

## PIPELINE RIGHT-OF-WAY GRANT

**DATE:** \_\_\_\_\_, 2018.

**GRANTOR: TOWN OF CASTLE ROCK**, a Colorado municipal corporation, acting by and through the Town of Castle Rock Water Enterprise, 100 N. Wilcox Street, Castle Rock, Colorado 80104.

**GRANTEE: DISCOVERY DJ SERVICES, LLC**, a Texas limited liability company, 2859 Walnut Hill Lane, Suite 335, Dallas, Texas 75230.

### RECITALS

A. Grantee has determined it needs to acquire (i) a non-exclusive temporary construction easement over property owned by Grantor for the purpose of constructing two pipelines and related appurtenances for the transportation of gaseous petroleum products (collectively, the “Pipelines”) and (ii) a non-exclusive permanent easement for the purpose of operating, inspecting, maintaining, protecting, repairing, replacing and removing the Pipelines. Collectively, the temporary construction easement and permanent easement shall be referred to as the “Easement.”

B. The parties have agreed to the terms and consideration for the grant of the Easement.

### TERMS

1. Grantor, in consideration of Forty-two Thousand, Three Hundred and 00/100 Dollars (\$42,300) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Grantor, grants to Grantee, its successors and assigns, a non-exclusive temporary construction easement and a non-exclusive permanent easement in gross, in, over, upon, across and under the property located in Weld County, Colorado as further described in the attached ***Exhibit A*** (the “Easement Property”), together with the right of ingress and egress to and from said Pipelines, on over and across land and adjacent land owned by Grantor.

2. Grantee acknowledges the Easement Property is encumbered by the Pipeline Right-of-way Grant between Grantor and Cureton Midstream, LLC (“Cureton”), dated September 5, 2017, recorded in the Weld County public records on September 29, 2017 at Reception No. 4340318 (the “Prior Easement Agreement”). The grant of this Easement and all rights conferred upon Grantee is subordinate to the rights of the grantee and its successors and assigns under the Prior Easement Agreement. Accordingly, in the construction and maintenance of the Pipelines, Grantee shall exercise reasonable and diligent care to assure that the pipelines and facilities of Cureton under the Prior Easement Agreement are not adversely affected. Grantee agrees to comply with the conditions set forth in Cureton’s letter dated April 27, 2018, attached as ***Exhibit B***. Grantee shall give reasonable notice to Cureton Grantee’s construction plan for the Pipelines.

3. It is agreed that the Pipelines, authorized under this grant, shall be constructed a minimum depth of forty-eight (48) inches below the surface of the ground to permit normal cultivation at the time of construction, and Grantor shall have the right to fully use and enjoy the above described premises subject to the rights herein granted. The final location of the pipeline shall be clearly marked utilizing carsonite posts at the entrance and exit of the Grantor's property and every 500 lineal feet along the pipeline route.

4. Grantee shall design and construct the Pipelines in conformance with 49 CFR 192 and ASME B31.8 and follow all safety requirements contained therein.

5. Grantee agrees to reclaim those lands disturbed during construction as nearly as practicable to its original condition and reseed the same as soon as possible. Upon completion of the Pipeline installation and reseedling activities, said temporary construction easement granted shall terminate.

6. In the event Grantor, as part of its development of its facilities located on Grantor's property, determines that it is necessary to relocate the pipeline in order to accommodate municipal water facilities. Grantor shall provide Grantee with an alternative easement location reasonably acceptable to Grantee on Grantor's property and Grantee shall relocate its line, at its sole expense.

7. Grantee shall have the right to clear all trees, undergrowth and other obstructions from the herein granted permanent right-of-way, and Grantor agrees not to build, construct or create any buildings, structures or engineering works on the herein granted right-of-way that will interfere with the normal operation and maintenance of said line.

8. Except in the event of an emergency, Grantee shall provide Grantor with 48-hours' notice prior to entering onto Grantor's property to access the Easement Property. In addition, Grantee shall maintain access to Grantor's property at all times during construction, reconstruction and maintenance of the pipeline.

9. Grantee shall operate and maintain the Pipelines in compliance with all federal, state and local regulations and in accordance with all industry standards. Grantor shall properly remediate any hazardous material or other environmental contaminants introduced into the ground as a result of operation or the Pipelines. In the event of a pipeline failure, any clean up and/or mitigation shall be performed in compliance with all applicable federal, state and local laws and regulations, at no cost to Grantor.

10. Grantee agrees to pay to the owners and to any tenant, as their interests may be, any and all damages to crops, timber, fences, drain tile, or other improvements on said premises that may arise from the exercise of the rights herein granted; provided, however, that after the Pipelines have been constructed hereunder, Grantee shall not be liable for damages caused on the easement by keeping said easement clear of trees, undergrowth, and brush in the exercise of the rights herein granted. Any payment due hereunder may be made direct to the said Grantor or any one of them.

The initial consideration paid by Grantee to Grantor includes any and all damages that may be sustained by original construction of the pipeline within the easement area, including without limitation, cutting trees and damages to surface, fences or any other property owned by Grantor. If the property is leased, Grantee will settle actual damages with the tenant.

11. In the event the Pipelines herein provided for shall be abandoned or inactive for one (1) calendar year, this Easement shall become null and void; provided that the abandonment for non-use is not the direct result of war, Acts of God, rules or regulations promulgated by any government body, federal or state having jurisdiction thereof. Should Grantee discontinue the use of one or both the Pipelines within the Easement Property for (12) consecutive months, Grantee agrees to take all actions necessary to render the Pipeline(s) environmentally safe and fit for abandonment in place. All such cleanup and mitigation shall be performed in compliance with all applicable federal, state and local laws and regulations. Grantee further agrees to hold Grantor harmless and indemnify Grantor from any environmental risks associated with abandonment of the pipeline, now for in the future. Upon completion of the pipeline abandonment in place, Grantee will execute and deliver to Grantor in a timely manner a Release of Right of Way Grant for the portion of the Right of Way lands so abandoned.

12. Grantee further agrees that, if at any time, the pipeline settles or causes any settling in the area of the pipeline, it will make all necessary repairs at Grantee's sole cost and expense and pay damages to crops within a reasonable period of time.

13. Grantee shall have the sole obligation to maintain the pipeline and shall otherwise assume and be solely responsible for any and all liabilities and obligations associated with the ownership, operation, maintenance and repair of the pipeline. Grantee shall indemnify Grantor from any and all liability, costs, expense, or attorney's fees incurred as a result of Grantee's exercise of rights under this agreement. Grantee shall obtain and keep in full force and effect commercial general liability insurance applicable to all claims for personal injury and/or property damage occurring from the use and occupancy of the Easement Property by Grantee, its employees, contractors and agents, covering actions and activates authorized under this agreement in an amount not less than \$1,000,000 per occurrence. In addition, such insurance shall name Grantor as an additional insured.

14. The grant is made in consideration that Grantee, it's successors and assigns, shall hold Grantor, it's successors and assigns, harmless from damages or liability of any character which may arise out of the exercise of the rights herein granted.

15. The terms, conditions, and provisions of the contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto.

**GRANTOR:**

**TOWN OF CASTLE ROCK**, acting by and  
through the **TOWN OF CASTLE ROCK WATER ENTERPRISE**

\_\_\_\_\_  
David L. Corliss, Town Manager

STATE OF \_\_\_\_\_)

) ss.

COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_ in the year 2018, before me, the undersigned notary public, personally appeared David L. Corliss, Town Manager of the Town of Castle Rock, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal. The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

My commission expires: \_\_\_\_\_

(seal)

\_\_\_\_\_  
Notary Public

**GRANTEE:**

**DISCOVERY DJ SERVICES, LLC**,  
a Texas limited liability company

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

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_)

) ss.

COUNTY OF \_\_\_\_\_)

On this \_\_\_\_ day of \_\_\_\_\_ in the year 2018, before me, the undersigned notary public, personally appeared \_\_\_\_\_ as \_\_\_\_\_ for Discovery DJ Services, LLC, a Texas limited liability company, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

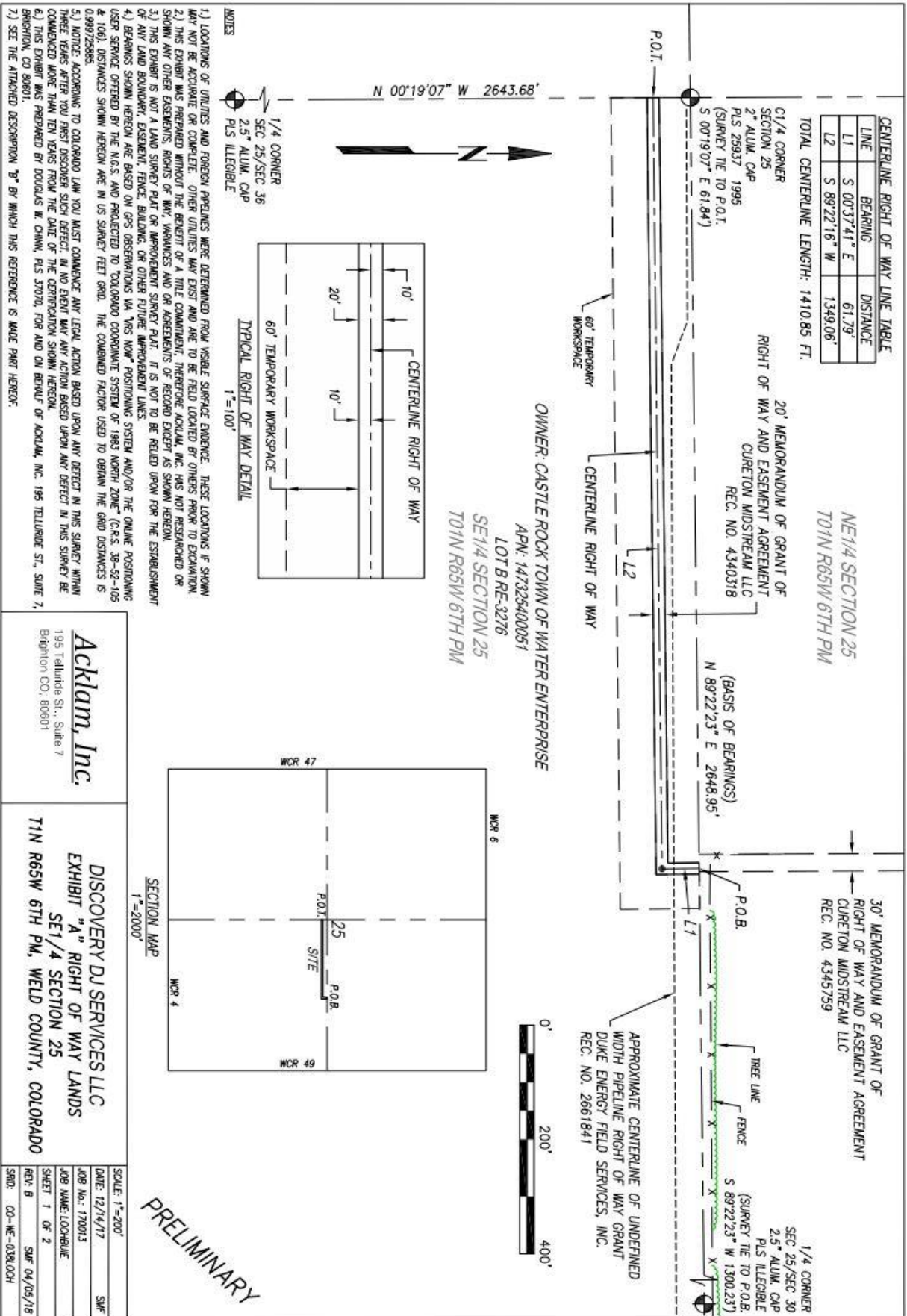
In Witness Whereof, I hereunto set my hand and official seal. The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

My commission expires: \_\_\_\_\_

(seal)

\_\_\_\_\_  
Notary Public

EXHIBIT "A"





## DESCRIPTION – RIGHT OF WAY LANDS

A PORTION OF LOT B, RECORDED EXEMPTION NO. 1473-25-4-RE-3276, ACCORDING TO THE MAP OR PLAT THEREOF FILED FOR RECORD IN THE OFFICE OF THE WELD COUNTY CLERK AND RECORDER AT RECEPTION NO. 2954449, SAID LOT B LOCATED IN THE SOUTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 01 NORTH, RANGE 65 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF WELD, STATE OF COLORADO DESCRIBED AS FOLLOWS:

### PERMANENT PIPELINE RIGHT OF WAY

A 20.00 FOOT WIDE STRIP, BEING 10.00 FEET, AS MEASURED PERPENDICULAR, LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE;

**COMMENCING** AT THE EAST ONE-QUARTER CORNER OF SAID SECTION 25 BEING AN ILLEGIBLE 2.5 INCH ALUMINUM CAP, THENCE SOUTH 89°22'23" WEST, ALONG THE NORTH LINE OF SAID LOT B AND THE NORTH LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 25, A DISTANCE OF 1300.23 FEET TO **POINT OF BEGINNING**;

THENCE OVER AND ACROSS SAID LOT B THE FOLLOWING TWO (2) COURSES AND DISTANCES;

1. SOUTH 00°37'41" EAST A DISTANCE 61.79 FEET;
2. SOUTH 89°22'16" WEST A DISTANCE OF 1349.06 FEET, MORE OR LESS TO THE WEST LINE OF SAID LOT B, THE WEST LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 25 AND THE **POINT OF TERMINUS**, FROM WHICH THE CENTER ONE-QUARTER CORNER OF SAID SECTION 25 BEING A 2 INCH ALUMINUM CAP MARKED PLS 25937 BEARS, NORTH 00°19'07" WEST A DISTANCE OF 61.84 FEET.

THE SIDELINES OF THE HEREIN DESCRIBED RIGHT OF WAY ARE SHORTENED OR LENGTHENED TO MEET AT ANGLE POINTS AND TO TERMINATE ON THE NORTH AND WEST LINES OF SAID LOT B.

THE TOTAL LENGTH OF THE ABOVE DESCRIBED CENTERLINE IS 1410.85 FEET, CONTAINING 0.648 ACRES (28217 SQUARE FEET) OF LAND, MORE OR LESS.

THE ABOVE DESCRIBED PERMANENT PIPELINE RIGHT OF WAY IS INTENDED TO LIE COMPLETELY WITHIN THE EXISTING 20' MEMORANDUM OF GRANT OF RIGHT OF WAY AND EASEMENT AGREEMENT GRANTED TO CURETON MIDSTREAM LLC FILED FOR RECORD IN THE OFFICE OF THE WELD COUNTY CLERK AND RECORDER AT RECEPTION NO. 4340318.

### NOTES:

1. SEE THE ATTACHED EXHIBIT "A" BY WHICH THIS REFERENCE IS MADE PART HEREOF.
2. THIS DESCRIPTION WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT, THEREFORE ACKLAM, INC. HAS NOT RESEARCHED OR SHOWN ANY OTHER EASEMENTS, RIGHTS OF WAY, VARIANCES AND OR AGREEMENTS OF RECORD EXCEPT AS SHOWN HEREON.
3. BEARINGS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS AND/OR THE ONLINE POSITIONING USER SERVICE OFFERED BY THE N.G.S. AND PROJECTED TO "COLORADO COORDINATE SYSTEM OF 1983 NORTH ZONE" (C.R.S. 38-52-105 & 106).
4. DISTANCES SHOWN HEREON ARE IN US SURVEY FEET GRID. THE COMBINED FACTOR USED TO OBTAIN THE GRID DISTANCES IS 0.999725885.
5. THE BASIS OF BEARINGS FOR THIS SURVEY IS THE NORTH LINE OF THE SOUTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 01 NORTH, RANGE 65 WEST OF THE 6TH P.M., SAID LINE BEING MONUMENTED ON THE WEST BY THE CENTER ONE-QUARTER CORNER OF SAID SECTION 25, BEING A 2 INCH ALUMINUM CAP MARKED PLS 25937 AND ON THE EAST BY THE EAST ONE-QUARTER CORNER OF SAID SECTION 25, BEING AN ILLEGIBLE 2.5 INCH ALUMINUM CAP AND BEARS NORTH 89°22'23" EAST.

PROJ. NO. 170013  
PREPARED BY: DOUGLAS W. CHINN  
DATE PREPARED: 12/14/17  
FOR AND ON BEHALF OF ACKLAM, INC.  
195 TELLURIDE ST., SUITE 7, CO 80601  
303.659.6267  
170013\_CO\_WEL\_038LOCH TOWN OF CASTLE\_ROCK\_REV\_B.dwg  
PRINTED: 4/5/2018 7:46:00 AM Sean Fred

### REVISIONS

NO.	DATE	BY	DESCRIPTION
B	3/5/18	SMF	ROUTE REVISION



CURETONMIDSTREAM

518 17<sup>TH</sup> ST. Ste. 650  
Denver, CO 80202  
Phone: 303-519-7246

April 27, 2018

Matthew J. Benak, P.E.  
Water Resources Manager  
Castle Rock Water  
175 Kellogg Court  
Castle Rock, CO 80109

Mr. Benak:

Per your request on April 25, 2018, Cureton has been informed that Discovery Midstream is proposing to construct (2) pipelines in the same 20' non-exclusive easement granted to Cureton. At this time, Cureton has completed construction on (1) pipeline, which is located in Section 25 of T1N R65W of Weld County, Colorado.

As discussed, Discovery is proposing to install (1) pipeline being 5'-7" to the North of Cureton's existing pipeline and install (1) pipeline being 5'-7" to the South of Cureton's existing pipeline, for a total of (2) pipelines.

Cureton requests that Discovery provide a stamped and certified plat of the proposed pipeline, as well as a proposed alignment prior to being approved by the City Council. In the event Discovery crosses Cureton's existing line, Cureton requests 14 day notification be given, so a company representative can witness the crossing with at least 18" of separation. Furthermore, Cureton also requests that Discovery provide Cureton with an as-built plat and alignment within 30 days after construction is complete.

Sincerely,

Cole Ones  
Senior Project Manager