° 34' 00" East 176.28 feet; thence South 35° 54' 35" East 114.97 feet to the beginning of a curve; thence along said curve turning to the left 223.60 feet, said curve having a radius of 200.00 feet, a central angle of 64° 03' 22" and whose long chord bears South 67° 56' 16" East 212.13 feet; thence North 80° 02' 04" East 102.60 feet to the beginning of a curve; thence along said curve turning to the right 171.04 feet, said curve having a radius of 800.00 feet, a central angle of 12° 14' 59" and whose long chord bears North 86° 09' 33" East 170.71 feet; thence South 87° 42' 58" East 174.54 feet to the beginning of a curve; thence along said curve turning to the left 146.21 feet, said curve having a radius of 150.00 feet, a central angle of 55° 50' 50" and whose long chord bears North 64° 21' 37" East 140.49 feet; thence North 36° 26' 12" East 100.41 feet to the beginning of a curve; thence along said curve turning to the right 181.13 feet, said curve having a radius of 210.00 feet, a central angle of 49° 25' 05" and whose long chord bears North 61° 08' 45" East 175.56 feet; thence North 85° 51' 17" East 632.47 feet to the beginning of a curve; thence along said curve turning to the right 388.48 feet, said curve having a radius of 200.00 feet, a central angle of 111° 17' 27" and whose long chord bears South 38° 30' 00" East 330.22 feet; thence South 17° 08' 44" West 369.13 feet to the beginning of a curve; thence along said curve turning to the right 272.67 feet, said curve having a radius of 600.00 feet, a central angle of 26° 02' 15" and whose long chord bears South 30° 09' 51" West 270.32 feet; thence South 43° 10' 59" West 441.80 feet to the beginning of a curve; thence along said curve turning to the left 133.12 feet, said curve having a radius of 500.00 feet, a central angle of 15° 15' 17" and whose long chord bears South 35° 33' 21" West 132.73 feet; thence South 27° 55' 43" West 66.88 feet to the beginning of a curve; thence along said curve turning to the right 89.29 feet, said curve having a radius of 750.00 feet, a central angle of 06° 49' 18" and whose long chord bears South 31° 20' 22" West 89.24 feet; thence South 34° 45' 00" West 217.22 feet to the beginning of a curve; thence along said curve turning to the left 163.64 feet, said curve having a radius of 1200.00 feet, a central angle of 07° 48' 47" and whose long chord bears South 30° 50' 37" West 163.51 feet; thence South 26° 56' 13" West 87.91 feet to the beginning of a curve; thence along said curve turning to the left 94.80 feet, said curve having a radius of 200.00 feet, a central angle of 27° 09' 31" and whose long chord bears South 13° 21' 28" West 93.92 feet; thence South 00° 13' 18" East 22.45 feet to the beginning of a curve; thence along said curve turning to the left 110.02 feet, said curve having a radius of 600.00 feet, a central angle of 10° 30' 24" and whose long chord bears South 05° 28' 30" East 109.87 feet; thence South 10° 43' 41" East 33.11 feet to the beginning of a curve; thence along said curve turning to the right 199.69 feet, said curve having a radius of 400.00 feet, a central angle of 28° 36' 11" and whose long chord bears South 03° 34' 24" West 197.62 feet; thence South 17° 52' 30" West 36.69 feet to the beginning of a curve; thence along said curve turning to the right 56.74 feet, said curve having a radius of 800.00 feet, a central angle of 04° 03' 49" and whose long chord bears South 19° 54' 24"

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West 56.73 feet; thence South 21° 56' 19" West 160.09 feet to the beginning of a curve; thence along said curve turning to the right 40.85 feet, said curve having a radius of 600.00 feet, a central angle of 03° 54' 01" and whose long chord bears South 23° 53' 19" West 40.84 feet; thence South 25° 50' 20" West 170.29 feet; thence South 24° 14' 51" West 152.68 feet to the beginning of a curve; thence along said curve turning to the left 279.84 feet, said curve having a radius of 200.00 feet, a central angle of 80° 10' 04" and whose long chord bears South 15° 50' 10" East 257.56 feet; thence South 55° 55' 12" East 54.20 feet to the beginning of a curve; thence along said curve turning to the left 54.45 feet, said curve having a radius of 200.00 feet, a central angle of 15° 35' 54" and whose long chord bears South 63° 43' 09" East 54.28 feet; thence South 71° 31' 06" East 21.45 feet to the beginning of a curve; thence along said curve turning to the right 47.85 feet, said curve having a radius of 200.00 feet, a central angle of 13° 42' 24" and whose long chord bears South 64° 39' 54" East 47.73 feet; thence South 57° 48' 42" East 86.62 feet; to the **POINT OF ENDING**, said point lying on the centerline of Narrows Road, containing 12.46 acres (more or less).

PARCEL ID'S:

9-9-34-1

9-9-33-1

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EXHIBIT B

LEGAL DESCRIPTION OF: TANK EASEMENT

Commencing at the West ¼ Corner of Section 34, Township 39 South, Range 9 West, Salt Lake Base and Meridian; thence South 39° 28' 45" East 1558.69 feet to the **POINT OF BEGINNING**, said point being located on the south easement line (said easement recorded in book _____ and page(s) _____ in the Kane County Recorder's office); thence, continuing along said easement line, along a curve turning to the right, concave southernly, 99.98 feet, said curve having a radius of 125.00 feet, a central angle of 45° 49' 42" and whose long chord bears South 81° 17' 13" East 97.34 feet; thence South 58° 22' 22" East 6.50 feet to the beginning of a curve; thence along said curve turning to the right 53.83 feet, said curve having a radius of 925.00 feet, a central angle of 03° 20' 04" and whose long chord bears South 56° 42' 20" East 53.82 feet; thence, departing said easement line, South 33° 06' 11" West 188.14 feet; thence North 57° 17' 09" West 60.00 feet; thence North 33° 06' 11" East 60.00 feet; thence North 12° 05' 29" West 125.39 feet to the **POINT OF BEGINNING**, containing 0.41 acres (more or less).

INCLUDED IN PARCEL #9-9-34-1.

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01/07/2008 01:42:15 PM B: 0342 P: 0021
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FEE \$ 28.00 BY JENKINS RONNOW JENSEN & BAYLES LLP



When Recorded mail to:
Jenkins Ronnow Jensen & Bayles, LLP
902 North 1400 West, Suite B
St. George, UT 84770

ENTRY NO. 00138119

01/17/2008 12:17:18 PM B: 0342 P: 0514
Affidavit of Correction PAGE 1 / 2
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 12.00 BY JENKINS RONNOW JENSEN & BAYLES LLP



9-9-34-1

AFFIDAVIT OF CORRECTION
Chamberlain Ranch
Easement Grant Agreement
("Water Tank and Utility Easement")
Exhibit B

The undersigned, having been duly sworn, hereby avers as follows:

I, Weldon G. Larsen, as President of North Fork Water Company, the Grantee under the Easement Grant Agreement ("Water Tank and Utility Easement") recorded January 7, 2008 in Kane County, Utah ("Easement Grant Agreement") as Entry No. 00138002, in Book 0342, at pages 0013 to 0021, hereby confirm the existence of a clerical oversight on Exhibit B of the Easement Grant Agreement.

As the result of the oversight, the Easement Grant Agreement was recorded with two blanks in the legal description of Exhibit B.

Utah Code Ann. Sec. 57-3-106(8) permits minor typographical and clerical errors in a recorded document, such as the one described herein, to be corrected by the recording of an affidavit or other appropriate instrument.

THEREFORE, be it hereby be known that Exhibit B of the Easement Grant Agreement ("Water Tank and Utility Easement") shall read as follows:

LEGAL DESCRIPTION OF: TANK EASEMENT

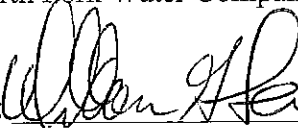
Commencing at the West ¼ Corner of Section 34, Township 39 South, Range 9 West, Salt Lake Base and Meridian; thence South 39° 28' 45" East 1558.69 feet to the **POINT OF BEGINNING**, said point being located on the south easement line (said easement recorded in Book 0341 and pages 0157 to 0163 in the Kane County Recorder's office); thence, continuing along said easement line, along a curve turning to the right, concave southernly, 99.98 feet, said curve having a radius of 125.00 feet, a central angle of 45° 49' 42" and whose long chord bears South 81° 17' 13" East 97.34 feet; thence South 58° 22' 22" East 6.50 feet to the beginning of a curve; thence along said curve turning to the right 53.83 feet, said curve having a radius of 925.00 feet, a central angle of 03° 20' 04" and whose

easement line, South 33° 06' 11" West 188.14 feet; thence North 57° 17' 09" West 60.00 feet; thence North 33° 06' 11" East 60.00 feet; thence North 12° 05' 29" West 125.39 feet to the **POINT OF BEGINNING**, containing 0.41 acres (more or less).

INCLUDED IN PARCEL #9-9-34-1

DATED this 14th day of January, 2008.

North Fork Water Company

By: 

Name: Weldon G. Larsen

Title: President

STATE OF UTAH)
)
County of Washington)

On this 14th day of January, 2008, personally appeared before me Weldon G. Larsen who being personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the President of North Fork Water Company, and that he executed the foregoing Affidavit of Correction on behalf of said Company being authorized and empowered to do so.




Notary Public

ENTRY NO. 00138119

01/17/2008 12:17:18 PM B: 0342 P: 0515
Affidavit of Correction PAGE 2 / 2
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 12.00 BY JENKINS RONNOW JENSEN & BAYLES LLP



**EASEMENT GRANT,
RESERVATION OF RIGHT
AND AGREEMENT**

1. PARTIES AND CONSIDERATION: Lundgren Ranch, L.L.C., a Utah limited liability company (“Grantor”) is the Owner of, among other property, the real property depicted in Exhibit A hereto and marked with hatch lines. (The real property of Grantor depicted in Exhibit A and marked with hatch lines shall be referred to as “Grantor’s Property”). Chamberlain Ranch Owners Association (“CROA”) and Zion Mountain Resort, Inc. (“ZMR”) (collectively sometimes referred to hereafter as “Grantees”) are the owners of the real property described in Exhibit B hereto. For TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION GIVEN BY GRANTEES TO GRANTOR, the receipt and sufficiency of which is hereby acknowledged, and for the covenants and conditions herein contained, hereby agree as follows:

2. RECITALS:

A. Grantor’s Property is adjacent to Grantees and the easement granted herein will be for the exclusive benefit of (i) ZMR, its successors, assigns and guests (ii) CROA and its members and guests and (iii) the reserved right of Grantor and Grantor’s successors, assigns and guests to utilize the easement as provided for herein.

B. A map generally depicting the parties properties is attached hereto as Exhibit A.

C. Grantor desires to grant an exclusive easement for ingress, egress and utilities to Grantees for a right-of-way that will cover approximately 477,850 square feet (or 10.97 acres), with the construction easement covering approximately an additional 202,816 square feet (or 4.66 acres) for a total approximate area of 680,666 square feet (or 15.63 acres). The construction easement will be extended as necessary to construct and maintain adequate back and fore slope, as per construction plans approved by Kane County. The ingress, egress, and utilities easement will be twenty-five (25) feet on each side of the centerline, with the sidelines and endlines of said easement being extended or trimmed back to eliminate any and all gaps and/or overlaps along and at each end of said easement.

D. Grantor hereby reserves the right, at no cost, to utilize the easement for ingress and egress for Grantor’s traditional ranching purposes. If Grantor develops residential subdivisions on

some or all of Grantor's Property, Grantor reserves the right to subject the easement to uses beyond those associated with Grantor's traditional ranching purposes to accommodate such residential uses. In such event, Grantor and its successors and assigns shall share in the costs of maintenance, repair and replacement of the easement as provided for herein.

E. These recitals shall be treated as covenants and not as mere recitals.

3. GRANTOR GRANT OF EASEMENT: Grantor hereby grants, bargains, sells, assigns, conveys and transfers to Grantees, their successors and assigns, a perpetual exclusive fifty foot (50') wide easement for ingress, egress and utilities over, across and under the real property described in Exhibit C (the easement being approximately nine thousand five hundred fifty-seven feet (9,557) in length). Grantor specifically acknowledges that the engineering for the easement has not been completed and that Grantees have the right to realign, adjust, and modify the location of the easement as is reasonably necessary to accommodate construction of the easement. This easement is granted together with the temporary right during construction of the easement over the Grantor's Property as is necessary to construct the easement and utilities. A permanent easement outside the easement described in Exhibit C, is also granted for the existence of, and maintenance of, the back and fore slopes which may extend outside the description of the easement. Upon completion of construction of the easement, Grantees shall, as a supplement to this Grant of Easement, Reservation of Right and Agreement, be obligated at Grantees' sole cost and expense to prepare and record in the records of the Kane County Recorder's Office a legal description of the easement as built. Such legal description shall supercede the description of the easement in Exhibit C.

4. CONSTRUCTION OF THE EASEMENT: The easement shall be engineered, designed, and constructed by ZMR at ZMR's sole cost and expense. The easement surface may be gravel or other surface material as selected by ZMR in ZMR's sole discretion, and as approved by Kane County.

5. GATED ACCESS: ZMR, at ZMR's sole cost and expense, shall construct a locking gate at each end of the easement.

6. EASEMENT RESTRICTIONS: Grantor's and Grantees' use of the easement shall be subject to the following restrictions:

A. **ATV's:** No 4-wheelers, 3-wheelers, off road motorcycles, dune buggies, OHVs or

ATVs may be driven on the easement.

B. **HUNTING:** There shall be no hunting or discharging of firearms from the easement. Grantees shall not hunt or discharge firearms on Grantor's Property.

C. **LIVESTOCK:** Grantees shall not disturb Grantor's livestock which may be upon the easement.

7. MAINTENANCE OF THE EASEMENT: Upon completion of construction of the easement, CROA shall have the primary responsibility to maintain, repair and replace the easement and gates. Grantor maintains the right to use the easement for traditional ranching purposes without charge. CROA may, but is not required to, remove snow from the easement. Grantor shall have no obligation to share in snow removal costs so long as Grantor utilizes the easement only for Grantor's traditional ranching purposes.

If Grantor develops some or all of Grantor's property for residential uses and utilizes the easement for other than Grantor's traditional ranching purposes, Grantor and CROA shall share proportionately in the maintenance, repair and replacement of the easement and gates according to the following formula:

CROA obligation: # lots in CROA project (as numerator) / # lots in CROA project + # lots on Grantor's Property utilizing the easement (as denominator)

Grantor obligation: # lots on Grantor's Property utilizing the easement (as numerator) / # lots in CROA project + # lots on Grantor's Property utilizing the easement (as denominator)

CROA shall retain the primary responsibility to determine when and how the maintenance, repair, replacement, and snow removal (if any) of the easement will occur. CROA will invoice Grantor, its successors and assigns, for Grantor's share of any such costs, which invoice will be due and payable ninety (90) days after receipt. (If at some time ZMR owns property not within the CROA development which benefits from and utilizes the easement, ZMR shall proportionately share in the maintenance obligation under a formula similar to and extrapolated from the formulas set forth above).

8. EASEMENTS TO RUN WITH THE LAND: The grant of the easements herein shall run with the land and shall be binding on and inure to the benefit of the parties to this Grant of Easement and Agreement, their respective heirs, successors, agents, members, legal representatives



or assigns.

9. INDEMNIFICATION AND WAIVER: Grantees shall hold harmless and indemnify Grantor, its agents, officers, employees and representatives from and against any and all claims, demands or liability (including reasonable attorney's fees) related directly to the activities of Grantees in constructing the easement and use of the easement. Grantor shall hold harmless and indemnify Grantees, their agents, officers, members, employees and representatives, from and against any and all claims, demands or liability (including reasonable attorney's fees) related to the use of the easement by Grantor, its agents, officers, employees, representatives, guests, successors and assigns.

10. MAINTENANCE AND OBLIGATION TO INDEMNIFY TO RUN WITH THE LAND: The obligations of maintenance and indemnification of the parties hereto shall run with the land and any and all rights and obligations of the parties contained herein shall be deemed delegated, transferred, and assigned to the subsequent owner of the property and the transferring party shall be relieved from further obligation and liability for acts, omissions, and obligations that occur after the transfer.

11. HEADINGS: The headings in this Easement Grant, Reservation of Right and Agreement are for ready reference only and shall not be used to limit or expand the terms of this Easement Grant, Reservation of Right and Agreement.

12. LAW/JURISDICTION/VENUE: Any action to enforce the terms of this Easement Grant, Reservation of Right and Agreement shall be brought in the Sixth Judicial District Court in and for Kane County, Utah. This Easement Grant, Reservation of Right and Agreement shall be construed in accordance with the substantive and procedural laws, including the applicable statute(s) of limitations, of the State of Utah.

13. SEVERANCE: If a court of competent jurisdiction shall find any provision of this Easement Grant, Reservation of Right and Agreement unenforceable under Utah law, such provision shall be stricken and the remainder of the Agreement shall remain in full force and effect.

14. AUTHORITY: Each party signing hereby represents that it has full and complete authority to make the representations made herein and bind the parties for which it signs.

15. INTEGRATED AGREEMENT: This Easement Grant, Reservation of Right and Agreement is intended by the parties to be the final expression of their agreement with respect to the



subject matter hereof, and is intended as the complete and exclusive statement of the terms of the Agreement between the parties. As such, this Easement Grant, Reservation of Right and Agreement constitutes the entire agreement between the parties, whether oral or written, with respect to the subject matter hereof, and may only be modified by subsequent writing duly executed by both parties. All prior contradictory agreements are superceded hereby


16. MODIFICATION OF AGREEMENT: Any modification of this Easement Grant, Reservation of Right and Agreement or additional obligation assumed by any party in connection with this Easement Grant, Reservation of Right and Agreement shall be binding only if evidenced in writing signed by each party.

17. REPRESENTATION: Each party has had this Easement Grant, Reservation of Right and Agreement reviewed by separate, independent legal counsel, or by signing this Easement Grant, Reservation of Right and Agreement has waived the opportunity to do so.

18. CONSTRUCTION: This Easement Grant, Reservation of Right and Agreement shall be construed according to its plain and ordinary meaning and shall not be construed against the drafter.

19. NON-PUBLIC ROAD: Unless agreed to by all parties to this Easement Grant, Reservation of Right and Agreement, the easement shall not be dedicated to the use of the general public.

(Signatures of Following Page)

ENTRY NO. 00135122
05/16/2007 04:44:19 PM B: 0328 P: 0662
Easements and Right of Ways PAGE 5 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP


IN WITNESS WHEREOF, the parties have signed this Easement Grant, Reservation of Right and Agreement on this 4th date of May, 2007.

GRANTEES: Chamberlain Ranch Owners Association

By: [Signature]
Its: Kevin McLaws, Director & Asst. Vice President

AND


Zion Mountain Resort, Inc.

By: [Signature]
Its: Kevin McLaws, Vice President

GRANTOR: Lundgren Ranch, L.L.C.

By: Charles J. Lundgren, manager.
Its: _____

ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0663
Easements and Right of Ways PAGE 6 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP


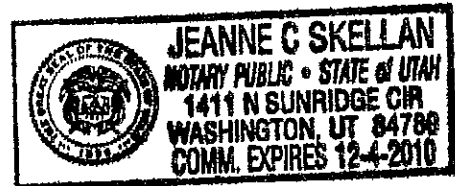
STATE OF UTAH,)

:SS.

County of Washington)

On this 4th day of May, 2007, personally appeared before me Kevin McLaws, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Asst. Vice President (office) of Chamberlain Ranch Owners Association and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that the Chamberlain Ranch Owners Association executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.

Jeanne C Skellan
Notary Public



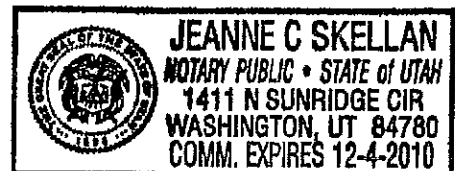
STATE OF UTAH,)

:SS.

County of Washington)

On this 4th day of May, 2007, personally appeared before me Kevin McLaws, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Vice President (office) of Zion Mountain Resort, Inc. and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that Zion Mountain Resort, Inc. executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.

Jeanne C Skellan
Notary Public



ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0664
Easements and Right of Ways PAGE 7 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP



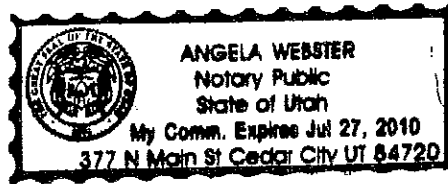
STATE OF UTAH,)

:SS.

County of Iron)

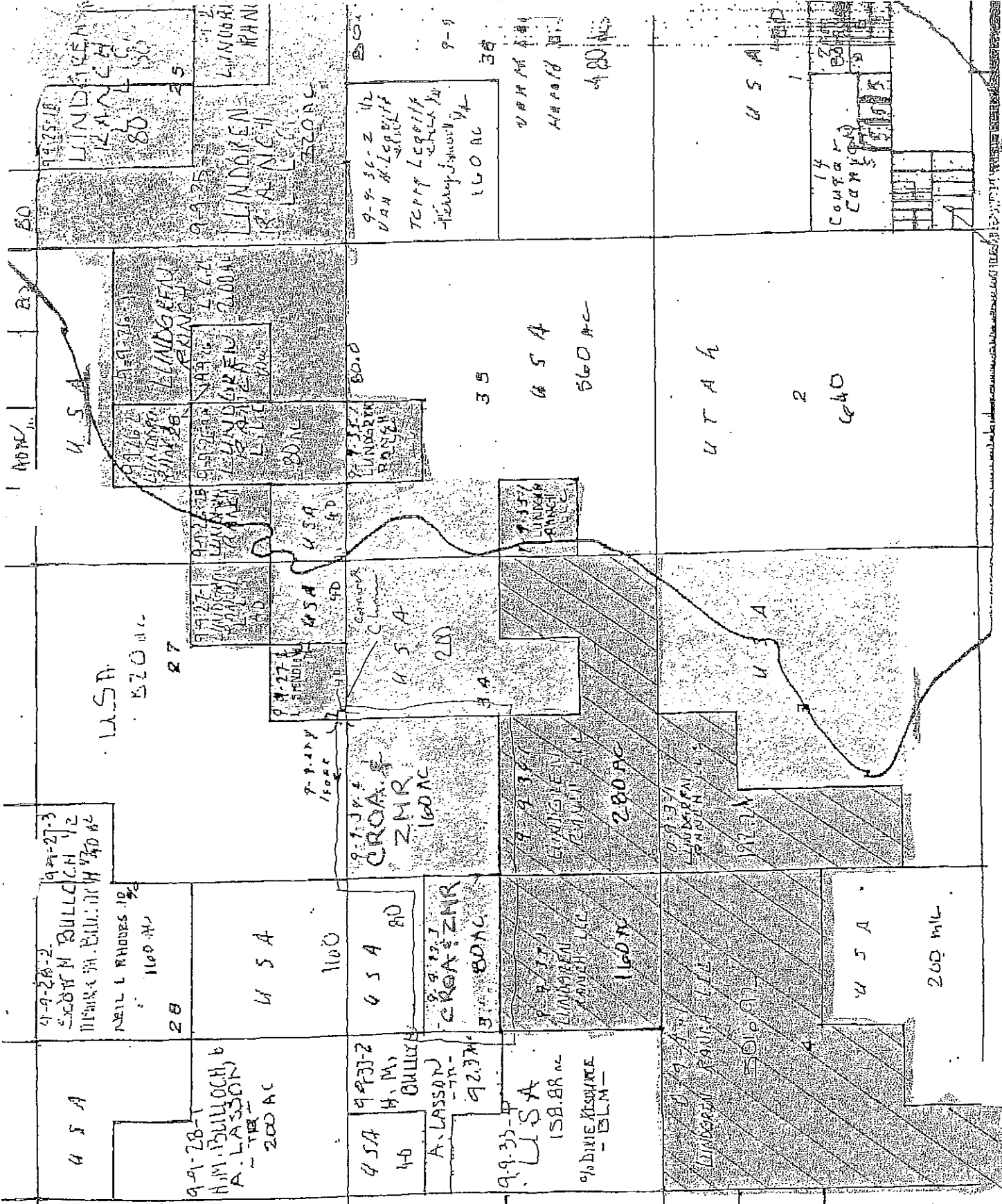
On this 23 day of April, 2007, personally appeared before me Charles Lundgren, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he she is the manager (office) of Lundgren Ranch, L.L.C. and that he she executed the foregoing Agreement on behalf said corporation, and he she acknowledged before me that Lundgren Ranch, L.L.C. executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.

Angela Webster
Notary Public



ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0665
Easements and Right of Ways PAGE 8 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP



ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0666
 Easements and Right of Ways PAGE 9 / 12
 VERJEAN CARUSO, KANE COUNTY RECORDER
 FEE \$ 55.00 BY JENKINS RONNOLD JENSEN & BAYLES, LLP



EXHIBIT A

USA
 102
 40AC

5-1

320AC
 S, LLC
 200

EXHIBIT B

Chamberlain Ranch Parcel

October 31, 2006

PARCEL DESCRIPTION:

ALL OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 33 AND THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 39 SOUTH, RANGE 9 WEST OF THE SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH SECTION CORNER COMMON TO SECTIONS 33 AND 34, TOWNSHIP 39 SOUTH, RANGE 9 WEST OF THE SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE ALONG THE NORTH LINE OF SAID SECTION 34 SOUTH 88°53'30" EAST 2650.16 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 34; THENCE ALONG THE CENTER SECTION LINE SOUTH 01°01'16" WEST 2630.24 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 34; THENCE ALONG THE CENTER SECTION LINE NORTH 88°58'57" WEST 2673.27 FEET TO THE QUARTER CORNER COMMON TO SAID SECTIONS; THENCE ALONG THE CENTER SECTION LINE OF SAID SECTION 33 NORTH 88°50'16" WEST 2593.655 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 33; THENCE ALONG THE CENTER SECTION LINE NORTH 01°05'52" EAST 1316.97 FEET TO THE CENTER-NORTH SIXTEENTH CORNER OF SAID SECTION 33; THENCE ALONG THE NORTH SIXTEENTH LINE OF SAID SECTION 33 SOUTH 88°50'38" EAST 2603.44 FEET TO THE NORTH SIXTEENTH CORNER COMMON TO SAID SECTIONS; THENCE ALONG THE SECTION LINE COMMON TO SAID SECTIONS NORTH 01°31'25" EAST 1317.27 FEET TO SAID COMMON SECTION CORNER AND THE POINT OF BEGINNING. CONTAINS 239.420 ACRES.

31

PARCEL ID'S:

- 9-9-33-3
- 9-9-34-2

CHAMBERLAIN RANCH PARCEL ID'S:

- | | | |
|-------|--------|--------|
| 202-1 | 202-10 | 202-19 |
| 202-2 | 202-11 | 202-20 |
| 202-3 | 202-12 | 202-21 |
| 202-4 | 202-13 | |
| 202-5 | 202-14 | |
| 202-6 | 202-15 | |
| 202-7 | 202-16 | |
| 202-8 | 202-17 | |
| 202-9 | 202-18 | |

ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0667
Easements and Right of Ways PAGE 10 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP



EXHIBIT C

Easement Legal Description

The ingress, egress and utilities easement will be 25 feet on both sides of the following described center line:

Beginning at a point located on the east-west center section line, of Section 34 Township 39 South Range 9 West of the SLB&M, north 88°35'16" west 2325.64 feet along the east-west center section line from the east quarter corner point of said section.; thence south 20°27'54" west 200.98 feet; thence along a curve to the left, concave easterly, 151.80 feet, the curve having a radius of 150.00 feet and a central angle of 57°59'03"; thence south 37°31'09" east 77.52 feet; thence along a curve to the left, concave north-easterly, 80.87 feet, the curve having a radius of 200.00 feet and a central angle of 23°09'58"; thence south 60°41'08" east 83.17 feet; thence along a curve to the left, concave northerly, 64.49 feet, the curve having a radius of 200.00 feet and a central angle of 18°28'26"; thence south 79°09'33" east 201.86 feet; thence along a curve to the right, concave southerly, 41.32 feet, the curve having a radius of 200.00 feet and a central angle of 11°50'18"; thence south 67°19'15" east 224.18 feet; thence along a curve to the left, concave northerly, 60.52 feet, the curve having a radius of 200.00 feet and a central angle of 17°20'17"; thence south 84°39'32" east 391.40 feet; thence along a curve to the right, concave southerly, 76.60 feet, the curve having a radius of 1000.00 feet and a central angle of 4°23'20"; thence south 80°16'12" east 183.97 feet; thence along a curve to the left, concave northerly, 145.63 feet, the curve having a radius of 200.00 feet and a central angle of 41°43'06"; thence north 58°00'42" east 60.60 feet; thence along a curve to the right, concave southwesterly, 182.24 feet, the curve having a radius of 10.00 feet and a central angle of 104°25'02"; thence south 17°34'17" east 259.01 feet; thence along a curve to the left, concave northeasterly, 103.64 feet, the curve having a radius of 250.00 feet and a central angle of 23°45'10"; thence south 41°19'27" east 28.21 feet; thence along a curve to the right, concave southwesterly, 64.02 feet, the curve having a radius of 200.00 feet and a central angle of 18°20'27"; thence south 22°59'00" east 2.05 feet; thence along a curve to the left, concave northerly, 149.79 feet, the curve having a radius of 150.00 feet and a central angle of 57°12'56"; thence south 80°11'55" east 25.94 feet; thence along a curve to the right, concave westerly, 183.26 feet, the curve having a radius of 150.00 feet and a central angle of 70°00'01"; thence south 10°11'54" east 0.49 feet; thence along a curve to the left, concave northeasterly, 170.89 feet, the curve having a radius of 200.00 feet and a central angle of 48°57'20"; thence south 59°09'15" east 51.22 feet; thence along a curve to the right, concave southwesterly, 245.75 feet, the curve having a radius of 300.00 feet and a central angle of 46°56'04"; thence south 2°13'11" east 108.29 feet; thence along a curve to the left, concave northerly, 462.39 feet, the curve having a radius of 200.00 feet and a central angle of 132°27'48"; thence north 35°19'01" east 692.90 feet; thence along a curve to the right, concave westerly, 251.71 feet, the curve having a radius of 150.00 feet and a central angle of 96°08'46"; thence south 48°32'13" east 6.46 feet; thence along a curve to the left, concave easterly, 100.47 feet, the curve having a radius of 150.00 feet and a central angle of 38°22'30"; thence south 86°54'43" east 59.04 feet; thence along a curve to the right, concave westerly, 95.81 feet, the curve having a radius of 250.00 feet and a central angle of 21°57'27"; thence south 64°57'16" east 32.51 feet; thence along a curve to the right, concave westerly, 339.96 feet, the curve having a radius of 650.00 feet and a central angle of 29°57'59"; thence south 34°59'17" east 328.07 feet; thence along a curve to the left, concave northerly, 211.75 feet, the curve having a radius of 200.00 feet and a central angle of 60°39'41"; thence north 84°21'02" east 403.30 feet; thence along a curve to the left, concave northerly, 78.86 feet, the curve having a radius of 200.00 feet and a central angle of

ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0668

3e 11

Easements and Right of Ways PAGE 11 / 12

VERJEAN CARUSO, KANE COUNTY RECORDER

FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP



22°35'30"; thence north 61°45'32" east 87.75 feet; thence along a curve to the left, concave northwesterly, 34.57 feet, the curve having a radius of 300.00 feet and a central angle of 6°36'08"; thence north 55°09'24" east 131.92 feet; thence along a curve to the right, concave southerly, 120.92 feet, the curve having a radius of 200.00 feet and a central angle of 34°38'31"; thence north 89°47'56" east 329.59 feet; thence along a curve to the left, concave northerly, 95.77 feet, the curve having a radius of 200.00 feet and a central angle of 27°26'09"; thence north 62°21'47" east 279.53 feet; thence along a curve to the right, concave southerly, 80.24 feet, the curve having a radius of 200.00 feet and a central angle of 22°59'11"; thence north 85°20'57" east 232.30 feet; thence along a curve to the right, concave southerly, 121.80 feet, the curve having a radius of 200.00 feet and a central angle of 34°53'33"; thence south 59°45'29" east 68.27 feet; thence along a curve to the right, concave southwesterly, 59.72 feet, the curve having a radius of 200.00 feet and a central angle of 17°06'35"; thence south 42°38'55" east 346.90 feet; thence along a curve to the right, concave westerly, 87.43 feet, the curve having a radius of 150.00 feet and a central angle of 33°23'50"; thence south 9°15'05" east 133.80 feet; thence along a curve to the left, concave easterly, 50.18 feet, the curve having a radius of 200.00 feet and a central angle of 14°22'29"; thence south 23°37'35" east 104.00 feet; thence along a curve to the right, concave westerly, 103.21 feet, the curve having a radius of 200.00 feet and a central angle of 29°34'05"; thence south 5°56'30" west 128.88 feet; thence along a curve to the right, concave westerly, 18.94 feet, the curve having a radius of 200.00 feet and a central angle of 5°25'34"; thence south 11°22'04" west 262.67 feet to the center line of the Kane County North Fork Road also being the point of ending.

PARCEL ID'S:

9-9-34-1

9-9-33-1

ENTRY NO. 00135122

05/16/2007 04:44:19 PM B: 0328 P: 0669
Easements and Right of Ways PAGE 12 / 12
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 55.00 BY JENKINS RONNOW JENSEN & BAYLES, LLP



1

SUPPLEMENT TO EASEMENT GRANT,
RESERVATION OF RIGHT
AND AGREEMENT

P 7
L 24

THIS AGREEMENT is dated the 15th day of December, 2007, between Lundgren Ranch, L.L.C. ("Grantor") and Zion Mountain Resort, Inc. ("ZMR") and Chamberlain Ranch Owners Association ("CROA") (collectively, "Grantee").

RECITALS

- A. The Easement Grant, Reservation of Right and Agreement was recorded in the records of Kane County, Utah on May 16, 2007 in Book 0328, Page 0658 (the "Recorded Agreement").
- B. The Grantor and Grantee understand that the easement set forth in the Recorded Agreement was an interim description of the easement pending completion of construction.
- C. Pursuant to Section 3 of the Recorded Agreement, the attached legal description of the easement set forth in Exhibit A of this Supplement to Easement Grant, Reservation of Right and Agreement (the "Agreement") will supersede the legal description of the easement in Exhibit C of the Recorded Agreement.
- D. Grantor and Grantee agree to the corrected legal description pursuant to the completion of the construction of the easement.

AGREEMENT

BE IT KNOWN TO ALL PERSONS, that the following is agreed upon:

Replacement of Easement Location. The attached legal description ("Exhibit A") is the correct legal description for the easement granted in the Recorded Agreement and shall supersede and replace Exhibit C to the Recorded Agreement.

Property Affected. This Supplement to Easement Grant and Reservation of Right Agreement shall be recorded against the properties described in Exhibits A and B hereto.

(Signatures on Following Page)

ENTRY NO. 00137848

12/18/2007 02:59:24 PM B: 0341 P: 0157
Supplement to Easement PAGE 1 / 7
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE \$ 46.00 BY ZION MOUNTAIN RESORT INC



IN WITNESS WHEREOF, the parties have agreed to all the provisions of this Agreement.

GRANTEES: Chamberlain Ranch Owners Association

By: [Signature]
Its: Weldon G. Larsen, Vice President

AND

Zion Mountain Resort, Inc.

By: [Signature]
Its: Weldon G. Larsen, President

GRANTOR: Lundgren Ranch, L.L.C.

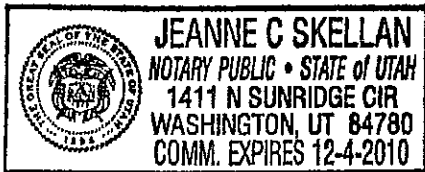
By: [Signature]
Its: Charles D Lundgren manager

STATE OF UTAH,)

:SS.

County of Washington)

On this 5th day of December, 2007, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Vice President (office) of Chamberlain Ranch Owners Association and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that the Chamberlain Ranch Owners Association executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.



[Signature]
Notary Public

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FEE \$ 48.00 BY ZION MOUNTAIN RESORT INC

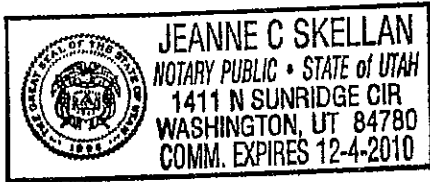


STATE OF UTAH,)

:SS.

County of Washington)

On this 5th day of December, 2007, personally appeared before me Weldon G. Larsen, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the President (office) of Zion Mountain Resort, Inc. and that he/she executed the foregoing Agreement on behalf said corporation, and he/she acknowledged before me that Zion Mountain Resort, Inc. executed the same by authority of a resolution of its Board or Bylaws for the uses and purposes stated therein.

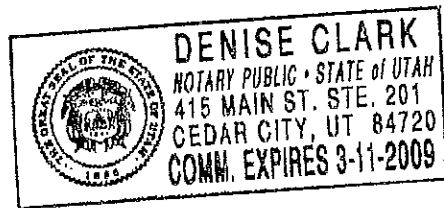


Jeanne C Skellan
Notary Public

STATE OF UTAH,)

:SS.

County of Iron)



On this 5 day of December, 2007, personally appeared before me Charles W Lundgren, who is personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he/she is the Manager (office) of Lundgren Ranch, L.L.C. and that he/she executed the foregoing Agreement on behalf said company, and he/she acknowledged before me that Lundgren Ranch, L.L.C. executed the same by authority of a resolution of its Operating Agreement for the uses and purposes stated therein.

Denise Clark
Notary Public

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EXHIBIT A

Lundgren Entrance Road Easement

A right-of-way being on both sides of the following described center-line:

Commencing at the corner common to the south corners of Sections 34 and 35 of Township 39 South, Range 9 West, Salt Lake Base and Meridian; thence along the south section line of said Section 34 North 88° 51' 25" West 2481.33 feet; thence, departing said section line, South 01° 08' 36" East 2120.04 feet to the **POINT OF BEGINNING**, said point being on the west right-of-way boundary of North Fork Road; thence South 24° 02' 08" East 127.42 feet to the beginning of a curve; thence along said curve turning to the left 81.28 feet, said curve having a radius of 100.00 feet, a central angle of 46° 34' 10" and whose long chord bears South 47° 19' 13" East 79.06 feet; thence South 70° 36' 18" East 215.46 feet to the beginning of a curve; thence along said curve turning to the right 262.54 feet, said curve having a radius of 98.00 feet, a central angle of 153° 29' 45" and whose long chord bears South 06° 08' 34" West 190.78 feet; thence South 82° 53' 27" West 261.81 feet to the beginning of a curve; thence along said curve turning to the left 172.00 feet, said curve having a radius of 90.00 feet, a central angle of 109° 29' 52" and whose long chord bears South 28° 08' 31" West 146.99 feet; thence South 26° 36' 25" East 71.87 feet to the beginning of a curve; thence along said curve turning to the right 130.17 feet, said curve having a radius of 150.00 feet, a central angle of 49° 43' 15" and whose long chord bears South 01° 44' 48" East 126.12 feet; thence South 23° 06' 50" West 40.71 feet to the beginning of a curve; thence along said curve turning to the left 123.83 feet, said curve having a radius of 150.00 feet, a central angle of 47° 18' 00" and whose long chord bears South 00° 32' 11" East 120.35 feet; thence South 24° 11' 11" East 153.42 feet to the beginning of a curve; thence along said curve turning to the right 85.09 feet, said curve having a radius of 300.00 feet, a central angle of 16° 15' 05" and whose long chord bears South 16° 03' 38" East 84.81 feet; thence South 07° 56' 06" East 124.33 feet to the beginning of a curve; thence along said curve turning to the left 186.23 feet, said curve having a radius of 450.00 feet, a central angle of 23° 42' 42" and whose long chord bears South 19° 47' 27" East 184.90 feet; thence South 31° 38' 48" East 164.69 feet to the beginning of a curve; thence along said curve turning to the right 116.19 feet, said curve having a radius of 250.00 feet, a central angle of 26° 37' 40" and whose long chord bears South 18° 19' 58" East 115.14 feet; thence South 05° 01' 08" East 96.43 feet to the beginning of a curve; thence along said curve turning to the left 131.09 feet, said curve having a radius of 700.00 feet, a central angle of 10° 43' 47" and whose long chord bears South 10° 23' 01" East 130.90 feet; thence South 15° 44' 55" East 359.95 feet to the beginning of a curve; thence along said curve turning to the left 285.53 feet, said curve having a radius of 125.00 feet, a central angle of 130° 52' 32" and whose long chord bears South 81° 11' 11" East 227.38 feet; thence North 33° 22' 33" East 173.03 feet to the beginning of a curve; thence along said curve turning to the right 421.42 feet, said curve having a radius of 5000.00 feet, a central angle of 04° 49' 45" and whose long chord bears North 35° 47' 25" East 421.30 feet; thence North 38° 12' 18" East 47.57 feet to the beginning of a curve; thence along said curve turning to the left 218.83 feet, said curve having a radius of 2000.00 feet, a central angle of 06° 16' 08" and whose long chord bears North 35° 04' 14" East 218.72 feet; thence North 31° 56' 10" East 4.39 feet to the beginning of a curve; thence along said curve turning to the right 234.81 feet, said curve having a radius of

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150.00 feet, a central angle of 89° 41' 29" and whose long chord bears North 76° 46' 54" East 211.56 feet; thence South 58° 22' 22" East 6.50 feet to the beginning of a curve; thence along said curve turning to the right 138.54 feet, said curve having a radius of 950.00 feet, a central angle of 08° 21' 20" and whose long chord bears South 54° 11' 42" East 138.42 feet; thence South 50° 01' 02" East 51.48 feet to the beginning of a curve; thence along said curve turning to the left 199.54 feet, said curve having a radius of 1000.00 feet, a central angle of 11° 25' 59" and whose long chord bears South 55° 44' 01" East 199.21 feet; thence South 61° 27' 00" East 129.53 feet to the beginning of a curve; thence along said curve turning to the right 166.94 feet, said curve having a radius of 300.00 feet, a central angle of 31° 53' 00" and whose long chord bears South 45° 30' 30" East 164.80 feet; thence South 29° 34' 00" East 176.28 feet; thence South 35° 54' 35" East 114.97 feet to the beginning of a curve; thence along said curve turning to the left 223.60 feet, said curve having a radius of 200.00 feet, a central angle of 64° 03' 22" and whose long chord bears South 67° 56' 16" East 212.13 feet; thence North 80° 02' 04" East 102.60 feet to the beginning of a curve; thence along said curve turning to the right 171.04 feet, said curve having a radius of 800.00 feet, a central angle of 12° 14' 59" and whose long chord bears North 86° 09' 33" East 170.71 feet; thence South 87° 42' 58" East 174.54 feet to the beginning of a curve; thence along said curve turning to the left 146.21 feet, said curve having a radius of 150.00 feet, a central angle of 55° 50' 50" and whose long chord bears North 64° 21' 37" East 140.49 feet; thence North 36° 26' 12" East 100.41 feet to the beginning of a curve; thence along said curve turning to the right 181.13 feet, said curve having a radius of 210.00 feet, a central angle of 49° 25' 05" and whose long chord bears North 61° 08' 45" East 175.56 feet; thence North 85° 51' 17" East 632.47 feet to the beginning of a curve; thence along said curve turning to the right 388.48 feet, said curve having a radius of 200.00 feet, a central angle of 111° 17' 27" and whose long chord bears South 38° 30' 00" East 330.22 feet; thence South 17° 08' 44" West 369.13 feet to the beginning of a curve; thence along said curve turning to the right 272.67 feet, said curve having a radius of 600.00 feet, a central angle of 26° 02' 15" and whose long chord bears South 30° 09' 51" West 270.32 feet; thence South 43° 10' 59" West 441.80 feet to the beginning of a curve; thence along said curve turning to the left 133.12 feet, said curve having a radius of 500.00 feet, a central angle of 15° 15' 17" and whose long chord bears South 35° 33' 21" West 132.73 feet; thence South 27° 55' 43" West 66.88 feet to the beginning of a curve; thence along said curve turning to the right 89.29 feet, said curve having a radius of 750.00 feet, a central angle of 06° 49' 18" and whose long chord bears South 31° 20' 22" West 89.24 feet; thence South 34° 45' 00" West 217.22 feet to the beginning of a curve; thence along said curve turning to the left 163.64 feet, said curve having a radius of 1200.00 feet, a central angle of 07° 48' 47" and whose long chord bears South 30° 50' 37" West 163.51 feet; thence South 26° 56' 13" West 87.91 feet to the beginning of a curve; thence along said curve turning to the left 94.80 feet, said curve having a radius of 200.00 feet, a central angle of 27° 09' 31" and whose long chord bears South 13° 21' 28" West 93.92 feet; thence South 00° 13' 18" East 22.45 feet to the beginning of a curve; thence along said curve turning to the left 110.02 feet, said curve having a radius of 600.00 feet, a central angle of 10° 30' 24" and whose long chord bears South 05° 28' 30" East 109.87 feet; thence South 10° 43' 41" East 33.11 feet to the beginning of a curve; thence along said curve turning to the right 199.69 feet, said curve having a radius of 400.00 feet, a central angle of 28° 36' 11" and whose long chord bears South 03° 34' 24" West 197.62 feet; thence South 17° 52' 30" West 36.69 feet to the beginning of a curve; thence along said curve turning to the right 56.74 feet, said curve having a radius of 800.00 feet, a central angle of 04° 03' 49" and whose long chord bears South 19° 54' 24"

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West 56.73 feet; thence South 21° 56' 19" West 160.09 feet to the beginning of a curve; thence along said curve turning to the right 40.85 feet, said curve having a radius of 600.00 feet, a central angle of 03° 54' 01" and whose long chord bears South 23° 53' 19" West 40.84 feet; thence South 25° 50' 20" West 170.29 feet; thence South 24° 14' 51" West 152.68 feet to the beginning of a curve; thence along said curve turning to the left 279.84 feet, said curve having a radius of 200.00 feet, a central angle of 80° 10' 04" and whose long chord bears South 15° 50' 10" East 257.56 feet; thence South 55° 55' 12" East 54.20 feet to the beginning of a curve; thence along said curve turning to the left 54.45 feet, said curve having a radius of 200.00 feet, a central angle of 15° 35' 54" and whose long chord bears South 63° 43' 09" East 54.28 feet; thence South 71° 31' 06" East 21.45 feet to the beginning of a curve; thence along said curve turning to the right 47.85 feet, said curve having a radius of 200.00 feet, a central angle of 13° 42' 24" and whose long chord bears South 64° 39' 54" East 47.73 feet; thence South 57° 48' 42" East 86.62 feet; to the **POINT OF ENDING**, said point lying on the centerline of Narrows Road, containing 12.46 acres (more or less).

PARCEL ID'S:

9-9-34-1

9-9-33-1

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EXHIBIT B

Chamberlain Ranch Parcel

October 31, 2006

PARCEL DESCRIPTION:

ALL OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 33 AND THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 39 SOUTH, RANGE 9 WEST OF THE SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH SECTION CORNER COMMON TO SECTIONS 33 AND 34, TOWNSHIP 39 SOUTH, RANGE 9 WEST OF THE SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE ALONG THE NORTH LINE OF SAID SECTION 34 SOUTH 88°53'30" EAST 2650.16 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 34; THENCE ALONG THE CENTER SECTION LINE SOUTH 01°01'16" WEST 2630.24 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 34; THENCE ALONG THE CENTER SECTION LINE NORTH 88°58'57" WEST 2673.27 FEET TO THE QUARTER CORNER COMMON TO SAID SECTIONS; THENCE ALONG THE CENTER SECTION LINE OF SAID SECTION 33 NORTH 88°50'16" WEST 2593.655 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 33; THENCE ALONG THE CENTER SECTION LINE NORTH 01°05'52" EAST 1316.97 FEET TO THE CENTER-NORTH SIXTEENTH CORNER OF SAID SECTION 33; THENCE ALONG THE NORTH SIXTEENTH LINE OF SAID SECTION 33 SOUTH 88°50'38" EAST 2603.44 FEET TO THE NORTH SIXTEENTH CORNER COMMON TO SAID SECTIONS; THENCE ALONG THE SECTION LINE COMMON TO SAID SECTIONS NORTH 01°31'25" EAST 1317.27 FEET TO SAID COMMON SECTION CORNER AND THE POINT OF BEGINNING. CONTAINS 239.420 ACRES.

PARCEL ID'S:

9-9-33-3
9-9-34-2

CHAMBERLAIN RANCH PARCEL ID'S:

202-1	202-10	202-19
202-2	202-11	202-20
202-3	202-12	202-21
202-4	202-13	
202-5	202-14	
202-6	202-15	
202-7	202-16	
202-8	202-17	
202-9	202-18	

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