

RETURN ADDRESS:

Puget Sound Energy, Inc.
Attn: R/W Department
1660 Park Lane
Burlington, WA 98233



200810130107

Skagit County Auditor

10/13/2008 Page 1 of 3 11:16AM

EASEMENT

GRANTOR: CHALLENGER RIDGE ESTATES, LLC
GRANTEE: PUGET SOUND ENERGY, INC.
SHORT LEGAL: Portion NW 1/4 8-35-8 & NE 1/4 7-35-8
ASSESSOR'S PROPERTY TAX PARCEL: P43492/350807-1-021-0009; P43509/350808-0-005-0016;
P43510/350808-0-005-0016

GUARDIAN NORTHWEST TITLE CO.

ACCOMMODATION RECORDING ONLY

For and in consideration of One Dollar (\$1.00) and other valuable consideration in hand paid, **CHALLENGER RIDGE ESTATES, LLC**, a Washington limited liability company ("Grantor" herein), hereby conveys and warrants to **PUGET SOUND ENERGY, INC.**, a Washington Corporation ("Grantee" herein), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along, across, and through the following described real property ("Property" herein) in Skagit County, Washington:

SEE EXHIBIT "A" AS HERETO ATTACHED AND BY REFERENCE INCORPORATED HEREIN.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property ("Easement Area" herein) described as follows:

A strip of land ten (10) feet in width with five (5) feet on each side of the centerline of grantee's facilities as now constructed, to be constructed, extended or relocated lying within the above described parcel. This easement description may be superseded at a later date with a surveyed description provided at no cost to Grantee.

1. Purpose. Grantee shall have the right to construct, operate, maintain, repair, replace, improve, remove, enlarge, and use the easement area for one or more utility systems for purposes of transmission, distribution and sale of electricity. Such systems may include, but are not limited to:

Underground facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Following the initial construction of all or a portion of its systems, Grantee may, from time to time, construct such additional facilities as it may require for such systems. Grantee shall have the right of access to the Easement Area over and across the Property to enable Grantee to exercise its rights hereunder. Grantee shall compensate Grantor for any damage to the Property caused by the exercise of such right of access by Grantee.

2. Easement Area Clearing and Maintenance. Grantee shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. Grantee shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

3. Grantor's Use of Easement Area. Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Grantor shall not construct or maintain any buildings, structures or other objects on the Easement Area and Grantor shall do no blasting within 300 feet of Grantee's facilities without Grantee's prior written consent.

UG Electric 11/1998
RW-070646/105054032
NW 8-358 & NE 7-35-8

No monetary consideration paid

4. **Indemnity.** Grantee agrees to indemnify Grantor from and against liability incurred by Grantor as a result of Grantee's negligence in the exercise of the rights herein granted to Grantee, but nothing herein shall require Grantee to indemnify Grantor for that portion of any such liability attributable to the negligence of Grantor or the negligence of others.

5. **Abandonment.** The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of five (5) successive years, in which event, this easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor; provided, however, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

6. **Successors and Assigns.** Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

DATED this 6th day of October, 2008.

GRANTOR:
CHALLENGER RIDGE ESTATES, LLC

BY: [Signature]
DOUG SPADY, manager of CHALLENGER RIDGE ESTATES, LLC

BY: [Signature]
RYAN J CONSTANTI, manager of CHALLENGER RIDGE ESTATES, LLC

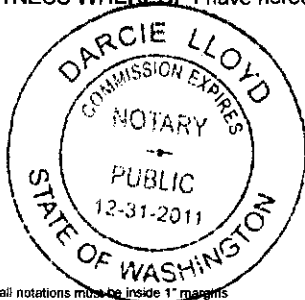
STATE OF WASHINGTON)

COUNTY OF)

) SS

On this 6th day of October, 2008, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **DOUG SPADY** and **RYAN J CONSTANTI**, to me known to be the person(s) who signed as managers of **CHALLENGER RIDGE ESTATES, LLC**, the limited liability corporation that executed the within and foregoing instrument, and acknowledged said instrument to be his free and voluntary act and deed and the free and voluntary act and deed of **CHALLENGER RIDGE ESTATES, LLC** for the uses and purposes therein mentioned; and on oath stated that he was authorized to execute the said instrument on behalf of said **CHALLENGER RIDGE ESTATES, LLC**.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.



Notary seal, text and all notations must be inside 1" margins

[Signature]
(Signature of Notary)
Darcie Lloyd
(Print or stamp name of Notary)
NOTARY PUBLIC in and for the State of Washington,
residing at Concord
My Appointment Expires: 12-31-2011

Easement
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

OCT 13 2008

Amount Paid \$0
Skagit Co. Treasurer
By [Signature] Deputy



200810130107
Skagit County Auditor

EXHIBIT "A"

PARCEL A:

Lot 2, SKAGIT COUNTY SHORT PLAT NO. 96-058, as approved February 10, 1998, and recorded February 15, 1998, in Volume 13 of Short Plats, pages 101 and 102, under Auditor's File No. 9802250121, records of Skagit County, Washington; being a portion of Government Lot 11, in Section 7, Township 35 North, Range 8 East W.M.

PARCEL B:

Government Lot 4, Section 8, Township 35 North, Range 8 East W.M.;

EXCEPT that portion conveyed to the Seattle and Northern Railway Company by deed recorded March 24, 1919, in Volume 41 of Deeds, page 19;

AND EXCEPT that portion conveyed to the State of Washington by deed recorded October 28, 1949, under Auditor's File No. 437453, records of Skagit County, Washington;

AND ALSO EXCEPT that portion lying within the as-built and existing right of way for Challenger Road;

AND ALSO EXCEPT that portion, if any, conveyed to Simpson Properties by deed recorded November 29, 1976, under Auditor's File No. 846581, records of Skagit County, Washington;

TOGETHER WITH that portion, if any, of Government Lot 5, Section 8, Township 35 North, Range 8 East W.M., conveyed in instrument recorded November 29, 1976, under Auditor's File No. 846582, records of Skagit County, Washington or Northerly of the boundary line as agreed upon in instrument recorded under Auditor's File No. 846581, records of Skagit County, Washington, and described as follows:

Beginning at the Northwest section corner of said Section 8;
Thence South 0°09'38" East along the West section line of said Section 8, 1,370.34 feet;
Thence continue along said West section line South 0°09'38" East 74.52 feet to the true point of beginning of this description;
Thence North 87°32'32" East 305.23 feet;
Thence South 61°41'50" East, 198.28 feet;
Thence South 46°47'58" East, 475.84 feet to an iron pipe monument;
Thence continuing South 46°47'58" East 94 feet, more or less, to the North bank of the Skagit River, said point being the terminal point of said line.

Situate in the County of Skagit, State of Washington.



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Skagit County Auditor