

PERMIT #: 97-404

MISSOULA CITY-COUNTY HEALTH DEPARTMENT

301 W. ALDER

(406)523-4755

SEWER PERMIT AND APPLICATION

OWNER NAME: Wes Wills / Joyce Pederson PHONE: 677-3101OWNER ADDRESS: PO Box 689 Seelay LakeCERTIFIED INSTALLER: John MillerLOCATION OF INSTALLATION: 1/4 NW 1/4 T 16 R 15 S 20ADDRESS OF SITE: North Pond Lake Rd

CERTIFICATE OF SURVEY: # _____ SUBDIVISION: _____

LOT: _____ BLOCK: _____ TRACT: _____ SIZE OF PARCEL: 35 acresGENERAL AREA NAME: Seelay Lake

SEPARATION ADEQUATE FOR:

(INFO SUPPLIED BY APPLICANT)(CHECK ALL)

Special Conditions and Other Information

	YES	NO
WELLS >100' <u>not drilled yet</u>	☒	☒
WATER LINES >10'	☒	☐
FLOODPLAIN >100'	☒	☐
SURFACE WATER >100'	☒	☐
HGW >4', >5', >6'	☒	☐
BEDROCK >6'	☒	☐
SLOPE <25%	☒	☐
PROPERTY LINES, BLDGS >10'	☒	☐

*SANITARY RESTRICTIONS ?	YES ☐ NO ☒
*ANY EXISTING SEPTIC SYSTEMS?	YES ☐ NO ☒
UPGRADE REQUIRED?	YES ☐ NO ☒
*INSIDE OR NEAR FLOODPLAIN:	YES ☐ NO ☒
*PUBLIC SEWER LESS THAN 200 FEET:	YES ☐ NO ☒
*PROPERTY LOCATED IN MWTPSA?	YES ☐ NO ☒
FOR NEW OR INCREASED USE	
____ SUBDIVISION PLAT LANGUAGE EXISTS	
____ DEED RESTRICTION FILED	
*PROPERTY LOCATED IN S.T.E.P. AREA?	YES ☐ NO ☒
____ CITY S.T.E.P. TANK & PERMIT REQUIRED	

SOIL TYPE: Sandy loam

WATER SUPPLY: _____

TYPE OF SYSTEM TO BE INSTALLED: X NEW: _____ REPLACEMENTSYSTEM SIZING: X RESIDENTIAL #OF BEDROOMS: 5 GAL/DAY: 525

COMMERCIAL USE _____ GAL/DAY: _____

APPLICATION RATE (Gal/day or sq. ft./bedroom): 1.2

FROM: PLAT APPROVAL _____; SITE EVALUATION _____; ENGINEER _____

SYSTEM SIZE & DESCRIPTION: 1000 Gallons (X concrete, _____ S.T.E.P., _____ other) septic tankwith 220 lineal feet of 24 inch trench drainfield as per site plan attached. Install an 8 inch capped riser from tank to surface.

S.T.E.P. tanks requires manway and lid to be inspected by the City.

SPECIAL CONDITIONS: Dosing Dist box required. Pump system may be necessary

As purchaser of this permit, I agree to comply with all requirements for installation as described in Missoula City-County Health Code Regulation #1, State Water Quality Bureau Regulations and special conditions described above. This document does not release me from complying with any other State, Federal or Local regulations including but not limited to zoning, building and floodplain regulations.

This permit is valid for twelve (12) months from date of purchase. Sewage disposal systems must be completed within this time and inspected by the Department prior to covering the system. A copy of this permit is to be on site at all times during construction and inspection of the system. Please use the permit number in the upper right hand corner for reference when you call for a final inspection.

Permit purchaser: [Signature] Date: 11/18/97Health Authority: [Signature] Date: 11/18/97

BOOK 510 PAGE 1237

132
88**DEED OF CONSERVATION EASEMENT**

THIS GRANT DEED OF CONSERVATION EASEMENT is made this day of July 15, 1997 by **Edgewater Ranches, L.L.C.** whose address is Box 1975, Bigfork, Montana 59911, (hereinafter referred to as the "Grantor"), and **Five Valleys Land Trust, Inc.** a Montana NonProfit corporation with a mailing address of P.O. Box 8953, Missoula, MT 59807 (hereinafter referred to as the "Grantee").

WITNESSETH THAT:

WHEREAS, the Grantor is the owner of certain real property in Missoula County, Montana, consisting of **35.163** acres, more or less, more particularly described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property"); and,

WHEREAS, the Property has significant open space values as defined in Section 76-6-104, Montana Code Annotated (MCA), and provides significant relatively natural habitat for native plants and wildlife; and,

WHEREAS, protection of the Property will contribute to the ecological integrity of the Placid Lake area, and will conserve significant relatively natural habitat for wildlife and plants; and,

WHEREAS, all of these natural elements and ecological values are of great importance to the Grantor and to the people of the State of Montana, and are worthy of preservation; and,

WHEREAS, the Grantor, as owner of the Property, owns the affirmative rights to identify, preserve, and protect in perpetuity its open space character and its significant relatively natural features and values; and,

WHEREAS, the Grantee is organized to preserve and protect natural areas and ecologically significant land for scientific, charitable, and educational purposes; and,

WHEREAS, the state of Montana has recognized the importance of private efforts toward preservation of natural systems in the state by enactment of Section 76-6-201, et seq., MCA; and

WHEREAS, the Grantee is a private organization qualified under the terms of Sections 76-6-104(5) and 76-6-204, MCA, and under Section 170(h)(3) of the Internal Revenue Code of 1954, as amended, to acquire and hold conservation easements;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, based upon the common Law, and further, pursuant to Section 76-6-201 et seq., MCA,

BOOK 510-ACF 1238

the Grantor hereby conveys to the Grantee, and its successors and assigns, a perpetual Conservation Easement (hereinafter referred to as the "Easement") consisting of the rights and restrictions hereinafter enumerated, over and across the Property.

A. Purposes.

It is the purpose of this Easement to preserve and protect in perpetuity and to enhance and, in the event of their destruction, to restore the open space, historic and significant relatively natural features and values of the Property. It is further the specific purpose of this Easement to conserve important wetland, riparian and forest habitat for deer, moose, passerine birds, raptors, and other wildlife species, and to protect rare or unique native plants currently known or later identified, and to conserve the diverse vegetative communities and the wildlife inhabiting these communities. In achieving these purposes, it is the intent of this conservation easement to permit the continuation of such uses of the Property as may be conducted consistent with the conservation values protected herein.

Pursuant to the terms of Section 76-6-107, MCA, the Property preserved hereby as natural land may not be converted or directed to any uses other than those provided herein.

B. Easement Documentation Report.

Competent naturalists familiar with the Property have collected baseline data (herein after referred to as the "Report") which establishes the condition of the Property and its resources as of the date of execution of this Easement. An original of the Report will be maintained on file with the Grantee and a copy shall be furnished to the Grantor. By this reference, the Report is made a part of this Easement. Exhibit "B", attached hereto contains a written acknowledgment that Grantor and Grantee agree that the Report, or the data that has been gathered and that will be included in the Report, accurately represents the condition of the property at the time of the donation of this Easement, as required by Treasury Regulation Section 1.170A-14(g)(5)(i). The parties further agree that, in the event a controversy arises with respect to the biological or physical condition of the Property or a particular resource thereof, the parties shall not be foreclosed from utilizing the Report or an other relevant document, survey, or report to assist in the resolution of the controversy. The parties further agree that if the Report contains any summaries of, or representations about, the terms and conditions of this Easement, any conflict or

BOOK 510 PAGE 1239

inconsistency between the terms and conditions of this Easement and the Report shall be governed by the express terms and conditions contained herein and not in the Report.

C. Rights of the Grantee.

The rights conveyed to the Grantee by this Easement are the following:

1. To identify, to preserve and protect in perpetuity and, in the event of their destruction, to restore the open space and significant relatively natural ecological features and values of the Property, subject, however, to Grantor's reserved rights as herein provided and further subject to all third party rights of record in the Property existing at the time of conveyance of this Easement and not subordinated to this Easement.

2. To enter upon the Property to enforce the rights herein granted, to study and make scientific observations of its ecosystems, and to determine whether the Grantor's activities are in compliance with the terms of this Easement, all upon prior notice to the Grantor and in a manner that does not unreasonably disturb the use of the Property by the Grantor consistent with this Easement. The Grantee shall also have the right of immediate entry to the Property if, in its sole judgment, such entry is necessary to prevent damage to or the destruction of the conservation values protected by this Easement. Aside from the rights of access granted in the preceding sentences of this paragraph 2, this Easement does not grant to Grantee, or to the public, any rights to enter upon the Property.

3. To enjoin any activity on or any use of the Property that is inconsistent with this Easement and to enforce the restoration of such areas or features of the Property as may be damaged by such activities.

D. Consistent Uses of the Property.

The following uses and practices by the Grantor, though not an exhaustive recital of consistent uses and practices, are consistent with this Easement. Certain of these consistent uses and practices are identified herein as being subject to specified conditions or to the requirement of and procedures for prior approval by the Grantee as described in Paragraph E; the remainder of these consistent uses shall not be precluded, prevented, or limited by this Easement.

BOOK 510 PAGE 1240

1. General

-Use of the property for residential purposes and for quiet enjoyment, nature study and family activities.

2. New Structures, Roads and other Facilities

-Construction, maintenance and repair within the "Residential Area" described in Exhibit A. of one single-family residence, one guest house and such outbuildings as are appropriate and necessary for residential use, except that no construction may take place within fifty (50) horizontal feet of the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation (as delineated in Exhibit B). Appropriate structures specifically can include corrals and barns for the purpose of maintaining horses within the "Residential Area", and subject to the same restrictions as all other structures. No structures of any kind will be permitted on the Property, outside of the delineated "Residential Area."

-Construction, maintenance and repair of permanent roads which access or will provide access to the Property, and which specifically provide access to the "Residential Area" described in Exhibit A, except that no permanent roads may be constructed within fifty (50) horizontal feet of the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation., and no permanent roads may be constructed on the Property, outside of the delineated "Residential Area."

-Construction, maintenance, repair and replacement of wells, drain fields and associated pipes, septic systems, roads, and utility structures as necessary to serve the "Residential Area".

-Construction, maintenance, repair, and in the event that they are destroyed, reconstruction of fences on the Property, all in such a manner as not to restrict or impede wildlife movement into or out of the Property, except that "wildlife fences" may be erected within the "Residential Area" to protect gardens and landscaping from wildlife damage.

-Construction, maintenance , repair, and, in the event it is destroyed, reconstruction of a permanent dock facility for recreational and boating use, at a location on the southeast portion of the property, no more than two hundred forty (240) feet north of the southeast

BOOK 510 PAGE 1241

corner of the Property boundary, as depicted on Exhibit A. Location of the dock facility will be accomplished through consultation with the Five Valleys Land Trust according to the conditions of Paragraph E. below.

-Construction, maintenance, repair, and, in the event it is destroyed, reconstruction of a "roll out" dock facility within sixty (60) feet of the southwest boundary of the Property, as depicted on Exhibit A.

3. Landscaping and Gardening

-To establish and maintain such lawns and gardens containing both native and non-native plant species as Grantor chooses, within the "Residential Area", except that lawns and gardens may not be established within fifty (50) feet of the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation.

4. Weed Control and Vegetation Management

-Use of biological, chemical and other weed and insect control agents, including, but not limited to, pesticides, herbicides, insecticides, and rodenticides, but only in those amounts necessary to accomplish reasonable stewardship objectives, or as specifically prescribed by a governmentally authorized noxious weed control program. All such use shall conform with all existing regulations.

-The removal of vegetation within the "Residential Area", except that no vegetation may be removed, altered or otherwise disturbed within twenty (20) horizontal feet of the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation without prior approval of the Five Valleys Land Trust, in accordance with Paragraph E., below.

5. Timber

-Use of timber cutting, prescribed burning and other silvicultural tools (a) for purposes of improving the health and safety of the forest and timber resources on the property, (b) for purposes of returning the property's forest resource to a more natural state, and (c) for the prevention of wildfire, all subject to the Grantee's approval of a timber harvest plan, and/or a fire hazard reduction plan submitted in accordance with

BOOK 510 PAGE 1242

Paragraph E. below. Any timber harvest must be performed in accordance with forestry practices which are consistent with the general and specific intentions of the Grantor, as expressed in this Easement, must conform to currently accepted Best Management Practices, guidelines, or regulations, and must minimize soil disturbance, vegetation damage, and impacts on the integrity of the watershed, water quality, wildlife habitat, and the natural scenic and aesthetic qualities of the Property.

-Grantor specifically reserves the right to remove trees and timber without the prior approval of Grantee under the following circumstances: (a) Trees which present a hazard to persons or property may be removed; (b) Trees, brush and other native and non-native vegetation located within two hundred-fifty (250) feet of any structures may be removed to reduce or eliminate fire hazard, except that no vegetation may be removed, altered or otherwise disturbed within twenty (20) horizontal feet of the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation, without prior approval of the Five Valleys Land Trust, in accordance with Paragraph E. below ; (c) Dead and diseased trees may be removed by Grantor for use as firewood.

6. Transfer of Property

-To sell, exchange, devise, gift, or otherwise convey title to the Property as a single unit or parcel. The Grantor shall furnish the Five Valleys Land Trust with a copy of any document or conveyance utilized to effect the transfer of the Property within thirty (30) days after the execution of the document or conveyance. The property shall be conveyed expressly subject to all terms, conditions, rights, restrictions and obligations contained in this Easement, including the restrictions on subdivision contained in Paragraph F3 below.

Grantor retains the right to enter into leases, licenses or other transfers of indicia of a right of occupancy or use of the Property, in whole or in part, provided such agreements are made expressly subject to the terms and conditions of this Easement. Grantor expressly conveys to Grantee the right to enforce this Easement against, and to seek and recover all remedies for violation of the terms of this Easement from, all tenants or other occupants residing on or using the property with Grantor's knowledge or consent.

BOOK 510 PAGE 1243

7. Reservation of Residual Rights

-Except as expressly limited herein, Grantor reserves and retains all rights associated with ownership of the Property, including all rights to engage in or to permit others to engage in all uses of the Property that are not inconsistent with the purposes of this Easement.

E. Prior Notice and Approval.

The Grantor shall not undertake or permit any activity requiring prior approval of the Grantee without first having notified the Grantee of the desired activity and having received approval from the Grantee as provided herein.

Prior to the commencement of any activity which requires Grantee's prior approval, the Grantor shall send the Grantee a written request for permission to undertake or permit such activity. The notice shall inform the Grantee of all aspects of the proposed activity, including location, design, materials or equipment to be used, dates and duration, an address to which a reply from the Grantee must be sent and any other relevant information, and shall be sent by registered or certified mail, return receipt requested, to the Grantee at the address for stated above or such addresses as the Grantor may be from time to time informed in writing by the Grantee.

The Grantee shall have thirty (30) days from receipt of the notice, as indicated by the date of the return receipt, to review the proposed activity and to notify the Grantor of any objections thereto, unless the Grantee notifies Grantor in writing that the Grantee has not received adequate information to evaluate the proposed activity. If Grantee requires additional information to evaluate the proposed activity, the Grantee shall request the information from the Grantor as soon as practicable and in any case not later than 20 days after the receipt of the notice of the proposed activity and Grantee shall have thirty (30) days after receipt of such additional information in which to review the proposed activity and to raise any objections. In the case of requests for permission to engage in a timber harvest or prescribed burn on the Property pursuant to Paragraph D4 above, the Grantee will have sixty (60) days in which to review the request.

The Grantee's decision to approve or disapprove the activity proposed by the Grantor shall be sent by registered or certified mail, return receipt requested, to the Grantor at the address provided to the Grantee in the notice. Any decision by the Grantee to disapprove a proposed activity must be based upon the Grantee's written determination that the proposed activity is inconsistent with the conservation purposes of this Easement. If in

DECK 510 PAGE 1244

the Grantee's judgment it is possible that the proposed activity can be modified to be consistent with this Easement, the Grantee's decision notice shall inform the Grantor of such modification(s). Once modification is made to the satisfaction of the Grantee, or once the Grantee otherwise concurs with the matters set forth in the Grantor's notice, the proposed activity may thereafter be conducted in the manner agreed upon by the parties.

Should the Grantee fail to post its response to the Grantor's request for prior approval within thirty (30) days of its receipt of Grantor's request, or within thirty (30) days of the time that the Grantee has received adequate information to evaluate the proposed activity, or within sixty (60) days of Grantor's request to harvest timber, whichever is later, the proposed activity will automatically be deemed consistent with the terms of this Easement, the Grantee having no further right to object to the activity identified in such notice.

F. Inconsistent Uses of the Property

The following uses and practices on the Property are inconsistent with this Easement and shall be prohibited:

1. The change, disturbance, alteration, or impairment of the significant relatively natural ecological features and values or the destruction of other significant conservation interests on the Property, including wetlands, shoreline vegetation to a point fifty (50) horizontal feet from the perimeter of the lake and any adjacent wetlands when the lake is at the mean annual high water elevation, except as specifically provided for in this Easement.

2. Filling, excavating, dredging, mining, and drilling, and the exploration for or extraction of minerals, hydrocarbons, soils, sand, gravel, rock, or other material on or below the surface of the Property except as provided in this Easement.

3. Any further or different division, subdivision, or de facto subdivision of the property is prohibited.

4. The construction or placement of any permanent roadways, buildings, temporary living quarters of any sort, mobile homes, billboards, or other structures, except those specifically provided for in Section D. of this Easement, and limited to the designated "Residential Area" only.

5. The granting of any new roadway or utility easements or rights of access through the property to any adjacent parcels, except as permitted in Section D. of this Easement. By granting this Easement, the Grantor has released and transferred to the Grantee all of his right to any such easements or right of ways, so any easements or rights

BOOK 510 PAGE 1245

of ways which the Grantor attempts to grant after the date of this Easement, except as specifically permitted in Section D above, will be void, unless the Grantee approves and executes the easement.

6. The construction of any new roads or vehicle trails, except for such roads within the designated "Residential Area" as may be necessary for the purpose of access to the residence and other structures on the Property, or the use of vehicles off of those roads in a manner which damages vegetation, or which creates permanent tracks or trails. This provision does not apply to temporary roads created as part of an approved activity, and that will be reclaimed subsequent to that activity.

7. The dumping of public or domestic refuse or hazardous, or toxic materials.

8. Any use or activity that would pollute or degrade or threaten to pollute or degrade the surface or sub-surface waters on or underlying the Property, or which would alter or disturb any watercourse on the Property.

9. The establishment or maintenance of any commercial, industrial or agricultural activity, except that the Grantor may maintain horses within the "Residential Area" and may pursue business activities on the Property, as long as they are not retail businesses open to the general public on a regular basis.

10. The grazing of horses or other livestock on any portion of the Property outside the designated "Residential Area."

11. The operation of feedlots, game farms, fur farms or commercial kennels.

12. Logging or gathering firewood for strictly commercial purposes.

13. The planting of any non-native species of trees, shrubs, flowers, grasses, or other plants, except as otherwise permitted by this Easement in Section D.

G. Remedies, Breach and Restoration.

1. **Remedies.** If Grantee determines that Grantor or a third party under Grantor's control or acting with Grantor's express or implied permission is in violation of the terms of this Easement, Grantee shall give written notice to Grantor of such violation. The Grantor shall have thirty (30) days after the receipt of such notice to undertake actions, including restoration of the Property, that are reasonably calculated swiftly to correct the conditions caused by such violation. If the Grantor fails to take such corrective action, the Grantee may at its discretion undertake such actions, including appropriate legal proceedings, as are reasonably necessary to effect such corrections, and the cost of such corrections, including the Grantee's expenses, court costs, and legal fees, shall be paid by the Grantor.

BOOK 510 PAGE 1246

In the event that Grantor undertakes or permits any activity requiring approval of the Grantee without or in advance of securing such approval, or undertakes or permits any activity in violation of the terms of this Easement, the Grantee shall have the right to force the restoration of that portion of the Property affected by the activity to the condition that existed prior to the undertaking of unauthorized activity. In such case, the costs of restoration and the Grantee's costs of suit, including reasonable attorney's fees, shall be borne by the Grantor or those of the Grantor's heirs, personal representatives, or assigns against whom a judgment is entered, or, in the event that the Grantee secures redress without a completed judicial proceeding, by Grantor or those of his heirs, personal representatives, or assigns who are otherwise determined to be responsible for the unauthorized activity. If Grantor prevails in any action to enforce the terms of this Easement, Grantor's reasonable costs of suit, including reasonable attorneys' fees, shall be borne by Grantee.

Enforcement of the terms and provisions of this Easement shall be at the discretion of the Grantee and any forbearance on behalf of the Grantee to exercise its rights hereunder in the event of any breach hereof by Grantor, his respective heirs, personal representatives, or assigns shall not be deemed or construed to be a waiver of the Grantee's rights hereunder in the even of any subsequent breach.

2. **Acts beyond Grantor's control.** Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions or threat of emergency to prevent, abate, or mitigate significant injury to the property, or the "Residential Area" resulting from such causes.

3. **Mediation.** Grantor and Grantee agree that mediation offers an alternative to the expense and time required to resolve disputes by litigation. Mediation is therefore the parties' preferred dispute resolution procedure when circumstances do not require Grantor or Grantee to seek immediate injunctive relief from the courts. In the event of any dispute between Grantor and Grantee over the meaning, requirements, interpretation, or implementation of the Easement, Grantor or Grantee may refer the dispute to mediation by written request served upon the other party. The non-requesting party shall have ten (10) days after receipt of a mediation request to consent thereto or to refuse to mediate the dispute.

CCCF 510 1247

(a) **Procedure.** Within ten (10) days after Grantor and Grantee agree to mediation of a dispute, the parties shall mutually select a mediator. Mediation hearings shall remain informal, with each party being permitted to present such facts and evidence as it may reasonably believe supports the party's position. At the conclusion of a mediation hearing, or within a reasonable time thereafter, the mediator shall recommend a resolution to the conflict or dispute that represents in the opinion of the mediator the most fair, just and equitable solution, based upon the purposes of the Easement, the positions of both parties, the evidence presented, the historical permitted uses of the Property, and the condition of the Property at the time of the conflict or dispute. Costs and expenses of mediation shall be divided equally between Grantor and Grantee.

(b) **Limitations.** Notwithstanding any provisions to the contrary, the mediation procedure set forth herein shall in no way be construed to deprive Grantor and Grantee from any judicial remedies provided at law, or by agreement herein, and is intended solely as an informal dispute resolution mechanism. Neither Grantor nor Grantee shall have the right to compel performance of the mediator's recommended solutions, unless such solutions are reduced to a binding written Agreement between Grantor and Grantee at the conclusion of the mediation process. The Parties hereto intend that each conflict and dispute submitted to mediation shall be unique, with facts, circumstances, and recommended resolutions to be determined on a case-by-case basis, without reference to prior conflicts, disputes, or the resolutions thereto.

H. **Taxes & Maintenance.**

Grantor agrees to pay any and all real property taxes and assessments levied by competent authority on the Property and to bear all costs of operation, upkeep, and maintenance of Property, and does hereby indemnify the Grantee against such expenses.

I. **Access.**

Nothing herein contained shall be construed as affording the public access to any portion of the Property.

BOOK 510 PAGE 1248

J. Assignment.

The Grantee may assign this Easement with mutual consent of the Grantor and the Grantee; provided that:

1. The Grantee requires, as a condition of such transfer, that the conservation purposes of this Easement continue to be carried out; and,
2. Any assignment may be made only to an organization qualified at the time of transfer as an eligible donee under Internal Revenue Code Section 170(h)(3) or its successor, or any regulations issued thereunder.

K. Amendment.

If circumstances arise under which an amendment to or modification of this Easement would be appropriate, the Grantor and the Grantee may jointly amend this Easement; provided that no amendment shall be allowed that affects the qualification of this Easement or the status of the Grantee under any applicable laws, including Section 170(h) of the Internal Revenue Code of 1986, as amended, or Section 76-6-201, *et seq.*, MCA. Any such amendment shall be consistent with the conservation purposes of this Easement, shall not affect its perpetual duration, shall not permit additional development or improvements to be undertaken on the Property other than development or improvements currently permitted by this Easement, and shall not impair any of the significant conservation values of the Property. Any such amendment shall be recorded in the official records of Missoula County, Montana.

L. Extinguishment and Entitlement to Proceeds: Eminent Domain.

1. **Extinguishment.** If circumstances arise in the future which render the purpose of this Easement impossible to accomplish, this Easement may only be terminated or extinguished, (as provided for in Treasury Regulations Section 1.170A-14(g)(5)(i)) whether in whole, or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the compensation to which Grantee shall be entitled from any sale, exchange, or involuntary conversion of all or any portion of the property, subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Montana law at the time, in accordance with paragraph 2 of this Section L. Grantee shall use any such proceeds in a manner consistent with the purpose of this Easement.

12

3. **Eminent domain.** If all or a portion of the Property is taken in exercise of eminent domain by public, corporate, or other authority, so as to abrogate the restrictions imposed by this Easement, Grantor and Grantee may join in appropriate actions to recover the full value of the Property (or portion thereof) taken and all incidental or direct damages resulting from such taking. Any expense incurred by Grantor and Grantee in any such action shall be first reimbursed out of the recovered proceeds; the remainder of such proceeds shall be divided between Grantor and Grantee in proportion to their interest in the Property, or portion thereof, as established by paragraph 2 of this Section L.

M. Interpretation.

The provisions of this Easement shall be liberally construed to effectuate their purpose of preserving and protecting habitat for wildlife, unique native plants, and diverse vegetative communities. No remedy or election given by any provision in this Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party and its counsel have reviewed and revised this Easement and that no rule of construction that ambiguities are to be resolved against drafting party shall be employed in the interpretation of this Easement. In the event of any conflict between the provisions of this Easement and the provisions of any use and zoning restrictions of the state of Montana,

13

BOOK 510 PAGE 1249

2. **Compensation.** This Easement constitutes a real property interest immediately vested in Grantee, which, for purposes of paragraph 1 of this Section L, the parties stipulate to have a fair market value determined by multiplying the fair market value of the Property unencumbered by the Easement (minus any increase in value after the date of this grant attributable to improvements) by the ratio of the value of the Easement at the time of the grant to the value of the Property, without deduction for the value of the Easement, at the time of this grant. The values referred to in the preceding sentence shall be those values established by Grantor's qualified appraisal (pursuant to Treasury Regulation 1.170A-13) for federal income, gift or estate tax purposes. For the purpose of this paragraph, the ratio of the value of the Easement to the value of the Property unencumbered by the Easement, as established at the time of this grant, shall remain constant. Within one (1) year of the completion of the qualified appraisal, Grantor, Grantee and Grantor's appraiser shall sign a written acknowledgment of the values thus established on a form similar to the sample attached hereto as Exhibit C. The original of said acknowledgment shall be held on file with Grantee at Grantee's normal place of business.

3. **Eminent domain.** If all or a portion of the Property is taken in exercise of eminent domain by public, corporate, or other authority, so as to abrogate the restrictions imposed by this Easement, Grantor and Grantee may join in appropriate actions to recover the full value of the Property (or portion thereof) taken and all incidental or direct damages resulting from such taking. Any expense incurred by Grantor and Grantee in any such action shall be first reimbursed out of the recovered proceeds; the remainder of such proceeds shall be divided between Grantor and Grantee in proportion to their interest in the Property, or portion thereof, as established by paragraph 2 of this Section L.

M. **Interpretation.**

The provisions of this Easement shall be liberally construed to effectuate their purpose of preserving and protecting habitat for wildlife, unique native plants, and diverse vegetative communities. No remedy or election given by any provision in this Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party and its counsel have reviewed and revised this Easement and that no rule of construction that ambiguities are to be resolved against drafting party shall be employed in the interpretation of this Easement. In the event of any conflict between the provisions of this Easement and the provisions of any use and zoning restrictions of the state of Montana,

BOOK 510 PAGE 1250

Missoula County, or any other governmental entity with jurisdiction, the more restrictive provisions shall apply. This Easement shall be interpreted in accordance with the laws of the State of Montana.

N. **Miscellaneous**

1. The terms "Grantor" and "Grantee" as used herein shall be deemed to include, respectively, the Grantor, his/her heirs, successors, personal representatives, and assigns, and the Grantee, its successors and assigns.

2. The Grantor intends that this Easement shall run with and burden title to the Property in perpetuity, and shall bind the Grantor, his/her heirs, personal representatives, and assigns.

3. Headings at the beginning of sections and subsections of this Agreement are solely for the convenience of the parties and are not a part of this Agreement. When required by the context, whenever the singular number is used in this Agreement, the same shall include the plural, and the plural shall include the singular; the masculine gender shall include the feminine and neuter genders and vice versa; the word "person" shall include corporation, partnership, and other form of association and any governmental agency or court.

4. If any provision of this Deed of Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions hereof and the application of such provision to persons or circumstances other than those to which it is found to be invalid, shall not be affected thereby.

BOOK 510 PAGE 1251

IN WITNESS WHEREOF, The parties have executed this instrument this 15th day of July, 1997.

GRANTOR:

[Signature]
Wesley A. Wills, Managing Member
Edgewater Ranches, LLC.

7/15/97
Date

GRANTEE:

FIVE VALLEYS LAND TRUST, INC.

[Signature]
Betty G. duPont, President

7/15/97
Date

[Signature]
Susan S. Masar, Secretary

7-15-97
Date

BOOK 510 PAGE 1252

STATE OF MONTANA)
)
) : ss
County of Missoula)

On this 15th day of July, 1997, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Wesley A. Wells, known to me to be the person whose name is subscribed to the within and foregoing instrument and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.



Ellen J. Knight
Notary Public for the State of Montana
Residing at: Missoula
My Commission Expires: 11/26/2000

STATE OF MONTANA)
)
) : ss
County of Missoula)

On this 15th day of July, 1997, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Betty G. duPont, known to me to be the President of Five Valleys Land Trust, Inc., whose name is subscribed to the within and foregoing instrument and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.



Ellen J. Knight
Notary Public for the State of Montana
Residing at: Missoula
My Commission Expires: 11/26/2000

BOOK 510 PAGE 1253

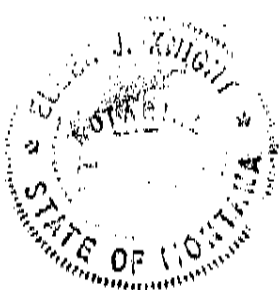
STATE OF MONTANA)

County of Minionda)

: ss

On this 15th day of July, 1997 before me, the undersigned, a Notary Public for the State of Montana, personally appeared Susan B. Maser, known to me to be the Vice-President of Five Valleys Land Trust, Inc., whose name is subscribed to the within and foregoing instrument and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

Ellen J. KnightNotary Public for the State of MontanaResiding at: MiniondaMy Commission Expires: 11/26/2000

BOOK 510 PAGE 1254

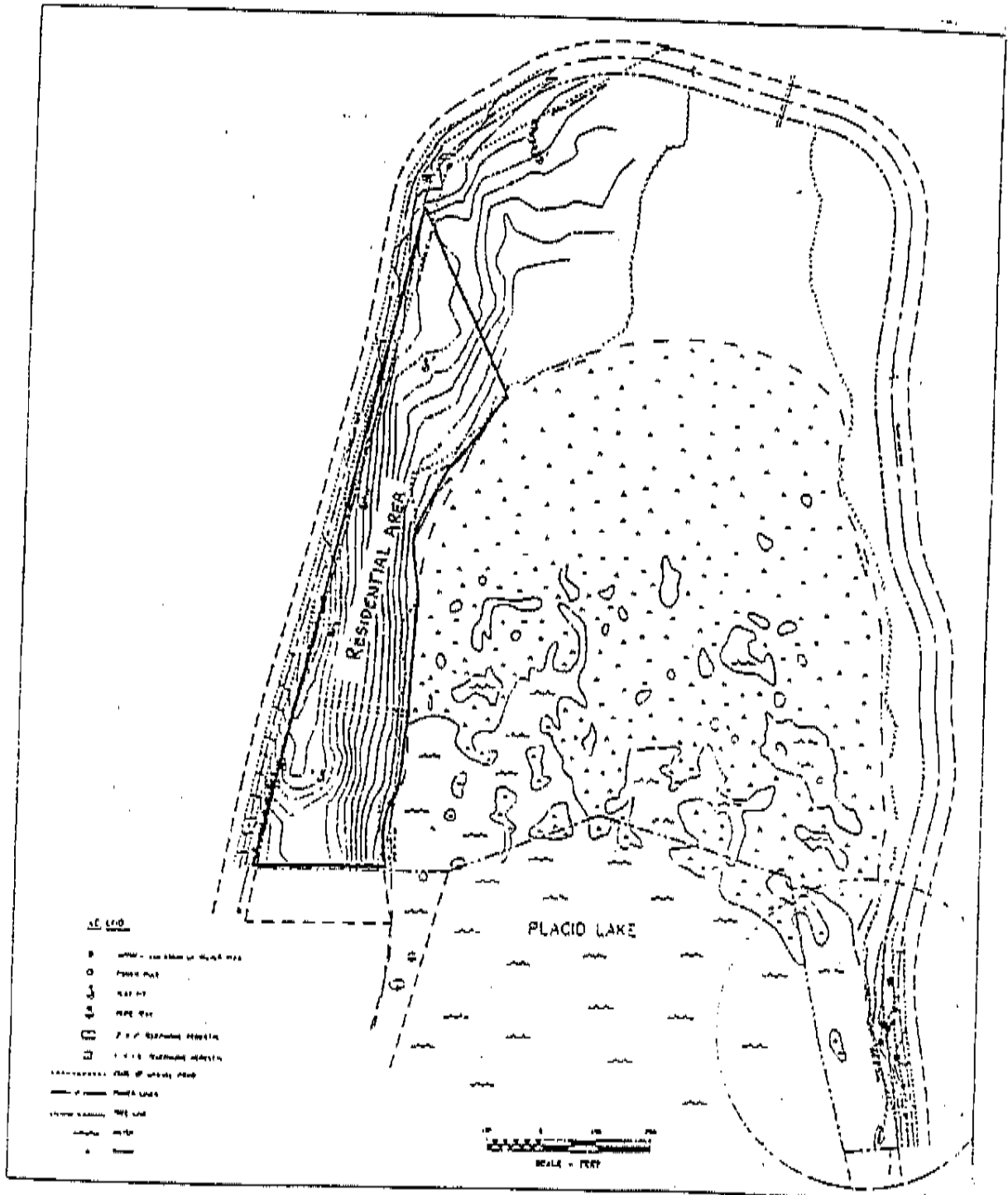
EXHIBIT A
LEGAL DESCRIPTION

Tract 1 of Certificate of Survey No. 4594, located in the S1/2 of Section 17 and Government Lot 1 in Section 20, Township 16 North, Range 15 West, P.M.M., Missoula County Montana.

(see attached map and copy of COS No. 4594)

BOOK 510 PAGE 1255

EXHIBIT A
EDGEWATER RANCHES-PLACID LAKE
EASEMENT MAP



BOOK 510 PAGE 1257

EXHIBIT B

ACKNOWLEDGEMENT OF INSPECTION OF RESOURCE DATA

KNOW ALL PEOPLE BY THESE PRESENTS, that NESLEY A. WILK, Managing Member of Edgemont Farms, L.L.C., as Grantor, and Five Valleys Land Trust, Inc., of P.O. Box 8953, Missoula, MT 59807, as Grantee of the Conservation Easement to which Exhibit B is attached and into which it is incorporated by reference, hereby mutually acknowledge, declare and agree as follows:

1. Grantor made available to a representative of Grantee prior to the grant of this Easement, information sufficient to document the condition of the natural resources and conservation interests associated with the Property which is subject to this Easement.
2. A representative of Grantee has collected and compiled data sufficient to establish the condition of the Property as of the date of the grant of this Easement has shared this information and data with Grantor.
3. The data collected to be included in a resource documentation report was compiled by a representative of Grantee on a site visit to the Property on Placid Lake, and consists of the following: discussion and mapping of plant communities, wildlife habitat, water resources, and ecological features; listing of plant and animal species occurring on the Property; discussion of land uses and condition of the Property's natural resources; and photographs of structures, developments, improvements, and other appropriate subjects.
4. Grantor and Grantee mutually acknowledge and agree that this information constitutes an accurate representation of the Property to be subject to this Easement at the time of its grant.
5. Grantor and Grantee agree that the final resource documentation report shall be reviewed and approved in final form by both Grantor and Grantee, and shall be on file with Grantee at its normal place of business.

DATED this 15th day of July 19 97

GRANTOR

[Signature]

GRANTEE

FIVE VALLEYS LAND TRUST, INC.

[Signature]
Betty G. duPont, President

[Signature]
Susan S. Masar, Secretary

BOOK 510 PAGE 1258

EXHIBIT C

ACKNOWLEDGEMENT OF VALUE OF CONSERVATION EASEMENT

_____, of _____, Montana, Grantor of a Deed of Conservation Easement dated _____, 199_, and recorded on _____, at (book and page), Records of _____ County, Montana, the Five Valleys Land Trust of Missoula, Montana, Grantee of said Conservation Easement, and _____, of _____, Montana, appraiser of the Property subject to the Conservation Easement, hereby acknowledge, declare and agree as follows:

1. That the value of the Property immediately prior to encumbrance by the grant of the Conservation Easement was _____, and the value of the Property immediately after the conveyance of the Conservation Easement to the Five Valleys Land Trust, Inc. was _____.

2. Thus, the parties hereto agree that the grant of the Conservation Easement reduced the value of the Grantor's interest in the Property by _____ percent (%).

The original of this Acknowledgement will be retained in the files of Five Valleys Land Trust, Inc., or its successors and assigns, at its normal place of business

DATE _____

GRANTOR(S) _____

DATE _____

PRESIDENT
FIVE VALLEYS LAND TRUST, INC.

DATE _____

APPRAISER _____

'97 JUL 15 PM 12:03

9714029

I RECEIVED AND FILED THIS INSTRUMENT FOR RECORD ON THE 15 DAY OF July 1997 AT 1203 O'CLOCK P. M. AND IT IS RECORDED IN VOL. 510 OF MICRO RECORDS OF THE COUNTY OF MISSOULA, STATE OF MONTANA, ON PAGE 1237 FEE 132 PAID CK
RETURN TO _____
ADDRESS Grantee BY _____
WITNESS MY HAND, VICKIE M. ZEIER, COUNTY RECORDER
DEPUTY DOC E

Return to: Grantee