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Skagit County Auditor

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**When recorded return to:**

Beverly J. Klug as agent  
For EQUILON ENTERPRISES LLC  
12700 Northborough, Suite 130  
Houston, Texas 77067

**CC# 121367**

LAND TITLE OF SKAGIT COUNTY

*131490-S*

**ACCESS AGREEMENT GRANTING RIGHT OF ENTRY**

This Agreement is made <sup>EFFECTIVE</sup> as of FEBRUARY 12, 2009 by and between the following entities, referred to herein as the Parties:

**EQUILON ENTERPRISES LLC**

Attn.: Property & Planning  
12700 Northborough, Ste. 100  
Houston, Texas 77067  
Phone: 281-874-7000  
Fax: 281-874-2294

Attn.: Jeff Goold  
20945 S. Wilmington Avenue  
Carson, California 90810  
Phone: (425) 844-2355  
Fax: (425) 844-1182  
E-mail: jeff.goold@shell.com  
("Equilon")

and

**PR PETROLEUM, L.L.C.**

Attn.: Tim McEvoy  
4040 Irongate Road  
Bellingham, Washington 98226  
Phone: (360) 734-5650  
Fax: (360) 734-5651  
E-mail: tim@mcevoyoil.com  
("Purchaser")

**WHEREAS**, Purchaser desires to purchase the property located at 575 South Burlington Boulevard, Skagit County, Burlington, WA 98233 CC#: 121367 as described in Exhibit A ("Property") and Equilon desires to sell the Property pursuant to the terms of a certain Offer To Purchase Premises previously executed by the Parties (the "Purchase and Sale Agreement"), and

**WHEREAS**, after the transaction has closed, the term "Owner" shall mean the "Purchaser," and

**WHEREAS**, an underground storage tank system as defined in 40 CFR Part 280 or supplanting federal regulations owned by Equilon or its predecessors in interest ("UST System") may be/is present on the Property, and

**WHEREAS**, petroleum hydrocarbons, including gasoline additives (collectively "Substances"), may be present on the Property, and

**WHEREAS**, the Parties desire to investigate and, if necessary, perform remediation of Substances to bring the Property into compliance with applicable law; and

**WHEREAS**, Purchaser is willing to purchase the Property with full knowledge of the potential for or actual presence of subsurface Substances.

**NOW, THEREFORE**, in exchange for the mutual promises and considerations stated herein the Parties agree as follows:

**1. GRANT OF LICENSE.** Owner/Tenant hereby grant(s) a nonexclusive irrevocable license from the date of this Agreement to Equilon, its employees, authorized agents and contractors, and any relevant governmental agency with jurisdiction ("Agency"), its employees, authorized agents and contractors, to enter the Property to perform all monitoring well installations, tests, inspections, borings, engineering studies, surveys, appraisals, environmental studies, remediation operations or other activities hereinafter referred to as "Corrective Action" that Equilon deems necessary to comply with all applicable federal, state and local statutes, regulations, ordinances directives, orders and standards for Corrective Action related to the UST System. If Owner/Tenant fail(s) to provide reasonable access to Equilon, or Owner/Tenant unreasonably interfere(s) with Equilon's activities on the Property, such failure shall constitute waiver of any right, claim or cause of action Owner/Tenant may have against Equilon to perform or continue Corrective Action on the Property. Such waiver shall not constitute the sole remedy for breach of this provision which remedies may include without limitation, consequential damages. This Agreement is intended and shall be construed only as a temporary license to enter and conduct the Corrective Action upon the Property and not a grant of easement or any other interest in the Property. Owner/Tenant shall, as soon as possible, but not later than thirty (30) days after damage or destruction, replace or repair, at its sole expense, all monitoring wells, monitoring well pads, remediation equipment or piping installed by Equilon on the Property and damaged or destroyed by Owner/Tenant.

**2. ENVIRONMENTAL INVESTIGATION AND REMEDIATION.** For as long as this Agreement remains in effect, Equilon, at its sole expense, agrees to conduct any necessary Corrective Action at the Property in accordance with all applicable federal, state and local statutes, regulations, ordinances and standards; however, Owner/Tenant agree(s) Equilon is under no obligation to Owner/Tenant to remedy or respond to any environmental liability or condition on the Property that cannot be attributed to the UST System on the Property.



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**3. REGULATIONS.** Purchaser hereby agrees to comply with all existing and future applicable laws and regulations pertaining to underground storage tank systems, including but not limited to those requiring insurance, inventory records, leak detection devices, system inspections, tank and line tests and tank field monitoring well tests. Purchaser further agrees to copy Equilon, within fifteen (15) days of the date request is made by Equilon, with any records pertaining to the above. Further, upon written request by Equilon, Purchaser shall make available all records required by applicable laws for review by Equilon at the Property during normal business hours.

**4. CONSTRUCTION ON PROPERTY.** Owner/Tenant shall provide Equilon with written notification at least thirty (30) days in advance of the date on which Owner/Tenant plan(s) to begin excavation at the Property for development ("Development"). Equilon shall be responsible for costs and expenses associated with the disposal of contaminated soil and disposal or treatment of contaminated groundwater caused by the UST System on the Property and encountered during the Development, in accordance with the following guidelines and requirements:

a. Owner/Tenant's written notification to Equilon shall state the dates during which the construction work will be performed and contain detailed work plans;

b. During the thirty (30) day period following the notice from Owner/Tenant, the Parties will coordinate and cooperate with each other in planning the simultaneous performance of the Development and Equilon's activities at the Property in such a manner as to minimize cost and time for each Party, including agreeing upon the scope and schedule of the removal activities and the schedule of the transporters and trucks needed for disposal. Owner/Tenant shall not commence excavation activities on the Property until the expiration of the thirty (30) day notice period;

c. Owner/Tenant shall notify Equilon no later than forty-eight (48) hours in advance of excavation of any soils at the Property. For purposes of this sub-section, notification may be made by facsimile or electronic mail. Equilon will screen excavated soils for the presence of Substances using a Photo Ionization Detector ("PID") or other similar method. Equilon will collect representative soil samples for analysis of Substances. Soil with Substances levels below the applicable State cleanup standard for commercial/industrial property use will be considered "clean." Soil determined to be "clean" shall be used by Owner/Tenant for back-filling or other Development purpose at the Property. Owner/Tenant shall, at its cost and expense, remove and properly dispose of any such clean soil if Owner/Tenant decide not to use such clean soil for back-filling or other Development purpose. Soil with levels of Substances above the applicable State cleanup standard for commercial/industrial property use will be considered "contaminated." Owner/Tenant, under the direction of Equilon, shall segregate contaminated soil from clean soil. Owner/Tenant shall place, at its sole cost and expense, contaminated soil in trucks provided by Equilon. Equilon shall, at its sole cost and expense, transport and properly dispose of any such contaminated soil at a permitted treatment, storage and disposal facility, or any other facility legally capable of accepting such soil.

d. Owner/Tenant shall notify Equilon no later than forty-eight (48) hours in advance of the removal of any liquids at the Property. For purposes of this sub-section,



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notification may be made by facsimile or electronic mail. Liquids with Substances levels below the applicable State cleanup standard for commercial/industrial property use will be considered "clean." Owner/Tenant shall, at its cost and expense remove and properly dispose of any such clean liquids. Liquids with levels of Substances above the applicable State cleanup standard for commercial/industrial property use will be considered "contaminated." Owner/Tenant shall place, at its sole cost and expense, such contaminated liquids in trucks or tanks provided by Equilon. Equilon shall, at its sole cost and expense, transport and properly dispose of any such contaminated liquids at a permitted treatment, storage and disposal facility, or any other facility legally capable of accepting such liquids.

e. Failure of Owner/Tenant to give Equilon notice of Development activities as required herein shall relieve Equilon from any responsibility or liability to Owner/Tenant for any costs, expenses or consequential damages that may result from Owner/Tenant undertaking such Development activities. For purposes of this section, all notifications shall be made to Jeff Goold, 20945 S. Wilmington Avenue, Carson, California 90810, Phone: (425) 844-2355, Fax: (425) 844-1182, E-mail: jeff.goold@shell.com.

**5. TERMINATION.** Upon completion of its Corrective Action at the Property, this Agreement shall terminate and Equilon shall have no further obligation or responsibility to perform Corrective Action at the Property. Owner/Tenant agree(s) that Equilon will have completed its Corrective Action upon the earliest of (a) a determination by the Agency (i) that no further action is required by Equilon, or (ii) that the Corrective Action taken by Equilon at the Property has been completed; or (b) one year following the date Equilon submitted its written and supporting documentation to the Agency that Equilon considers its Corrective Action at the Property to be complete; or (c) one year following the date that the Agency directs Equilon to monitor only at the Property, regardless of whether Equilon has provided written notice (as provided in (a) above).

**6. MUTUAL COOPERATION.** Equilon agrees to coordinate its activities with Owner/Tenant to minimize any inconvenience to or interruption of the conduct of Owner/Tenant's business or development of the Property including, but not limited to, providing reasonable notice prior to all activities which Equilon believe may interrupt the conduct of Owner/Tenant's business. Owner/Tenant agree(s) to cooperate with Equilon, and execute any additional documents including, without limitation, permit applications, which may reasonably be required to effectuate the purpose of this Agreement. Owner/Tenant further agree(s) not to interfere with the activities conducted by Equilon on the Property.

**7. PERMITS.** Equilon, with the reasonable cooperation of Owner/Tenant, but at no expense to Owner/Tenant, shall obtain any and all permits which may be required for the Corrective Action it conducts pursuant to this Agreement.

**8. REPORTS.** Equilon agrees to provide Owner/Tenant with copies of reports that are submitted to the Agency outlining the results of Equilon's Corrective Action performed pursuant to this Agreement.



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**9. SITE RESTORATION.** Equilon agrees, upon completion of the Corrective Action contemplated by this Agreement, to restore the surface of the Property to as near the approximate grade and pavement as existed prior to said Corrective Action as is reasonably possible, including proper plugging, abandonment or removal of any monitoring well as may be required in accordance with applicable law. Equilon shall not be responsible for the repair or replacement of underground utilities (except for public underground utilities damaged by Equilon) or other structures (including canopies) on the Property.

**10. INDEMNITIES.** Equilon agrees to indemnify, defend and hold Owner/Tenant (collectively referred to as "Indemnified Party[ies]") harmless from any and all liabilities, losses, claims, demands, or orders arising out of the Corrective Action Equilon performs pursuant to this Agreement, except to the extent that any said liabilities, losses, claims, demands, or orders may be attributed in whole or in part to the negligence, gross negligence or intentional act of one or more of the Indemnified Parties. Equilon's indemnification obligation shall not include direct or indirect economic loss attributable to short term business interruptions as a result of Equilon's activities on the Property. This indemnity shall terminate at the time the Corrective Action is complete as set forth in this Agreement and be of no further force or effect.

If underground or above ground storage tank systems are used for any purpose on the Property at any time subsequent to the execution of this Agreement, then Purchaser agrees to indemnify, defend and hold harmless Equilon, their respective parents, predecessors, subsidiaries, affiliates, officers, directors, employees, agents, and each of their predecessors, successors, heirs and assigns from any and all liabilities, losses, claims, demands, or orders, including without limitation attorney's fees, litigation costs, money damages, fines or penalties, environmental response costs, natural resource damage assessments or awards (collectively referred to as "Liabilities"), arising out of the purchase, use, operation, maintenance, installation or removal or abandonment of underground or above ground storage tank systems at the Property by Purchaser or any person allowed by Purchaser to install, use, maintain, operate, remove or abandon underground or above ground storage tank systems at the Property ("Third Party") which may be found to be contributing to or causing: a) personal injury, disease or death; b) damage or loss to property; or c) the need for Corrective Action at the Property or any other property, regardless of whether or not such Liabilities are caused by the sole negligence, concurrent negligence, gross negligence, or intentional conduct of Purchaser or Third Party, and regardless of whether or not such Liabilities are strictly imposed by operation of law with or without fault. This indemnity shall survive the termination of this Agreement.

**11. RELEASE.** In exchange for Equilon's commitments as set forth in this Agreement, Owner/Tenant hereby release(s), acquit(s), holds harmless and forever discharge(s) Equilon, and its parents, predecessors, subsidiaries, affiliates, officers, directors, employees, agents, and each of their predecessors, successors, heirs and assigns of and from any and all claims, rights, causes of action, demands the Owner/Tenant, its/their heirs, predecessors, successors and assigns may have whether directly or indirectly, whether accrued in the past, present, or future, whether known or unknown, whether for damages or equitable relief of any sort including, without limitation, claims for personal injury, attorneys' fees, consulting and expert fees,



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Corrective Action costs, diminution in the value of the Property, loss of use or damage to the Property, loss of profits, rentals and other business opportunity, increased development costs, and any and all other property damages and damages to natural resources on the Property or other property owned by Owner/Tenant and located adjacent to the Property, which could be shown to arise from the purchase, use, operation, maintenance, installation or removal or abandonment of UST System or petroleum hydrocarbon contamination at the Property. **OWNER/ TENANT REPRESENT(S) AND WARRANT(S) THAT IT/THEY HAS/HAVE READ THIS RELEASE AND HAS/HAVE CONSULTED ITS/THEIR ATTORNEY(S) OR HAS/HAVE HAD THE OPPORTUNITY TO CONSULT AN ATTORNEY AND FREELY CHOSE NOT TO DO SO.**

**12. ASSIGNMENT AND REIMBURSEMENT FROM TRUST FUNDS.**

Owner/Tenant hereby assign(s) to Equilon any and all rights it/they may have against the applicable state and federal fund established by the state or federal government to fund or reimburse cleanups, assessments, remediations or satisfaction of claims at UST System sites. Owner/Tenant agree(s) to cooperate with Equilon, including execution of additional documents, if necessary, in obtaining any allowable reimbursement from a state and federal fund established by the state or federal government to fund or reimburse cleanups, assessments, remediations, or satisfaction of claims at UST System sites and that any moneys obtained from said fund shall belong solely to Equilon.

**13. DISPUTE RESOLUTION.**

The Parties agree that should any dispute arise under this Agreement which cannot be amicably resolved, the dispute shall be submitted to mediation prior to being submitted to Arbitration under the rules and procedures of the American Arbitration Association and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Any mediator or arbitrator selected by the parties shall be knowledgeable in environmental law and/or remediation technologies.

**14. EXECUTION OF AGREEMENT.**

Each of the undersigned hereby represents and warrants that it is authorized to execute this Agreement on behalf of the respective Party to the Agreement and that this Agreement, when executed by those Parties, shall become a valid and binding obligation, enforceable in accordance with its terms. Owner/Tenant represent(s) and warrant(s) that it/they is/are the Owner/Tenant of the Property or that it/they has/have full lawful authority to grant access to the Property for the purposes described herein.

**15. ASSIGNMENT, SUCCESSOR AND ASSIGNS.**

In the event Owner's / Tenant's interests in the Property are conveyed, transferred or in any way assigned in whole or in part to any other person or entity, whether by contract, operation of law or otherwise, Owner/Tenant shall take any and all reasonable actions to render any such conveyance, transfer or assignment subject to the terms of this Agreement and shall provide notice thereof to Equilon. This Agreement shall be assignable by Owner/Tenant or by operation of law only with the prior written consent of Equilon, which consent may be withheld by Equilon for any reason whatsoever. Owner/Tenant hereby assign(s) to Equilon any and all claims, causes of action and suits it/they may have against any third party who may have financial responsibility for any environmental response costs or



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other damages at the Property including but not limited to any rights to recover any insurance policy that may name Owner/Tenant as a beneficiary or against which Owner/Tenant may have a right of recovery. Owner/Tenant agree(s) to cooperate with Equilon in determining whether such claims exist.

**16. NOTICE.** Any notice, consent, request, report, demand, or other document required to be given to one Party by the other shall be in writing and be delivered to or mailed to the receiving Party at its address, referenced on page 1 above. Facsimile copies shall be sufficient.

**17. MODIFICATIONS.** This Agreement contains the entire understanding of the Parties. Any change, amendment, or alteration must be in writing and signed by both Parties to this Agreement to be effective. This Agreement supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof and thereof.

**18. NO ADMISSIONS.** Nothing contained in this Agreement shall be construed as an admission of any fact or liability of any Party to this Agreement.

**19. GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS BY THE LAWS OF THE STATE IN WHICH THE CORRECTIVE ACTION IS PERFORMED WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

**20. COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and of equal force and effect.

**IN WITNESS WHEREOF,** the Parties have executed this Agreement on the dates set forth below.

**EQUILON ENTERPRISES LLC**

By: \_\_\_\_\_

Name: Laura D. Styslinger  
Mgr., Lease Administration &

Title: Legal Compliance

Date: January 26, 2009



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PR PETROLEUM, L.L.C., Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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State of TEXAS §

§

County of HARRIS §

I certify that I know or have satisfactory evidence that Laura D. Skyslinger is the person who appeared before me, and said person acknowledged that (s)he signed this instrument, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as Mgr., Lease Administration & Legal Compliance of Equilon Enterprises LLC, a Delaware limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

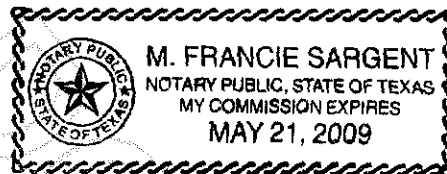
Date:

January 26, 2009

M. Francie Sargent  
Notary Public

Printed Name: \_\_\_\_\_

My appointment expires: \_\_\_\_\_



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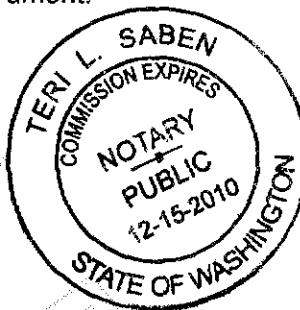
State of Washington )

) §

County of Skagit

I certify that I know or have satisfactory evidence that Bruce Gustafson is the person who appeared before me, and said person acknowledged that (s)he signed this instrument, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as MANAGER of PR Petroleum, L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Teri L. Saben  
Notary Public



Printed Name: Teri L. Saben

My appointment expires: 12-15-10

Notary Public in and for the state of Washington, residing at



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## EXHIBIT A

### DESCRIPTION OF PREMISES

That portion of Tract 50, "PLAT OF THE BURLINGTON ACREAGE PROPERTY", as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, described as follows:

Beginning at a point on the East line of said Tract 50 which is 165 feet Northerly from the Southeast corner thereof (as measured along said East line);  
thence North 88°26'32" West 40.00 feet;  
thence South 2°15'33" West 140.00 feet to the South line of said tract;  
thence South 88°26'32" East along said South line to a point 30 feet Northerly from (when measured at right angles to) Highway Engineer's Station SR 20 65+69, as shown on that map of definite location recorded in Volume A of Highway Plats, page 181, records of said County;  
thence North 54°43'55" East to a point on the East line of said Tract 50 which is 47 feet Northerly from Engineer's Station SR 20 65+91.13;  
thence North 2°15'33" East along said East line of Tract 50 a distance of 148.00 feet to the point of beginning,

EXCEPT that portion conveyed to the City of Burlington by deed recorded August 25, 1986, under Auditor's File No. 8608250013, records of Skagit County, Washington.

Situate in the City of Burlington, County of Skagit, State of Washington.



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