

Account No. 27403

Contract D-1

PETITION TO WEBER BASIN WATER CONSERVANCY DISTRICT
FOR THE ALLOTMENT OF WATER

GVD Partnership (herein "Petitioner"), hereby applies to the Weber Basin Water Conservancy District, (herein "District"), for the allotment of the beneficial use of 1.0 acre-foot of untreated water annually, for irrigation and domestic purposes, on land situated in Weber County, Utah, legally described as follows:

Section 23 Township 6 N, Range 1E, Acres _____

Tax Serial No (s) : 20-035-0040

SEE ATTACHED EXHIBIT "A"

1. In consideration of such allotment and upon condition that this petition is granted by the District, Petitioner agrees as follows:

a. To pay for the right to use the allotted water an amount annually to be fixed from time to time by the District's Board of Directors, which amount initially shall be the sum of \$99.66 per acre-foot.

b. To pay an additional amount, per acre foot, annually to be fixed by the District's Board of Directors for operation, maintenance or other charges.

The amount so fixed shall be paid whether or not the Petitioner actually takes and uses the water allotted.

The amounts so fixed shall be a tax lien upon the above-described land and the Petitioner shall be bound by the provisions of the Water Conservancy Act of Utah and the rules and regulations of the District's Board of Directors. Nothing contained herein shall be construed to exempt the Petitioner from paying the taxes levied pursuant to Sections 17A-2-1426 and 17A-2-1427, Utah Code Annotated 1990, as amended.

2. The use of the water allotted hereby shall be solely for the replacement of underground water diverted, withdrawn or to be diverted or withdrawn by means of a well or spring for irrigation and domestic purposes at a point located on the land hereinabove described, and for no other use or purpose.

3. Petitioner's use of the water hereby allotted as replacement water shall be subject to such rules and regulations as the Utah State Engineer may from time to time prescribe. The Petitioner shall not use the allotted water in any way without first receiving an approved exchange application from the Utah State Engineer. It is the responsibility of the Petitioner to obtain such approved exchange application.

4. Delivery of the water hereby allotted by the District shall be as directed by the Utah State Engineer or his representative at the outlet works of Pineview reservoir.

5. The District shall have no obligation to provide works or facilities of any type to conduct the water hereby allotted from its point of delivery to its ultimate place of use.

6. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims or other causes not within the control of the District, no liability shall arise against the District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom to Petitioner and the payments to the District provided for herein shall not be abated or reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic and industrial use shall have first priority.

7. The Petitioner shall construct, operate and maintain, without cost to the district, the well or spring and appurtenant facilities necessary to secure and accurately measure Petitioner's water supply. The metering or other measuring device installed by Petitioner shall be satisfactory to the Utah State Engineer. The District has no responsibility for the quality or quantity of water that Petitioner is able to secure through the source of Petitioner's well or spring.

8. The basis, the measure and the limit of the right of the Petitioner in the use of water shall rest perpetually in the beneficial application thereof, and the Petitioner agrees to put the water allotted Petitioner hereby to beneficial use in accordance with law. The Purchaser shall have no right to hold over or accumulate water from year to year, nor to sell or rent the water.

9. The Petitioner agrees to fully comply with all applicable federal laws, orders and regulations and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

10. The provisions of this Contract shall apply to and bind the successors and assigns of the parties hereto but as long as payments are required under Articles 1 (a) and (b) above neither this contract or any assignment or transfer of this contract or any part thereof or interest therein shall be valid until approved by the District's Board of Directors.

11. The reuse of water delivered pursuant to this contract shall not be allowed without permission of the District. The waste, seepage, or return flow from water delivered pursuant

3. Petitioner's use of the water hereby allotted as replacement water shall be subject to such rules and regulations as the Utah State Engineer may from time to time prescribe. The Petitioner shall not use the allotted water in any way without first receiving an approved exchange application from the Utah State Engineer. It is the responsibility of the Petitioner to obtain such approved exchange application.

4. Delivery of the water hereby allotted by the District shall be as directed by the Utah State Engineer or his representative at the outlet works of Pineview reservoir.

5. The District shall have no obligation to provide works or facilities of any type to conduct the water hereby allotted from its point of delivery to its ultimate place of use.

6. In the event there is a shortage of water caused by drought, inaccuracies in distribution not resulting from negligence, hostile diversion, prior or superior claims or other causes not within the control of the District, no liability shall arise against the District or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom to Petitioner and the payments to the District provided for herein shall not be abated or reduced because of any such shortage or damage. During periods of water shortage, allocations of treated and untreated water for municipal, domestic and industrial use shall have first priority.

7. The Petitioner shall construct, operate and maintain, without cost to the district, the well or spring and appurtenant facilities necessary to secure and accurately measure Petitioner's water supply. The metering or other measuring device installed by Petitioner shall be satisfactory to the Utah State Engineer. The District has no responsibility for the quality or quantity of water that Petitioner is able to secure through the source of Petitioner's well or spring.

8. The basis, the measure and the limit of the right of the Petitioner in the use of water shall rest perpetually in the beneficial application thereof, and the Petitioner agrees to put the water allotted Petitioner hereby to beneficial use in accordance with law. The Purchaser shall have no right to hold over or accumulate water from year to year, nor to sell or rent the water.

9. The Petitioner agrees to fully comply with all applicable federal laws, orders and regulations and the laws of the State of Utah, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, ground water or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste, oil, mine tailings, mineral salts, or other pollutants.

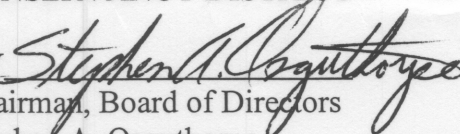
10. The provisions of this Contract shall apply to and bind the successors and assigns of the parties hereto but as long as payments are required under Articles 1 (a) and (b) above neither this contract or any assignment or transfer of this contract or any part thereof or interest therein shall be valid until approved by the District's Board of Directors.

ORDER ON PETITION

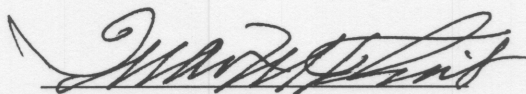
DUE NOTICE having been given and hearing had, IT IS ORDERED that the foregoing petition of GVD Partnership, granted and an allotment of 1.0 acre-foot of water is hereby made to the lands therein described, upon the terms, at the rates, and payable in the manner as in said petition set forth.

DATED this 30 Day of April, 1999.

WEBER BASIN WATER
CONSERVANCY DISTRICT

BY 
Chairman, Board of Directors
Stephen A. Osguthorpe

ATTEST:



Ivan W. Flint - Secretary
(Seal)

EXHIBIT "A"

A part of the Southeast 1/4 of Section 23, Township 6 North, Range 1 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point 1928.57 feet South along the Section line, 784.73 feet North $64^{\circ}52'$ West 19.76 feet South $20^{\circ}04'15''$ East, and 728.39 feet South $84^{\circ}34'55''$ West from the East 1/4 corner of said Section, running thence South $37^{\circ}21'35''$ West 703.53 feet, thence North $38^{\circ}56'33''$ West 1001.34 feet to the Easterly line of Snow Basin Road, thence Northeasterly along the arc of a 361.61 foot radius curve to the left 104.74 feet, thence Northerly along the arc of a 227.41 foot radius curve to the left 86.13 feet; thence South $73^{\circ}25'35''$ East 1058.64 feet, thence South $0^{\circ}17'53''$ West 100.22 feet to the point of beginning. Subject to restrictive covenants of record.

20-035-0040