

Return TO  
Joseph Aline  
1016 34th Avenue Northeast  
Great Falls, MT 59404

Agreement

This Agreement is made and entered into on the 4th day of November, 2008, at Great Falls, Cascade County, Montana by and between Lisa Barton, of Great Falls, Montana (hereafter "Seller"), and Joseph G. Aline, of Great Falls, Montana (hereafter "Buyer") and J&G Land Company, LLP, of Great Falls, Montana. In consideration of One Dollar (\$1.00) and other valuable consideration, the receipt whereof is hereby acknowledged, the Buyer and Seller agree as follows:

By this agreement Seller hereby rescinds all rights and interests previously retained regarding any and all easements related to Southern Montana Electric Generation and Transmission Cooperative, Inc.. The property is identified on "Exhibit A-1" dated February 25, 2007 as Parcel 2-A, which has the following general legal description:

A tract of land located in the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 1, Township 20 North, Range 4 East, MPM, and also in the S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 36, Township 21 North, Range 4 East, MPM, all in Cascade County, Montana.

This Agreement may be executed in duplicate, each of which shall be deemed an original.

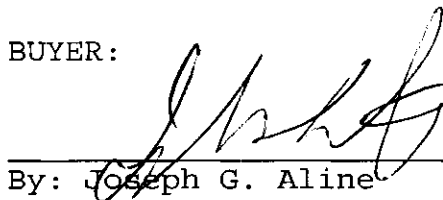
In witness whereof, the parties have executed this instrument at the place and on the date first above-specified.

SELLER:



LISA BARTON

BUYER:



By: Joseph G. Aline

J&G LAND COMPANY, LLP



By: Joseph G. Aline  
Its: Partner

**R0182609 ES**


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Cascade County, Rina Ft Moore - Clerk & Recorder



STATE OF MONTANA       )  
                                      :SS  
County of Cascade       )

On this 4th day of November, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Lisa Barton, and acknowledged to me that she executed the same.


IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first in this certificate above written.

|                                                                                   |                                    |                                        |
|-----------------------------------------------------------------------------------|------------------------------------|----------------------------------------|
|  | NOTARY PUBLIC - MONTANA            | Notary Public for the State of Montana |
|                                                                                   | (NOTARIAL SEAL) VALERIE J. SMELSER | Printed Name;                          |
|                                                                                   | Residing at                        | Residing at Great Falls, Montana       |
|                                                                                   | Great Falls, Montana               | My Commission Expires:                 |
|                                                                                   | My Comm. Expires Dec 1, 2010       |                                        |

STATE OF MONTANA       )  
                                      :SS  
County of Cascade       )

On this 4th day of November, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Joseph G. Aline, and acknowledged to me that he executed the same.

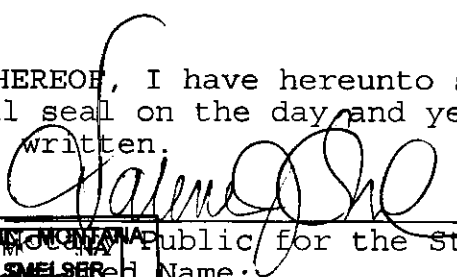
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first in this certificate above written.

|                                                                                     |                                    |                                        |
|-------------------------------------------------------------------------------------|------------------------------------|----------------------------------------|
|  | NOTARY PUBLIC - MONTANA            | Notary Public for the State of Montana |
|                                                                                     | (NOTARIAL SEAL) VALERIE J. SMELSER | Printed Name;                          |
|                                                                                     | Residing at                        | Residing at Great Falls, Montana       |
|                                                                                     | Great Falls, Montana               | My Commission Expires:                 |
|                                                                                     | My Comm. Expires Dec 1, 2010       |                                        |

STATE OF MONTANA       )  
                                      :SS  
County of Cascade       )

On this 4th day of November, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Joseph G. Aline, known to me to be a partner of J&G Land Company, LLP, and acknowledged to me that he executed the same on behalf of J&G Land Company, LLP.

IN WITNESS WHEREOF, I have hereunto set my hand  
and affixed my official seal on the day and year first in  
this certificate above written.

  
(NOTARIAL SEAL) VALERIE J. SMELSER, Notary Public for the State of Montana  
Residing at \_\_\_\_\_  
Great Falls, Montana  
My Comm. Expires Dec 1, 2010

# Exhibit "A-1"

## EASEMENT AGREEMENT

WCT 3/3/07

This Easement Agreement is made on the 25th day of February, 2008, by and between Lisa Barton, an individual residing in Great Falls, Montana (hereafter "Barton"), and J&G Land Company, LLP, a Montana limited liability partnership with its principal place of business in Great Falls, Cascade County, Montana (hereafter "J&G").

WHEREAS, on November 30, 2007, the parties entered into a Purchase And Sale Agreement (hereafter the "Agreement") providing for Barton's sale of real property located in Cascade County, Montana, to J&G. Pursuant to the Agreement the parties agreed to execute an easement agreement in a recordable form reflecting the details of certain easements set forth and created in connection with said Agreement; and

The parties hereto now make the following grants, covenants and agreements concerning said easements:

IT IS THEREFORE AGREED:

**1. Barton Easement**

J&G hereby grants to Barton and Barton's licensees, agents, guests, grantees, contractors, assignees and successors a perpetual easement and non-exclusive right-of-way to enter the property of J&G for ingress and egress, farming and ranching access, deliveries, general commercial use and general vehicular use. The Barton Easement is 60 feet in width and located on the existing road running along the entire length of the southern boundary of Parcel 2-A as shown on Exhibit A

*Easement Agreement- Page 1*

**R0167169 ES**

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Cascade County, Rina Ft Moore - Clerk & Recorder



# Exhibit "A-1"

which is attached hereto and incorporated herein as though set forth fully. Barton's authorized and permitted use includes Barton's authority to allow Southern Montana Electric Generation and Transmission Cooperative, Inc. (hereafter "SME") and the employees, representatives, assigns and successors of SME to use this easement for Installing And Maintaining underground water and sewer pipelines and for general commercial business use in connection with the Highwood Generating Station coal plant operations. Barton's authority to permit SME to use this southern easement as provided herein is conditioned on SME acquiring such permissive use from Barton within one year of the closing date of the Agreement.

J&G may bring the land subject to the Barton Easement up to grade by adding fill to the area so the Barton Easement is the same grade as the adjoining land owned by Malmstrom Air Force Base. However, in doing so, J&G will not alter the accessibility, usefulness, nature or condition of the existing road where the Barton Easement is located.

For purposes of this section, "Installing And Maintaining" means trenching ground necessary to install underground water and sewer pipelines; placement of the pipelines; inspecting the pipelines; repairing the pipelines; replacing the pipelines; rebuilding the pipelines; erecting necessary appurtenances and improvements incidental to the pipelines; clearing brush, trees, and other objects from the area of the pipelines; and other activities incidental or reasonably related to installing and maintaining underground water and sewer pipelines.

The property subject to the Barton Easement is located within the parcel identified on Exhibit A as Parcel 2-A, which has the following general legal description:

A tract of land located in the N  $\frac{1}{2}$  N  $\frac{1}{2}$  of Section 1, T.20N., R.4E., and in the S  $\frac{1}{2}$  SW  $\frac{1}{4}$  of Section 36, T.21N., R.4E., P.M.M., Cascade County, Montana, described as follows:

Beginning at the NW corner of said Section 1;

*Easement Agreement- Page 2*

# Exhibit "A-1"

thence N.89°58'00"E., a distance of 632.60 feet to the SW corner of said Section 36;  
thence N.00°03'45"E., a distance of 1325.95 feet to the S 1/16 corner between said Section 36 and Section 35;  
thence S.89°40'23"E., a distance of 1320.99 feet to the SW 1/16 corner of Section 36;  
thence S.19°47'26"E., a distance of 417.91 feet;  
thence S.48°45'29"E., a distance of 231.26 feet; S.01°34'55"W., 164.32 feet,  
thence S.27°44'58"E., a distance of 242.88 feet;  
thence S.09°53'34"E., 256.23 feet;  
thence S.17°08'39"W., a distance of 830.76 feet;  
thence N.86°24'18"E., a distance of 2266.85 feet;  
thence S.12°13'44"E., a distance of 425.00 feet to a point on the south line of an abandoned railroad right-of-way;  
thence along said south line, S.83°17'00"W., a distance of 1203.18 feet;  
thence N.00°26'45"W., a distance of 99.98 feet to a point on the north right-of-way line of said railroad;  
thence along said north line, S83°17'00"W., a distance of 2637.93 feet to a point on the west boundary of said Section 1;  
thence N.01°56'27"W., a distance of 1226.41 feet to the point of beginning.

Said tract of land contains 129.775 acres, less 0.511 acres per deed Book 309, Page 170, for a net area of 129.264 acres, along with and subject to any easements of record or implied.

Barton shall repair the property subject to the Barton Easement to the extent such repairs are caused by or necessitated due to Barton's use of the Barton Easement. Barton shall not be responsible for paving the road where the Barton Easement is located or making any other material alterations to the property on which the Barton Easement is located. J&G shall be responsible for repairing the road subject to the Barton Easement if such repairs are necessitated as a result of J&G's use of the Barton Easement.

With respect to SME's payment to Barton for the right to use the Barton Easement and install and maintain underground pipelines, the obligations and rights of the parties concerning such issue are governed by the terms of the Agreement.

## **2. J&G Easement**

Barton grants to J&G and to the licensees, agents, guests, grantees, successors,

*Easement Agreement- Page 3*

# Exhibit "A-1"

contractors, and assigns of J&G a perpetual easement and non-exclusive right-of-way to enter the property of Barton for the purpose of ingress and egress and general commercial use along the southern boundary of Parcel 1-A to the easterly boundary of Parcel 1-A as reflected on Exhibit A.

The J&G Easement shall be 60 feet in width and located on the existing road running along the length of the southern boundary of Parcel 1-A as shown in Exhibit A. The property subject to the J&G Easement is located within the parcel identified in Exhibit A as Parcel 1-A, which has the following general legal description:

A tract of land located in the N  $\frac{1}{2}$  N  $\frac{1}{2}$  of Section 1, T.20N., R.4E, and being the SE  $\frac{1}{4}$  of Section 36, T.21N., R.4E., P.M.M., Cascade County, Montana, described as follows:

Beginning at the S.E. corner of said Section 36,  
thence N.89°22'25"W., a distance of 642.59 feet to the NE corner of said Section 1;  
thence S.00°28'00"E., a distance of 711.85 feet to a point on the south line of abandoned railroad right-of-way;  
thence along said south line, S.83°17'00"W., a distance of 732.77 feet;  
thence N.12°13'44"W., a distance of 425.00 feet;  
thence S.86°24'18"W., a distance of 2266.85 feet;  
thence N.17°08'39"E., a distance of 691.24 feet to a point on the south line of said Section 36;  
thence N.89°44'44"E., a distance of 894.81 feet to the S  $\frac{1}{4}$  corner of said Section 36;  
thence N.00°04'11"W., a distance of 2618.00 feet to the C  $\frac{1}{4}$  corner of said Section 36;  
thence S.89°27'58"E., a distance of 2648.43 feet to the E  $\frac{1}{4}$  corner of said Section 36;  
thence S.00°18'55"E., a distance of 2607.24 feet to the point of beginning.

Said tract of land contains 195.663 acres, less 0.055 acres per deed Book 330, page 531, for a net area of 195.608 acres, along with and subject to any easements of record or implied.

J&G shall repair the property subject to the J&G Easement if such repairs were caused or necessitated by J&G's use of the J&G Easement. J&G shall not be responsible for paving the road where the J&G Easement is located or making any other material alterations to the property on which the J&G Easement is located. Barton shall be responsible for repairing the road subject to

# Exhibit "A-1"

the J&G Easement if such repairs are necessitated as a result of Barton's use of the road where the J&G Easement is located.

### 3. Adjacent Property Easement

In the event J&G obtains an easement and right of way access for ingress and egress across the adjacent property located directly to the east of Parcel 1-A, J&G shall include in its permitted scope of access rights obtained from the adjacent landowner Barton's ingress, egress and general right of way use rights to access the adjacent property where J&G's easement is located. Likewise, in the event Barton obtains an easement and right of way access for ingress and egress across the adjacent property to the east of Parcel 1-A before J&G obtains such an easement, Barton shall include in her permitted scope of access rights obtained from the adjacent landowner J&G's ingress, egress and general right of way use rights to access the adjacent property where Barton's easement is located.

### 4. Common Covenants and Agreements

These covenants are included in each of the above separate easements and rights-of-way and are made for the benefit of both parties except as specified otherwise:

A. Barton shall indemnify J&G from and against any and all claims, actions, costs and expenses, including attorney fees, arising out of or in connection with Barton's use of the Barton Easement. J&G shall indemnify Barton from and against any and all claims, actions, costs and expenses, including attorney fees, arising out of or in connection with J&G's use of the J&G Easement.

B. In the event of a breach or default in any of the covenants or conditions of this Easement Agreement, the aggrieved party shall be entitled to pursue damages, injunctive relief,



# Exhibit "A-1"

specific performance and any other remedies available under Montana law. The party found to be at fault shall be liable to the other party for all costs and expenses including reasonable attorney fees.

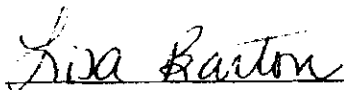
C. The Barton Easement and J&G Easement shall be subject to the parties' reasonable and periodic inspections as deemed appropriate. If either party damages the Barton Easement or the J&G Easement or the areas directly adjacent to these Easements, including the surface and subsurface, that party causing the damage shall pay the cost of repair in order that the property areas are substantially in the same condition as before the damage and repairs occurred.

E. The Barton Easement and J&G Easement herein granted shall be binding upon the successors and assigns of the parties hereto forever and shall be covenants running with the lands described herein. No provision of this Easement Agreement shall modify or is intended to modify the terms of the Agreement. In the event of a conflict between the terms of this Easement Agreement and the terms of the Agreement, the terms of the Agreement shall control.

F. The parties agree to fully cooperate with each other in fully effectuating the terms of this Easement Agreement the Agreement and shall, from time to time, execute, acknowledge and deliver to the other party such other and further documents and instruments and to do such other and further acts as may be necessary or desirable to effectuate the intent of the Agreement and this Easement Agreement.

In witness whereof, the parties have executed this instrument at the place and on the date first above-specified.

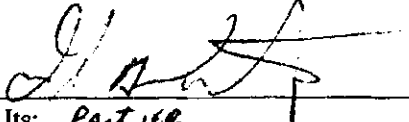
LISA BARTON


A handwritten signature in cursive script, reading "Lisa Barton", is written over a horizontal line.

*Easement Agreement- Page 6*

# Exhibit "A-1"

J&G LAND COMPANY, LLP

By:   
Its: PARTNER

By:   
Its: PARTNER

*Easement Agreement- Page 7*

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# Exhibit "A-1"

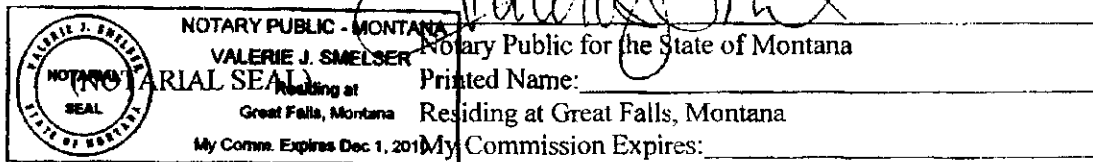
STATE OF MONTANA )

County of Cascade )

ss.

On this 25<sup>th</sup> day of February, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Lisa Barton, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first in this certificate above written.



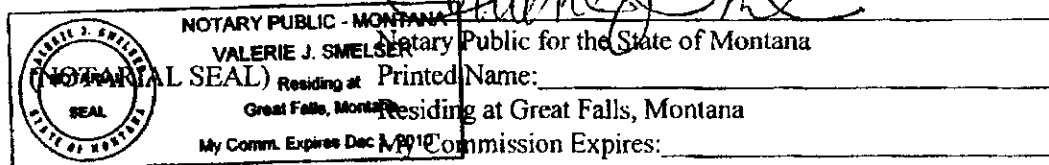
STATE OF MONTANA )

County of Cascade )

ss.

On this 27<sup>th</sup> day of February, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Joe Aline, known to me to be a partner of J&G Land Company, LLP, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first in this certificate above written.



STATE OF MONTANA )

County of Cascade )

ss.

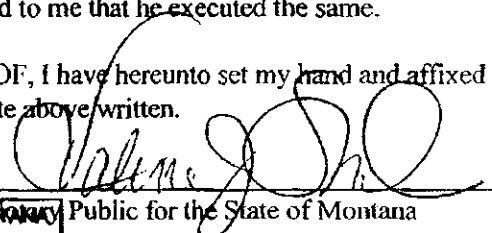
On this 25<sup>th</sup> day of February, 2008, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Gene Shumaker, known to me to be a partner of J&G


Easement Agreement- Page 8

# Exhibit "A-1"

Land Company, LLP, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first in this certificate above written.

  
\_\_\_\_\_  
NOTARY PUBLIC - MONTANA Public for the State of Montana  
MARIE J. SMELSER Printed Name: \_\_\_\_\_  
Residing at Residing at Great Falls, Montana  
Great Falls, Montana  
My Commission Expires: \_\_\_\_\_  
My Comm. Expires Dec 1, 2010



Return to:  
Smith, Oblander & Mora, PC  
PO Box 2685  
Great Falls, MT 59403

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