



201812280098

12/28/2018 03:27 PM Pages: 1 of 10 Fees: \$108.00
Skagit County Auditor

When Recorded, Return to:

Glacier Northwest, Inc.
Attention: Vice President &
General Manager/Northwest Division
P.O. Box 1730
Seattle, WA 98111

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

DEC 28 2018

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

GUARDIAN NORTHWEST TITLE CO.

EASEMENT AGREEMENT

116004

Grantor:	PUGET SOUND ENERGY, INC.	
Grantee:	GLACIER NORTHWEST, INC.	
Legal Description (abbreviated):	Portions of both Sections 1 and 2 in Township 35 North, Range 8 East, W.M.; the SW of the SW of Section 36, Township 36 North, Range 8 East, W.M.; Portions of Sections 11, 12 and 13 of Township 35 North, Range 8 East, W.M.; and Portions of the SW of Section 7, Township 35 North, Range 7 East, W.M.	
<input checked="" type="checkbox"/> Additional on:	Exhibit A	
Assessor's Tax	P116381 (350802-0-019-0107),	P43316 (350801-3-004-0018),
Parcel ID #:	P43319 (350802-0-002-0007),	P43324 (350802-0-007-0002),
	P43334 (350802-0-019-0008),	P43335 (350802-0-020-0005),
	P43337 (350802-1-003-0004),	P43338 (350802-1-004-0003),
	P43339 (350802-4-001-0000),	P43746 (350811-0-001-0007),
	P43749 (350811-0-003-0005),	P43750 (350811-0-004-0004),
	P43757 (350811-0-014-0002),	P43778 (350811-2-002-0002),
	P43779 (350812-0-001-0006),	P43783 (350812-1-001-0012),
	P43859 (350813-1-001-0003),	P43870 (350813-2-001-0001),
	P44415 (350907-3-001-0006),	P51703 (360836-3-002-0000)
Reference Nos. of Documents Released or Assigned:	N/A	

no monetary consideration
Seller's Easement
ND: 10552.19303 4848-3049-0498v4

page 1

THIS EASEMENT AGREEMENT ("**Agreement**") is dated for reference purposes December 20, 2018 and is made and entered into by PUGET SOUND ENERGY, INC., a Washington corporation, as "**Grantor**" and GLACIER NORTHWEST, INC., a Washington corporation, as "**Grantee**."

RECITALS

- A. Grantor is purchasing certain real property described in Exhibit A (the "**Property**") from Grantee.
- B. In connection with the purchase of the Property from Grantee, Grantor agreed to grant an easement for mining (the "**Easement**") on the Property as more particularly described herein.

AGREEMENTS

In consideration of the promises and mutual covenants herein contained, the parties hereby agree as follows:

1. **Grant of Easement.** Grantor hereby conveys and grants to Grantee, its successors, and assigns, a perpetual, royalty-free easement on, over, and across the Property for the purposes of mining, transportation, and storage of minerals (the "**Work**"), subject to the terms and conditions set forth below, provided that, notwithstanding anything to the contrary contained in this Agreement, Grantee does not materially interfere with Grantor's operations on or use and enjoyment of the Property.
2. **Performance of the Work.**
 - (a) **Notice of Work.** Prior to exercising its rights under the Easement, Grantee shall provide Grantor with not less than thirty (30) days' advance written notice (the "Notice of Work"). Each Notice of Work shall include: (i) a detailed description of the Work to be performed (including proposed extraction locations and methods) and the proposed dates of performance; (ii) the names of those agents, contractors and consultants of the Grantee who will enter the Property and perform the Work; and (iii) such other information as Grantor shall reasonably request. The Notice of Work shall be mailed to 46110 E. Main Street, Concrete, WA 98237.
 - (b) **Grantee's Conduct During the Work.**
 - (i) Grantee (and Grantee's agents, consultants and contractors) shall perform the Work in a good and workmanlike manner consistent with the terms of this Agreement.

(ii) Grantee, at its own expense, shall comply (and shall cause each of its agents, consultants and contractors to comply) with all applicable federal, state or local laws, regulations, rules, and orders with respect to the performance of the Work including, without limitation, those relating to health, safety, noise, environmental protection, waste disposal, water and air quality, and worker occupational health and safety. Further, Grantee may apply for and maintain all permits related to the Work, including, but not limited to a Department of Ecology Sand and Gravel General Permit and Department of Natural Resources Mining Permit, and Grantor shall reasonably cooperate with Grantee's efforts related any such permits, including, but not limited to the execution of applications and other documents as the owner of the Property. All costs associated with maintaining such permits will be borne solely by Grantee. Grantee, in its sole discretion, may cancel or allow any such permit to lapse or expire. If any such permit is cancelled or allowed to lapse or expire, Grantee shall notify Grantor of the same.

(iii) Grantee, at its own expense, shall maintain all equipment, vehicles, and materials used in the performance of the Work such that they do not endanger the health, safety, or welfare of anyone present at the Property.

3. Damage to Property. Notwithstanding anything to the contrary herein, any damage or destruction of the Property resulting from any actions or omissions of the Grantee or its agents shall be promptly repaired or replaced at the sole expense of the Grantee.

4. Indemnification. Grantee shall indemnify and hold Grantor harmless from and against all claims, losses and liabilities resulting from injuries and/or damages that may be caused by Grantee's exercise of the rights herein granted or use of the Easement as provided herein; provided, that Grantee shall not be responsible to Grantor for any claims, losses or liabilities resulting from injuries and/or damages caused by the negligence of Grantor.

5. Hazardous Materials. In the event Grantee discovers Hazardous Materials related to Grantee's historical operations ("Historical Hazardous Materials") while exercising its rights under this Easement, Grantee shall immediately notify Grantor. Grantee shall handle all such Historical Hazardous Materials in strict compliance with Environmental Laws, including but not limited to the excavation, stockpiling, transportation and disposal of those Historical Hazardous Materials. Grantee shall be responsible, at its sole cost and expense, for promptly remediating any Historical Hazardous Materials to applicable standards under Environmental Laws.

"Hazardous Materials" shall mean any substance, whether solid, liquid, or gaseous: (i) which is listed, defined, or regulated as a "hazardous substance," "hazardous waste", "pollutant" or "contaminant" or otherwise classified as hazardous or toxic, in or pursuant to any Environmental Laws; or (ii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Washington or any political subdivision

thereof; or (iii) the presence of which on the Property causes or threatens to cause a nuisance upon the Property or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Property; or (iv) the presence of which on adjacent properties could constitute a trespass; or (v) without limitation, which contains gasoline, diesel fuel or other petroleum hydrocarbon or any bi-product thereof; or (vi) without limitation, which contains polychlorinated biphenyls (PCBs), or urea formaldehyde foam insulation.

"Environmental Laws" shall mean any federal, state, or local law, statute, ordinance, code, rule, regulation, authorization, decision, order, injunction or decree, the common law, and any judicial interpretation of any of the foregoing, which pertains to health, safety of employees or third parties, any Hazardous Materials (as defined above), or the protection of human health, the environment and any natural resource, and shall include without limitation, the Solid Waste Disposal Act, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., as amended by Superfund Amendments and Reauthorization Act of 1986; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et seq.; the Clean Air Act, 42 U.S.C. Section 7401 et seq.; Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Safe Water Drinking Water Act, 42 U.S.C. Section 300f; Washington Hazardous Waste Management Act, chapter 70.105 RCW; the Washington State Model Toxics Control Act, chapter 70.105D RCW ("MTCA") as any of the foregoing now exist or may be changed or amended or come into effect in the future.

6. Insurance. Before exercise Grantee's rights under this Agreement, Grantee shall obtain and maintain comprehensive general liability insurance that (a) has coverage for commercially reasonable amounts and on commercially reasonable terms, (b) covers liability for Grantee's actions on the Property pursuant to this Agreement, and (c) names Grantor as an additional insured. Grantee shall furnish to Grantor certificates evidencing such insurance prior to accessing the Property.

7. No Assignment; No Merger; Termination. Except for assignments by Grantee to an Affiliate, this Easement may not be assigned, contracted, or transferred to any other individual, firm, company, party, and/or other entity by Grantee without the express prior written authorization of Grantor. For purposes of this Agreement, "**Affiliate**" shall mean any corporation, limited liability company, partnership or other entity, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, Grantee. As used in this definition of Affiliate, the term "control" (including "controlled by" or "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities, as trustee, by contract, or otherwise. The Easement established hereby is not intended and shall not be deemed to have merged with the

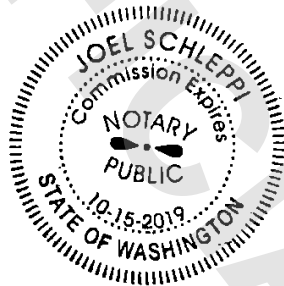
fee interest in such properties. Accordingly, the Easement may be terminated only by the recording of a "Notice of Termination" executed by the Grantor and Grantee.

8. **Attorneys' Fees.** If any legal proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party in such suit shall be entitled to recover, in addition to all other remedies or damages, its reasonable attorneys' fees and expenses. Neither party may recover punitive or consequential damages for a breach hereof.

EXECUTED as of the day and year first above written.

GRANTOR:

¹⁴
PUGET SOUND ENERGY, INC., a
Washington corporation



By: Brett Bolton

Name: BRETT BOLTON

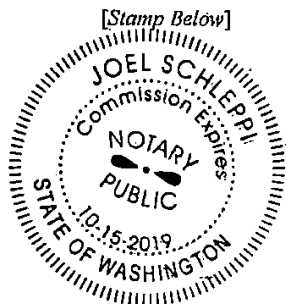
Title: MANAGER REAL ESTATE

STATE OF WASHINGTON

COUNTY OF King

} ss.

This record was acknowledged before me on December 26, 2018 by
Brett Bolton as Manager Real Estate of PUGET SOUND
ENERGY, INC., a Washington corporation.



Joel Schleppi
Signature

NOTARY-PUBLIC in and for the State of Washington

My Commission Expires 10/15/2019

GRANTEE:

GLACIER NORTHWEST, INC., a
Washington corporation

By: Name: ALLEN HAMBLÉNTitle: PRESIDENT

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On 12-20-18 before me, Margaret Ann Knight Notary Public
(insert name and title of the officer)

personally appeared Allen Hamblen
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Margaret Ann Knight (Seal)

EXHIBIT A LEGAL DESCRIPTION

PARCEL "A":

Beginning at a point on the South boundary of Lot 10, in Section 2, Township 35 North, Range 8 East, W.M., which is 1929.3 feet Easterly from the Southwest corner of said Section 2, and 889.3 feet Easterly from the East boundary of the County Road running through said Lot 10; thence North, 1006.8 feet; thence North 29°10'40" West, 1583.3 feet; thence North 13°42'40" West, 198.76 feet to a point on the North boundary of Lot 7, in said Section 2, which is 1081.67 feet Easterly from the quarter corner on the West side of said Section 2, and which is a distance of 101.67 feet from the East boundary of said County Road; thence along the North border of said Lot 7 Easterly 4.83 feet to a point which is 1086.5 feet Easterly from the quarter corner on the West side of Section 2; thence North 0°17'15" West, 117.9 feet along the 440 contour line (U.S.G.S. datum); thence North 17°18'45" East, 80.6 feet; thence North 35°49'15" East, 62.9 feet; thence North 39°30'15" East, 86.0 feet; thence North 21°29'15" East, 154.8 feet; thence North 19°35'15" East, 131.5 feet; thence North 61°10'15" East, 95.0 feet; thence North 89°53'15" East, 80.00 feet; thence North 65°38'15" East, 498.7 feet; thence North 57°46'45" East, 185.2 feet; thence North 79°32'15" East, 46.7 feet; thence South 73°59'15" East, 154.1 feet; thence North 83°27'30" East, 92.2 feet; thence South 89°54'30" East, 97.7 feet; thence North 88°57'00" East, 175.6 feet; thence South 49°28'00" East, 115.2 feet; thence South 14°02'30" East, 94.9 feet; thence South 33°40'00" East, 105.6 feet; thence South 42°22'00" East, 102.5 feet; thence South 22°43'30" East, 119.4 feet; thence North 32°41'30" East, 129.4 feet; thence North 00°55'00" West, 48.7 feet; thence North 85°19'00" East, 243.9 feet; thence North 60°55'30" East, 216.7 feet; thence North 39°35'30" East, 154.2 feet; thence North 19°59'45" East, 102.9 feet; thence North 82°33'15" East, 89.5 feet; thence North 20°27'15" West, 105.4 feet; thence North 17°27'15" East, 173.6 feet; thence North 02°46'15" West, 103.4 feet; thence North 56°36'45" East, 128.0 feet; thence North 65°39'15" East, 131.6 feet; thence North 20°58'15" East, 350.9 feet; thence North 30°44'15" East, 243.4 feet; thence North 17°10'30" West, 178.6 feet; thence North 26°24'30" West, 136.7 feet; thence South 87°01'00" East, 101.8 feet; thence North 77°05'30" East, 240.9 feet; thence North 10°45'00" East 115.9 feet; thence North 24°14'30" East, 160.95 feet to a point on the North line of said Section 2, which point is the intersection of the 440 Contour line U.S.G.S. Datum, and the North line of said Section; thence East along the North line of said Section 2, a distance of 907.71 feet to the section corner common to Sections 35 and 36, Township 36 North, Range 8 East, W.M., and Sections 1 and 2, Township 35 North, Range 8 East, W.M.; thence continue East along the North line of said Section 1, to the North quarter corner thereof; thence South along the centerline of said Section to the Southeast corner of the North ½ of the Southwest ¼ of said Section 1; thence West along the South line of said North ½ of the Southwest ¼ of the Southwest corner thereof; thence continue West along the South line of the North ½ of the Southeast ¼ of said Section 2, to the Southwest corner thereof; thence South along the East line of Government Lot 10, of said Section 2, to the Southeast corner thereof; thence West along the South line of Government Lot 10, of said Section 2, to the point of beginning;

EXCEPT County Road right-of-way for the Old Baker River Road sometimes referred to as the Old Baker River Trail;

ALSO EXCEPT that portion thereof established as a county right-of-way by document recorded as Auditor's File No. 200702080041.

TOGETHER WITH that portion of the Lake Shannon Road right-of-way established by Auditor's File No. 193867 and later vacated by Auditor's File No. 200706010054, that has reverted thereto by operation

Seller's Easement

ND: 10552.19303 4848-3049-0498v4

Exhibit A, page 1

of law.

PARCEL "B":

The Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 36, Township 36 North, Range 8 East, W.M.;

EXCEPT County Road right-of-way for the Old Baker River Road sometimes referred to as the Old Baker River Trail.

ALSO EXCEPT that portion thereof established as a county right-of-way by document recorded as Auditor's File No. 200702080041;

TOGETHER WITH that portion of the Lake Shannon Road right-of-way established by Auditor's File No. 193867 and later vacated by Auditor's File No. 200706010054 that has reverted thereto by operation of law.

PARCEL "C":

That portion of Government Lot 1 of Section 11, Township 35 North, Range 8 East, W.M., more particularly described as follows:

Commencing at the Southeast corner of Government Lot 1 of Section 11; thence North $00^{\circ}45'$ West 217.5 feet along the East boundary of said quarter-quarter section; thence South $89^{\circ}32'53''$ West 178.7 feet; thence North $26^{\circ}27'07''$ West 912.7 feet to the Western boundary of the county road; thence along said Western boundary of the county road 912 feet to the Northeast corner of the bridge crossing the Baker River; thence continuing along said county road to where said road intersects the Southern boundary of said quarter-quarter section; thence East along said Southern boundary to the point of beginning.

EXCEPT the four following described portions thereof:

- 1) Any portion thereof lying within the Baker River Road right-of-way.
- 2) Any portion thereof lying within the East Main Street right-of-way.
- 3) That portion thereof conveyed to the Puget Sound Power & Light Company by deed recorded June 30, 1967 as Auditor's File No. 701519.
- 4) Any portion thereof lying within those tracts conveyed to the Puget Sound Power & Light Company by deeds recorded April 16, 1925, April 16, 1925 and May 7, 1925 as Auditor's File Nos. 182826, 182827 and 183520, respectively.

PARCEL "D":

That portion of Government Lot 3 of Section 11, Township 35 North, Range 8 East, W.M., lying Northerly of the former county road right-of-way now known as East Main Street;

EXCEPT the former right-of-way of the Great Northern Railway Company;

ALSO EXCEPT that portion thereof lying Southerly of said former railroad right-of-way; and

ALSO EXCEPT that portion thereof, if any, lying within the Baker River Road right-of-way.

PARCEL "E":

That portion of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 11, Township 35 North, Range 8 East, W.M. lying Northerly of the former right-of-way of the Great Northern Railway Company; EXCEPT that portion thereof lying within both the plat of "Everett's First Addition to Concrete, Skagit County, WA" and the roads shown thereon per the plat filed in Volume 3 of Plats at page 76, records of Skagit County;

EXCEPT that portion thereof, if any, lying within East Main Street right-of-way.

PARCEL "F":

Government Lots 7 and 8 of Section 11, Township 35 North, Range 8 East, W.M. EXCEPT the right-of-way conveyed to the Seattle and Northern Railway Company by deed recorded April 7, 1902 as Auditor's File No. 39448 in Volume 46 of Deeds, Page 438, records of Skagit County, Washington; ALSO EXCEPT that portion thereof conveyed to Skagit County by deed recorded July 31, 1930 as Auditor's File No. 235932 in Volume 155 of Deeds, Page 346, records of Skagit County, Washington; AND FURTHER EXCEPT that portion thereof conveyed to the State of Washington by deed recorded October 24, 1962 as Auditor's File No. 627849 in Volume 326 of Deeds, Page 532, records of Skagit County, Washington; AND FURTHER EXCEPT those portions thereof lying within the existing and as built rights-of-way for State Route 20; AND FURTHER EXCEPT those portions thereof, if any, lying within the bed and shores or the former bed and shores of the Skagit River.

PARCEL "G":

All that portion of Lot 1, Section 12, Township 35 North, Range 8 East, W.M. lying North and East of a line parallel to and 40 feet Northeasterly from the following described centerline: Beginning at a point on the South line of Section 12, which point is 68 feet, more or less, from the center line of the right of way of the Great Northern Railway as measured along said section line; thence North $33^{\circ}58'$ West, 260 feet, more or less; thence on a curve to the left, having a radius of 2865 feet, a distance of 198.33 feet; thence tangent North $37^{\circ}56'$ West 232 feet; thence on a curve to the left, having a radius of 716.25 feet a distance of 147.71 feet; thence tangent North $44^{\circ}46'$ West 632.4 feet; thence on a curve to the left having a radius of 1910 feet a distance of 145 feet more or less, to the West line of Section 12. EXCEPT the Great Northern Railroad right-of-way, if any; ALSO EXCEPT that portion thereof conveyed to Skagit County by deed recorded July 31, 1930 as Auditor's File No. 255932 in Volume 155 of Deeds, Page 346, records of Skagit County, Washington; AND FURTHER EXCEPT that portion, if any, conveyed to Thelma Evensen by deed recorded October 11, 1940 as Auditor's File No. 33041 in Volume 181 of Deeds, Page 454, records of Skagit County, Washington; AND FURTHER EXCEPT that portion thereof, if any, lying within the existing as-built rights-of-way for State Route 20; AND FURTHER EXCEPT those portions thereof, if any, lying within the bed and shores of the Skagit River and/or the former bed and shores of the Skagit River.

PARCEL "H":

The North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ and the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ and the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Southeast

¼, all in Section 12, Township 35 North, Range 8 East, W.M.

PARCEL "I":

The North ½ of the Northeast ¼ and the North ½ of the Southeast ¼ of the Northeast ¼ and the North ½ of the Southwest ¼ of the Northeast ¼; all in Section 13, Township 35 North, Range 8 East, W.M.; EXCEPT the three following described tracts:

- 1) Any portion of the above described subdivisions lying Southerly and Easterly of Jackman Creek.
- 2) That portion of the above described North ½ of the Southwest ¼ of the Northeast ¼ lying within those premises sold on Contract recorded 8/1/1933 as Auditor's File No. 257244 to Harry J. Theodoratus, et ux.
- 3) Those portions of the North ½ of the Southwest ¼ of the Northeast ¼ and of the North ½ of the Northeast ¼ conveyed by Deed recorded 8/1/1933 as Auditor's File No. 257243 to Ingle B. Evensen, et ux.

PARCEL "J":

The Northeast ¼ of the Northwest ¼ of Section 13, Township 35 North, Range 8 East, W.M.; EXCEPT the three following described tracts:

- 1) That portion thereof conveyed by Deed recorded 8/1/1933 as Auditor's File No. 257243 to Ingle B. Evensen, et ux.
- 2) That portion thereof conveyed by Deed recorded 8/1/1933 as Auditor's File No. 257245 to Lars Moen, et ux.
- 3) That portion thereof conveyed by Deed recorded 8/1/1933 as Auditor's File No. 257346 to J.R. Godrey, et ux.

PARCEL "K":

The Southwest ¼ of Section 7, Township 35 North, Range 7 East, W.M.; EXCEPT those portions thereof lying Southerly of Jackman Creek.