

AFTER RECORDING RETURN TO:
Department of Natural Resources
Asset Management & Protection Division
PO Box 47014
Olympia, WA 98504-7014



200208080019

Skagit County Auditor

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QUITCLAIM DEED
Skagit County

Grantor: State of Washington, acting by and through the Department of Natural Resources.

Grantee: Miles Sand & Gravel Company, Inc, a Washington corporation

Abbreviated

Legal Desc: Section 16, T35N, R4E, Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$

Tax Parcel #: P 36771

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of FOUR HUNDRED AND TWENTY THREE THOUSAND Dollars (\$423,000), hereby conveys and quitclaims to Miles Sand & Gravel Company, Inc, a Washington corporation, GRANTEE, all interest in the real property situated in Skagit County, Washington, and described in Exhibit A, attached hereto, which by this reference is made a part hereof.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.01.312 and to the following reservation:

With the exception of sand and gravel, the Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for

such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

#3604
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

AUG 07 2002

Amount Paid
By: Skagit County Treasurer Deputy



200208080019
Skagit County Auditor

This Deed is executed and delivered pursuant to RCW 79.01.220 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 29th day of

July, 2002

Garry Locke
GOVERNOR

ATTEST:

Ann S. Reed
SECRETARY OF STATE

Approved as to form this 12th day
of July, 2002.

Michael Rollinger
Assistant Attorney General

State Deed No. 26601

State Record of Deeds, Volume 13, Page 313.

Transaction File No. 02-73215



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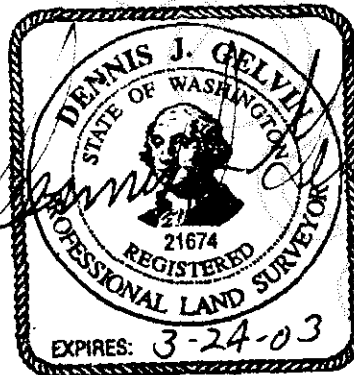
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EXHIBIT A TO QUITCLAIM DEED

Legal Descriptions of Butler Hill Property

The following describes the State land to be sold to Miles Sand & Gravel Company, Inc.:

That portion of the NE1/4 of the NW1/4 of Section 16, Township 35 North, Range 4 East, Willamette Meridian, Skagit County, Washington, lying northerly and westerly of the centerline of that roadway shown on the Right of Way Plat for the easement granted June 26, 1968, filed under application No. 2879 with the Office the Commissioner of the Public Lands, Olympia, Washington.



Dennis J. Gelvin, PLS 21674
Land Description & R/W Specialist
State Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated 6-20-02



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